Eesti Energia

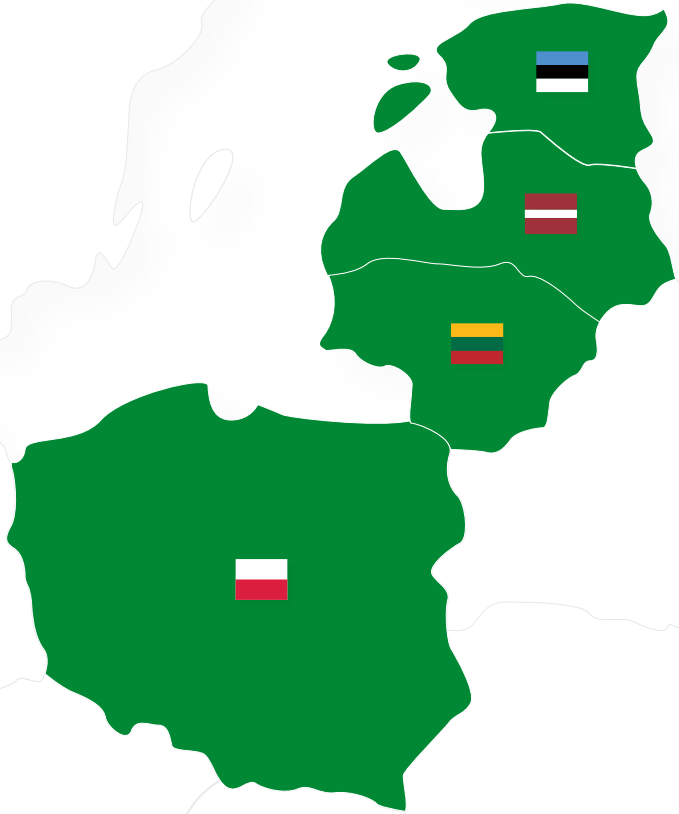
Interim report

1 January – 31 March 2026

Contents

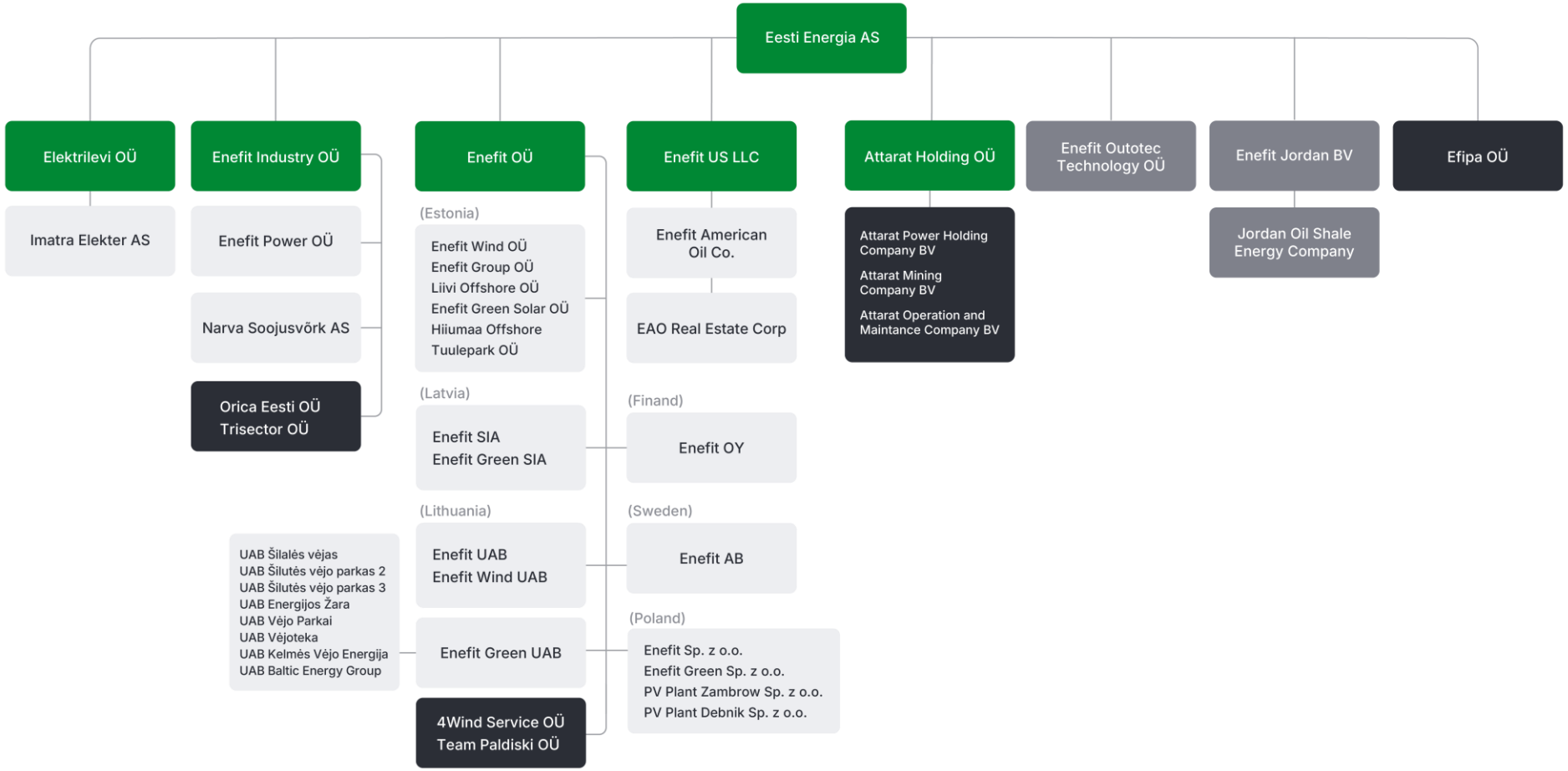
This is Eesti Energia

- Established **in 1939**
- **100%** owner: **Republic of Estonia**
- **4,604 employees**
- **3 business lines:**
    - **Electricity business** (Enefit) integrates generation, portfolio management, sales, and customer relationships, covering the entire electricity value chain. Enefit produces energy from renewable sources and offers smart, convenient energy solutions that improve efficiency and reduce environmental impact.
    - **Industry business** (Enefit Industry) covers liquid fuels production, circular economy solutions, and dispatchable electricity and heat generation. It is also responsible for ensuring security of supply and providing system services.
    - **Distribution network business** (Elektrilevi) focuses on the development of the electricity network and the provision of a reliable distribution network service. Elektrilevi delivers electricity to nearly all households and businesses in Estonia and is responsible for the maintenance, development, and security of supply of the distribution network.
- **4 home markets:** Estonia, Latvia, Lithuania, Poland



The Structure of Eesti Energia Group

As at 31 March 2026



100% owned by Eesti Energia AS | Company with majority ownership by Eesti Energia | Company with strategic minority ownership by Eesti Energia | 100% owned by a subsidiary of Eesti Energia AS

Key Figures and Ratios

		Q1 2026	Q1 2025
Total electricity sales	GWh	2,697	2,877
Electricity distributed	GWh	2,134	1,897
Shale oil sales	th t	113	127
Average number of employees	No.	4,546	4,785
Electricity production	GWh	1,261	1,329
incl renewable electricity production	GWh	680	708
Shale oil production	th t	118	122
Heat production	GWh	348	343
Sales revenues	m€	566.3	522.0
EBITDA	m€	119.0	113.8
Net profit	m€	49.1	69.8
Investments	m€	51.1	97.2
Cash flow from operating activities	m€	86.4	143.4
Non-current assets	m€	3,949	4,092
Equity	m€	2,068	2,423
Net debt	m€	1,283	1,153
Net debt / EBITDA	times	4.0	3.0
EBITDA margin	%	21.0	21.8
ROE*	%	(2.1) [6.2]	2.5 [8.6]

** The value shown in square brackets represents the return on equity (ROE) excluding the impact of asset impairments*

Operating Environment

The energy sector plays a vital role in the functioning of the economy and society because its operators ensure the availability and security of energy supply, which is essential for everyday life and business.

As an international energy company, Eesti Energia must consider various factors that affect its operating environment, including market price fluctuations, regulations, weather conditions, and the global economic and political situation. Our activities are also driven by key trends in the development of the energy sector, such as expectations regarding climate change, technological innovations and breakthroughs, and the need to provide customers with sustainable and flexible energy solutions.

The following trends in market prices (compared to a year earlier) had a significant impact on our business in the first quarter of 2026:

- Electricity prices in the Baltic countries were highly volatile, driven by high winter demand and an increase in the share of renewable energy towards the end of the quarter.
- The average price of natural gas fell, but natural gas markets faced price pressures due to the winter season and geopolitical risks.
- Emission allowance prices rose slightly.
- Global market prices for oil products showed mixed trends — the average price of Brent crude oil was slightly higher than in the same period last year, primarily due to the risk premium and price volatility resulting from geopolitical uncertainty and military operations. Prices for refined liquid fuels, including fuel oil, decreased mainly due to regional and seasonal market conditions.

Average electricity prices in our core markets rose in the first quarter of 2026

Estonia is a member of Nord Pool, the Nordic and Baltic power exchange, where electricity generators sell their electricity to the exchange and electricity suppliers buy it for resale to end consumers. Nord Pool prices are determined in each price area based on the relationship between supply and demand. Our operations are most affected by electricity prices in Estonia, Latvia, Lithuania and Poland, as we both produce and sell electricity in these countries.

The electricity markets in Estonia and its neighbouring countries are closely interconnected by transmission cables. This means that electricity generation and prices are also influenced by various factors beyond our main markets, such as water levels in Norwegian hydropower reservoirs, regional wind conditions and natural gas prices. Additionally, potential disruptions to transmission cables can strongly impact the balance between electricity supply and demand, causing price volatility.

Average electricity price (€/MWh)	Q1 2026	Q1 2025	Change
Estonia	122.5	110.0	+11.3%
Latvia	127.0	110.6	+14.9%
Lithuania	129.2	109.9	+17.5%
Poland	121.4	115.1	+5.4%
Finland	92.6	49.3	+88.0%
Norway	93.7	43.0	+118.0%
Denmark	103.2	98.8	+4.5%
Sweden	78.8	39.2	+100.7%

In the first quarter of 2026, electricity prices in the Baltic countries were driven by high demand and rapidly changing market conditions

The first quarter of 2026 saw contrasting price dynamics in the Baltic electricity market, primarily due to weather conditions, sudden changes in demand, renewable energy availability, and limitations in regional generation and transmission capacities. While the first two months were marked by exceptionally high prices, March saw a rapid and widespread price drop.

In January, the average electricity price in Estonia reached a record high, rising significantly compared to the previous month and January of the previous year. The trend was exacerbated by low renewable energy production: wind conditions in Northern Europe were poor and solar energy production remained low, as is typical in winter. Similarly, Latvia's hydropower production was significantly lower than in previous years. Regional price pressure was further increased by the fact that wind energy was also unable to cover domestic electricity consumption in Finland, making imported electricity more expensive than usual.

Electricity prices remained high in February, mainly due to record levels of consumption. Although wind conditions improved and renewable energy output grew compared to January, it was not enough to meet the exceptionally high demand. A large proportion of consumption had to be met by locally generated fossil fuel electricity and imports, the prices of which were further impacted by persistently high CO_2 emission allowance prices. As electricity prices were also high elsewhere in the Baltic Sea region, imports did not provide the usual price relief.

March brought a steep market turnaround and price decrease. Warmer weather reduced electricity consumption for heating purposes in Estonia and the entire Baltic region. Consumption fell by almost a fifth compared to peak winter levels, with an immediate and strong impact on electricity prices. At the same time, the share of renewable energy grew significantly – in March, wind, solar and hydropower accounted for over half of the Baltic region's electricity consumption and for most of its electricity production. Rapid growth in solar power production led to low prices, particularly during daylight hours. In many cases, prices were very low or near zero.

The period was characterised by extreme price volatility, reflecting the continued sensitivity of the Baltic electricity market to changes in weather conditions as well as in generation and transmission capacities. The first quarter of 2026 clearly demonstrated that the region lacks sufficient competitive, low-cost electricity generation during cold spells and periods of high demand, while favourable weather conditions and high renewable energy production lead to rapid and widespread price declines.

In the first quarter of 2026, the convergence of electricity prices in the Baltics continued, with price levels in Estonia, Latvia and Lithuania remaining closely aligned for much of the time. This reflects the close integration of the regional market, where prices are determined by whichever generation source is currently ensuring market balance. The growing share of renewable energy is intensifying intraday price volatility, bringing increasingly frequent very low and near-zero prices to the market. Under unfavourable weather and supply conditions, on the other hand, prices can rise sharply within a short period of time. Zero and negative prices indicate that the balancing mechanisms of the electricity market are changing, and that supply-driven price fluctuations are intensifying. While these encourage the consumption of renewable energy, they also make the competitive environment significantly more complex for electricity companies. In conditions of rapid and sharp price fluctuations, producers must invest in flexible generation and storage solutions to avoid loss-making periods, increase their portfolio balancing capacity and ensure stable production volumes in a situation where

prices can fluctuate from negative values to expensive peak rates within a single day. In such a market environment, flexible generation and consumption capacity, storage solutions and systematic risk management are becoming increasingly important for electricity producers and consumers.

In the first quarter of 2026, the average electricity price in Estonia was €122.5/MWh (+€12.4/MWh, +11.3%). The daily average price peaked on 3 February at €389.0/MWh (+€119.8/MWh compared to Q1 2025) and bottomed on 13 March at €7.0/MWh (+€0.0/MWh compared to Q1 2025).

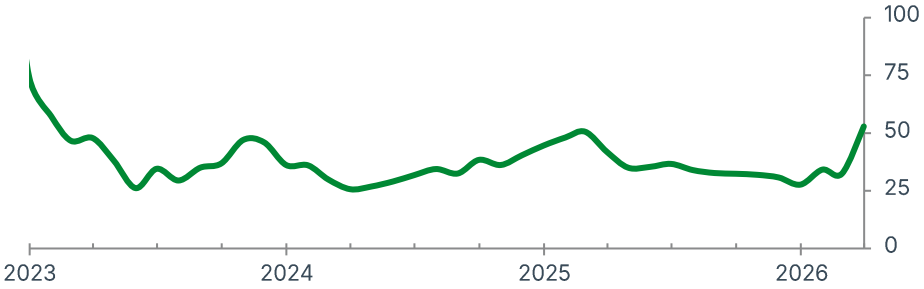
Natural gas prices in the first quarter of 2026 were affected by the winter season and geopolitical risks

In the first quarter of 2026, the European natural gas market was characterised by a strained price environment typical of the winter season which was followed by a risk-based price increase in March. Due to cold weather, natural gas demand was high in January and February, but despite increased consumption, there were no serious supply disruptions in Europe. The gas market remained balanced thanks to sufficient LNG supplies and functioning infrastructure.

Although natural gas demand declined in March due to a seasonal drop in consumption, prices rose due to geopolitical developments. Military escalation in the Middle East disrupted LNG supplies from Qatar and created uncertainty regarding the global LNG logistics network, including the Strait of Hormuz. At the same time, European gas storage facilities were lower than in previous years following a cold winter, which increased the market's price sensitivity.

In the first quarter of 2026, the average price of natural gas traded on the Title Transfer Facility (TTF) market was €39.8/MWh (-€7.0/MWh, -15.0% compared to Q1 2025). The year-on-year price decline was primarily due to the high level of natural gas prices in the first quarter of 2025, which resulted from the termination of Russian gas transit through Ukraine, as well as persistent price pressures caused by a cold winter and increased reliance on LNG. In the first quarter of 2026, however, the rise in natural gas prices was more limited in time – it was mainly concentrated in March, while prices in the earlier months of the quarter were lower.

Natural gas price €/MWh



Source: Intercontinental Exchange

CO_2 emission allowance prices increased year on year

The European Union's Emissions Trading System is one of the key climate policy instruments aimed at reducing CO_2 emissions and encouraging energy producers to use more modern and efficient production technologies. The price of CO_2 emission allowances has a strong impact on the cost of electricity produced by the direct combustion of oil shale, particularly at older, more CO_2-intensive production facilities.

In January and February 2026, the price of CO_2 emission allowances remained high, reflecting the seasonal increase in demand for fossil electricity and the market's continued expectations of reductions in supply. Exceptionally cold weather in the Baltic countries and Northern Europe led to a surge in electricity consumption, which could not be sufficiently covered by renewables. This

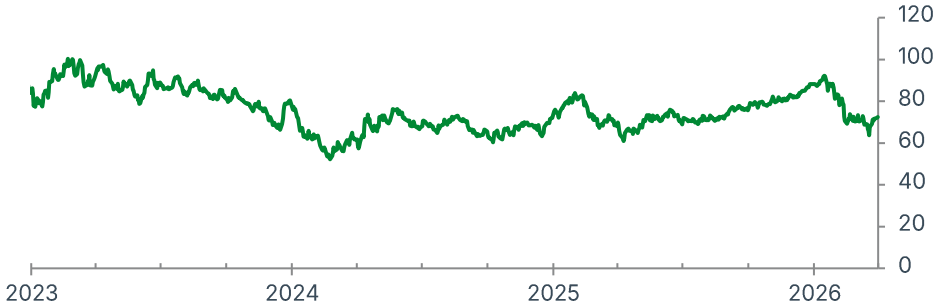
increased reliance on fossil fuel-based generation, the costs of which were significantly increased by persistently high CO_2 emission allowance prices.

In March, electricity consumption fell sharply compared to the record levels in January and February, reducing the need to use CO_2-intensive generating units with high variable costs. At the same time, renewable power production grew significantly. In particular, solar energy production increased due to longer days and favourable weather conditions. The contributions of wind and hydropower also recovered. Much of the electricity demand was met by generation that does not require CO_2 allowances. All this reduced demand for CO_2 emission allowances.

In the first quarter of 2026, CO_2 emission allowances traded at high and volatile price levels. The impact was most pronounced during the cold, high-demand months at the start of the year, but eased towards the end of the quarter as the share of renewable energy increased and fossil fuel-based generation declined. Developments in March clearly demonstrated the seasonal sensitivity of the emission allowance market, as well as the critical role played by the share of renewable energy in alleviating price pressures. While high emission allowance prices in January and February drove up electricity prices through increased costs of fossil fuel-based generation, the opposite mechanism took effect in March: the growth in renewable energy supply reduced the need for CO_2-intensive generating units, thereby stabilising the impact of the allowance market and the overall price level in the energy market.

The average price of CO_2 emission allowances in the first quarter of 2026 was €77.7/t, 3.5% (+€2.6/t) higher than in the first quarter of the previous year.

Prices of CO_2 emission allowances, €/t

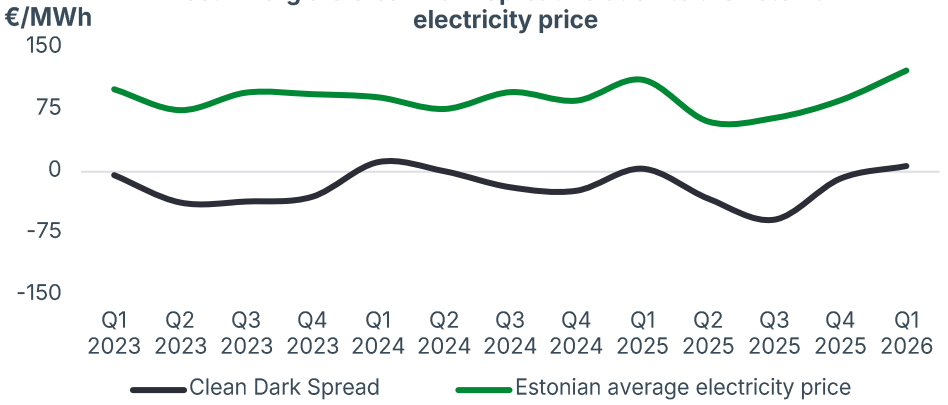


Source: Intercontinental Exchange

The Clean Dark Spread (CDS) reflects the estimated gross margin per MWh of a fossil fuel-based electricity producer, representing the portion of the market price of electricity that remains after the deduction of fuel and CO_2 costs.

Eesti Energia's CDS for the first quarter of 2026 was €6.9/MWh (+€3.2/MWh Compared to Q1 2025). A positive CDS indicates that, in the short term, electricity generation from oil shale was competitive under market conditions, because the market price of electricity covered the direct variable production costs.

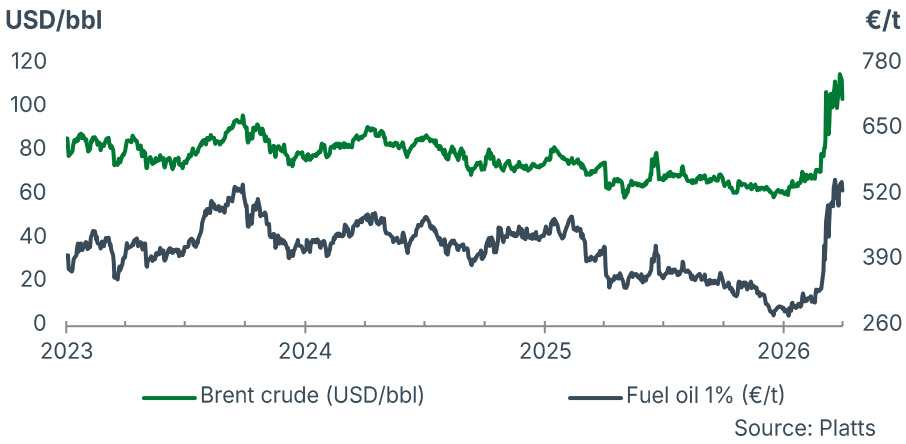
Eesti Energia's Clean Dark Spread relation to the Estonian electricity price



Geopolitical tensions affected global market prices for oil products

In the first quarter of 2026, oil markets were strongly affected by geopolitical uncertainty and the impact of ongoing military hostilities, resulting in significant price volatility and heightened caution among market participants. These factors also influenced OPEC+'s decision to maintain previous production cuts. This was partly driven by the need to mitigate price fluctuations stemming from war and geopolitical instability, and to support market stability at a time when market risks had increased significantly. At the same time, growth in global oil demand remained modest due to the global economic slowdown, weaker-than-expected oil consumption in China and wider adoption of alternative energy solutions, particularly LNG. While these factors dampened price increases, they failed to offset the strong price volatility and high price levels resulting from geopolitical uncertainty and military conflict.

Liquid fuels prices



Source: Platts

In the first quarter of 2026, the average price of Brent crude oil reached USD 78.6 per barrel (+USD 3.6/bbl; +4.8% compared to the same period last year). However, the price level was extremely volatile, fluctuating between USD 60 and 115 per barrel. This reflects the significant risk posed by war-related supply disruptions and threats to maritime transport, as well as the financial markets' rapid reaction to geopolitical events.

A widely traded oil product most similar to our shale oil is 1% sulphur fuel oil, whose price mainly depends on the price of Brent crude oil. The sales price of shale oil sold by Eesti Energia is influenced by crude oil and fuel oil prices. In the first quarter of 2026, the average price of 1% sulphur fuel oil decreased year on year, reaching €372.6/t (-14.5%, -€63.2 €/t).

In the first quarter, crude oil and fuel oil prices moved somewhat differently, reflecting the seasonal and regional characteristics of the refined fuels market. Although fuel oil prices were impacted by war-related risks and volatility, the average price remained below last year's highs.

First Quarter Highlights

Integrated electricity business

Enefit to triple energy storage portfolio

Enefit's electricity business is expanding its energy storage portfolio by building three new battery storage facilities with a combined capacity of 46 MW and a total storage capacity of 184 MWh near its wind farms in Lithuania. Upon completion of the projects, Enefit's storage portfolio will grow from the current 29 MW to 75 MW, strengthening its position in the Baltic energy storage market.

Enefit will invest a total of €30.3 million in the construction of the three new battery storage facilities in the first half of next year: a 16 MW facility at the Kelme I wind farm, an 18 MW facility at the Kelme II wind farm and a 12 MW facility at the Šilale II wind farm.

Dispatchable Power and Shale Oil Production

Enefit-280-2 nears completion

Enefit Industry completed the cold commissioning of the new Enefit-280-2 oil plant at the end of March, which will allow it to proceed with the hot commissioning as planned and begin oil production in the second quarter.

The hot commissioning of the new oil plant in April marks the completion of Enefit Industry's long-term, large-scale investment programme aimed at increasing oil production volume and efficiency. The company will now focus on improving its competitiveness in the international market.

In a significant first step, oil shale mining operations will be consolidated at the Estonia mine. This will ensure the lowest possible cost of oil shale for electricity generation, as well as for oil production, where consumption has increased by a third. Extraction at the Narva opencast mine will cease to prepare for its restoration and return to the state. As part of this change, over 200 people will transfer to the Estonia mine, while around 70 will continue working at the Narva opencast mine.

Enefit Industry wins Narva heating tender

Enefit Industry has won the tender organised by Narva Soojusvõrk to supply the city of Narva with heat energy in the long term. The company will begin providing city residents with more affordable heating from December 2028 at the latest. According to Enefit Industry's bid, the price of heat will be €53.80/MWh for a capacity range of 0–85 MW.

Test shipments of waste rock for the Rail Baltica project were a success

In January, pilot shipments of waste rock from the Estonia mine to the Rail Baltica construction site near Pärnu were completed. The project aimed to test the logistics chain from Ida-Viru County to Pärnu, with a view to using the waste rock in the construction of the Tootsi–Pärnu section of the railway. A final decision regarding the shipments will be made in the second quarter.

Distribution Network

Elektrilevi implements new technology to maintain power line corridors

The Group's distribution network operator Elektrilevi has started using a new long-reach tree care handler, which makes maintaining power line corridors more efficient and safer. Unique in Estonia, the machine can cut tree branches from heights of up to 23 metres. The new technology addresses one of the main causes of power outages – trees and branches falling onto power lines.

Until now, branches have been cut manually from heights of up to 12 metres, with limited success. The long-reach tree care handler enables branches to be cut from almost twice the height. The new technology can shift the centre of gravity of trees away from power lines, preventing those laden with heavy snow from bending onto the lines. It can also be used to remove fallen trees.

New submarine cable between the islands of Hiiumaa and Saaremaa improves electricity security on Hiiumaa

Elektrilevi has commissioned a new 35 kV submarine cable between Hiiumaa and Saaremaa. After three years of preparatory work and an investment of €7.3 million, the six-kilometre cable has been laid, significantly improving the reliability of Hiiumaa's electricity supply and increasing the transmission capacity of power lines.

The new connection enables households and businesses on Hiiumaa to access generation capacity in many areas without incurring the costs associated with high-voltage grid reinforcement work.

Modern regional substation opens at Jõgeva

On 3 February, Elektrilevi opened a new regional substation at Jõgeva to ensure a more reliable power supply for almost 5,500 residents and local businesses.

The investment in the Jõgeva substation was a direct result of a fire in April 2021, which made it impossible to restore the substation's equipment. At the time, Elektrilevi ensured power supply with a temporary solution, and a modern, permanent regional substation has now been completed. The new transformers are more energy-efficient, reduce electricity losses and improve the overall resilience of the grid.

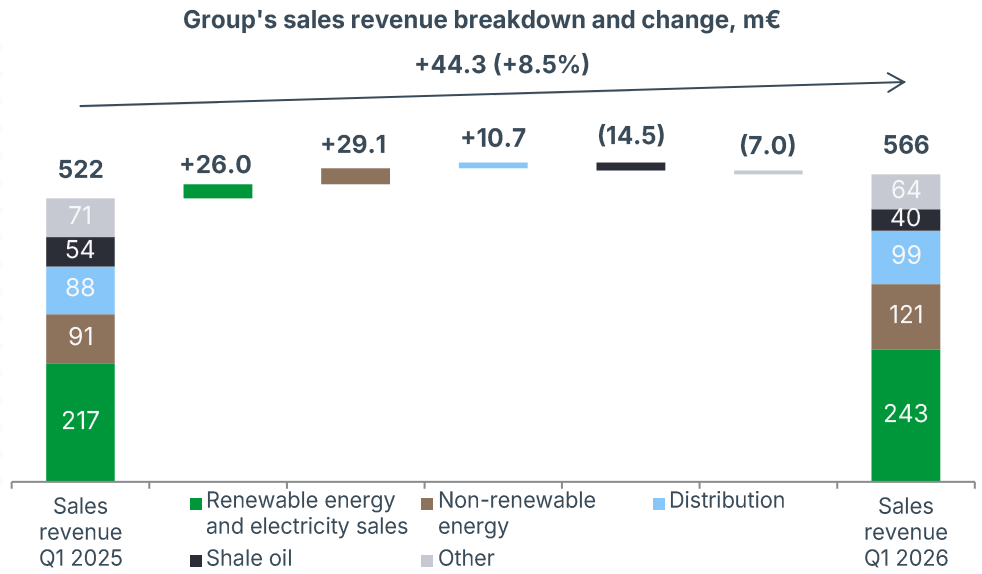
Financial Results

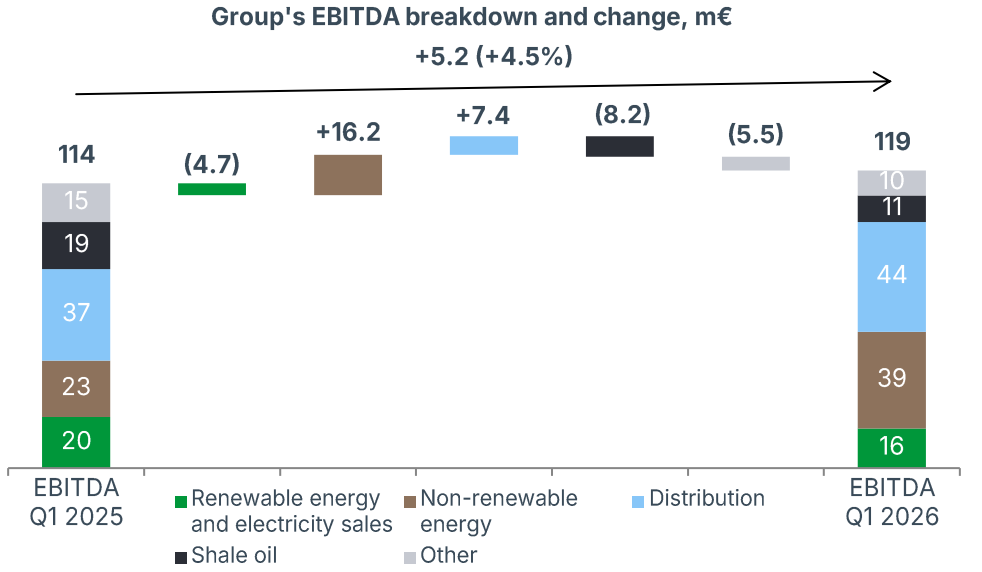
Revenue and EBITDA

Eesti Energia's revenue for the first quarter of 2026 was €566.3 million, 8% (+€44.3 million) higher than in the same period last year. The main growth drivers were electricity-related segments, with revenue from renewable energy and electricity sales growing by 12% (+€26.0 million) and revenue from non-renewable electricity production growing by 32% (+€29.1 million). In both segments, revenue growth resulted from the average sales price, which was higher than a year earlier. Revenue generated by the non-renewable electricity production segment was also supported by the charges collected for the reserve capacity service (security of supply charges), which were not recorded last year.

EBITDA for the period grew by 5% (+€5.2 million) year on year, reaching €119.0 million:

- EBITDA from renewable energy and electricity sales decreased due to a lower margin;
- EBITDA from non-renewable electricity production increased, supported by higher sales prices and revenue from security of supply charges;
- distribution EBITDA increased, mainly due to a 12% growth in sales volume;
- shale oil EBITDA fell due to a lower sales volume and a weaker result from derivative transactions;
- EBITDA from other products and services decreased by €5.5 million.





Renewable Energy and Electricity Sales

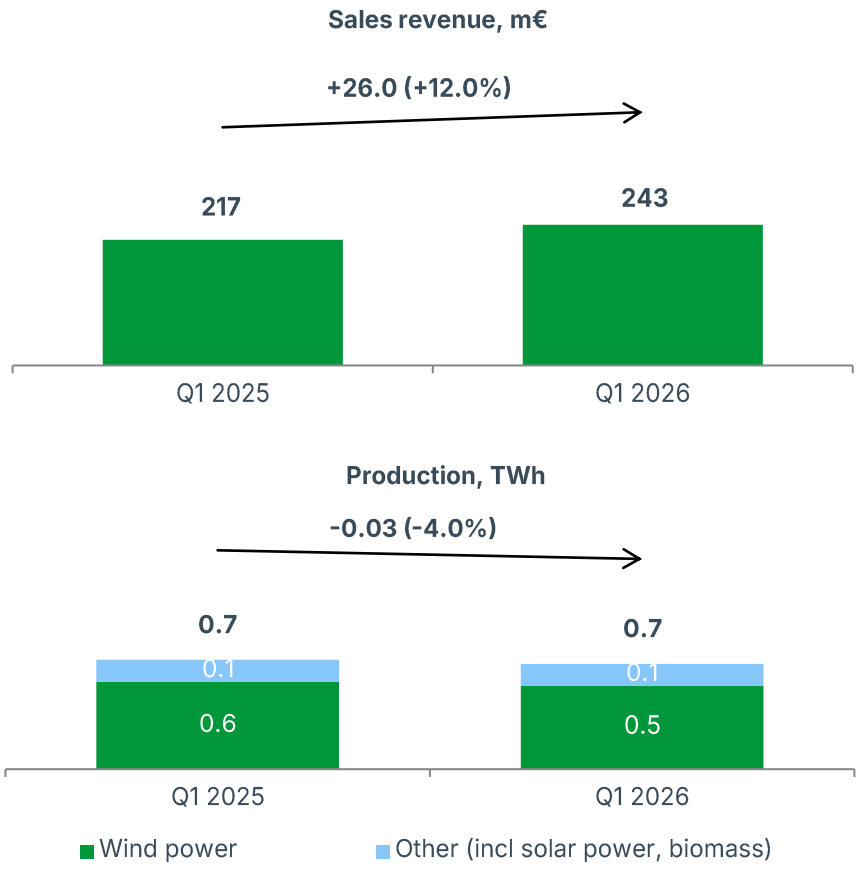
The renewable energy and electricity sales segment reflects the results of renewable energy generation and electricity sales and trading.

Revenue

Compared to the first quarter of 2025, the sales price of electricity increased while the sales volume decreased. Revenue for the first quarter of 2026 amounted to €243.2 million, an increase of 12% (+€26.0 million) compared to the same period last year.

Renewable energy production volume

The Group's renewable energy generation decreased by 28 GWh (-4%) compared to the same period last year, amounting to 680 GWh. Wind farms accounted for the largest share of renewable electricity generation, producing 541 GWh (-4%, -23 GWh). The decline was mainly due to were the sale of the Tolpanvaara wind farm (-40 GWh) and lower output from the Sopi-Tootsi wind farm (-24 GWh). The Kelme I and Kelme II wind farms, which were operating at full capacity during the period, had a positive impact (+69 GWh).



Sales volume and Eesti Energia's market share

Compared to the first quarter of 2025, retail sales of electricity increased by 43 GWh (+2%) to 2,658 GWh. Retail sales by market were as follows: Estonia 1,031 GWh (+69 GWh), Latvia 413 GWh (-15 GWh), Lithuania 804 GWh (+73 GWh) and Poland 410 GWh (-77 GWh).

In terms of customers' electricity consumption in the first quarter of 2026, Eesti Energia's market share in Estonia was 47% – at the same level as a year earlier. The Group's market shares in Latvia and Lithuania were 20% and 22%, respectively. Compared to the first quarter of 2025, we lost 2 percentage points of market share in both countries. This was mainly due to stiff competition in the electricity market.

Key indicators for renewable energy and electricity sales

		Q1 2026	Q1 2025
EBITDA / sales volume	€/MWh	7.6	9.1
EBITDA / assets	%	4.1	6.4

EBITDA from renewable energy and electricity sales

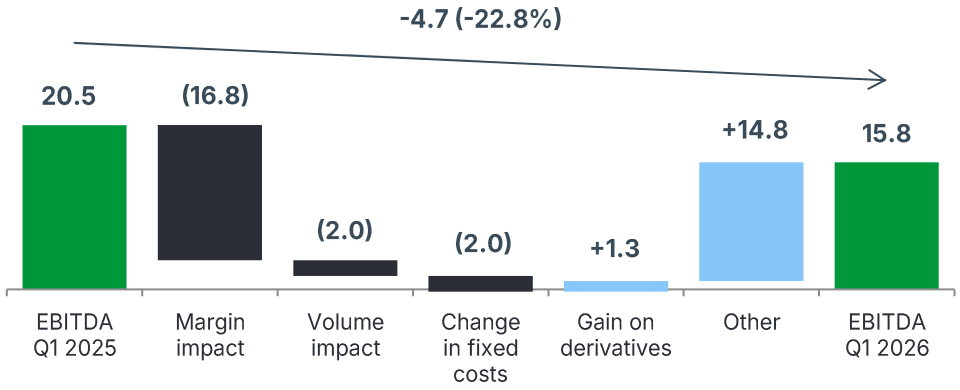
EBITDA from renewable energy and electricity sales decreased year on year (-23%, -€4.7 million), amounting to €15.8 million for the first quarter of 2026. The key factor was a lower margin, which reduced EBITDA by €16.8 million (-€8/MWh). Although average revenue grew by €13/MWh, average variable costs grew by €21/MWh due to higher electricity purchase costs.

EBITDA was also negatively impacted by growth in fixed costs (-€2.0 million) and a decline in sales volume (-€2.0 million). Although retail sales of electricity increased, the quantities sold on the power exchange decreased year on year.

Realised gains on derivative transactions improved EBITDA by €1.3 million.

Other impacts of +€14.8 million mainly reflect changes in the values of derivative transactions, including +€15.6 million from the change in the value of long-term power purchase agreements.

Renewable energy and electricity sales EBITDA development, m€



Non-renewable Electricity Production

The non-renewable electricity production segment reflects the results of electricity generation from oil shale and other non-renewable sources.

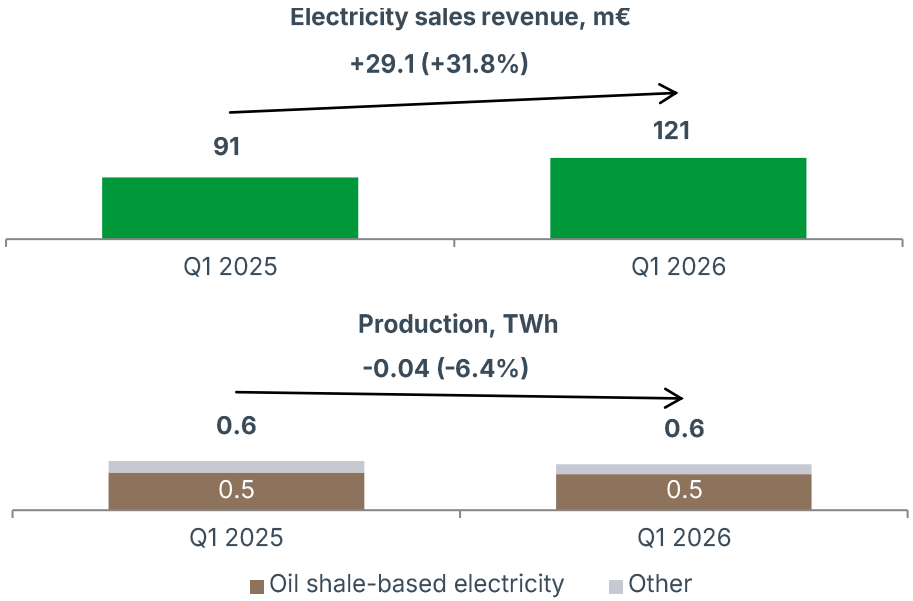
Revenue

In the first quarter of 2026, the segment's revenue increased by €29.1 million (+32%) to €120.6 million, driven by a higher average sales price.

Non-renewable electricity production volume

Although renewable electricity production has increased across the Baltics, reducing the need for fossil fuel power plants, these plants still play a vital role in ensuring the availability of dispatchable power in the region. Market conditions and increased demand in the first quarter of 2026 confirmed that dispatchable generating units continue to fulfil a critical role in the region's electricity supply even as renewable power generation grows.

In the first quarter of 2026, we produced 581 GWh of non-renewable electricity, 6% (-40 GWh) less than in the same period in 2025. Non-renewable generation declined due to unfavorable market conditions towards the end of the quarter.



Key indicators for non-renewable electricity production

		Q1 2026	Q1 2025
EBITDA / sales volume	€/MWh	62.7	36.3
EBITDA / assets	%	1.4	17.3

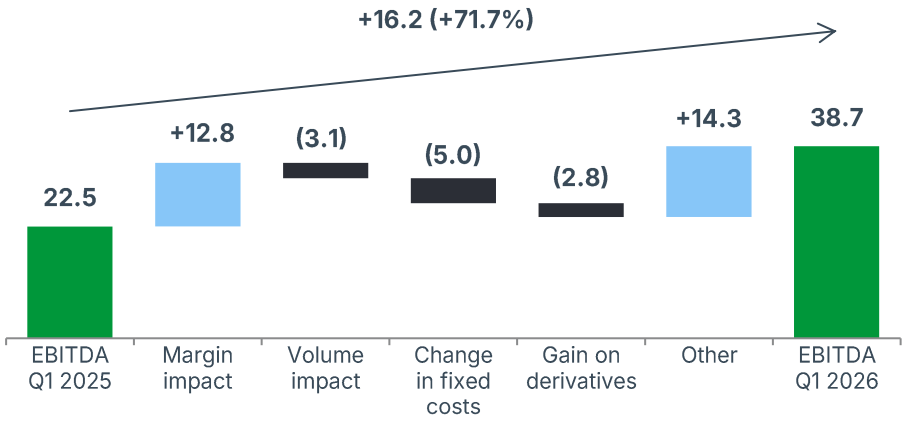
EBITDA from non-renewable electricity production

The non-renewable electricity production segment's EBITDA for the first quarter of 2026 was €38.7 million (+72%, +€16.2 million compared to Q1 2025). The average margin increased due to high market prices, improving EBITDA by €12.8 million (+€21/MWh). The decline in sales volume had a negative impact of -€3.1 million.

Compared to the same period last year, fixed costs grew by €5.0 million, including growth in payroll costs of €3.3 million. EBITDA was also affected by the change in realised gain on derivative transactions, which had an impact of -€2.8 million (in Q1 2025 derivative transactions produced a gain of €2.8 million whereas in Q1 2026 there were no realised derivative transactions).

Other impacts of +€14.3 million mainly resulted from security of supply charges, which totalled €14.2 million in the first quarter of 2026.

Non-renewable energy production EBITDA development, m€



Distribution

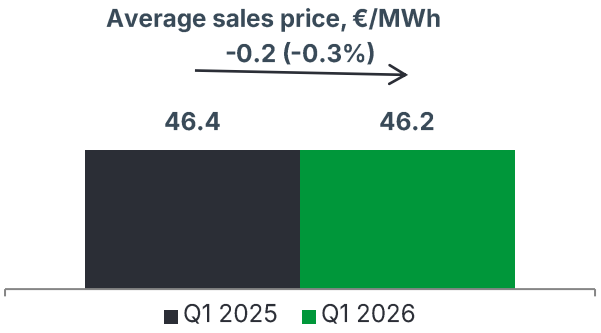
Distribution revenue, sales volume and price

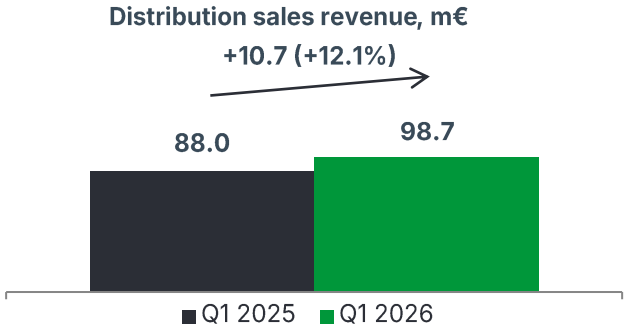
In the first quarter of 2026, distribution revenue increased by 12% to €98.7 million (+€10.7 million) and sales volume grew by 12% to 2,134 GWh (+237 GWh). The increase in sales volume was due to a significantly colder winter than usual. Consumption of the distribution service grew by 21.4% for household customers and by 8.4% for corporate customers.

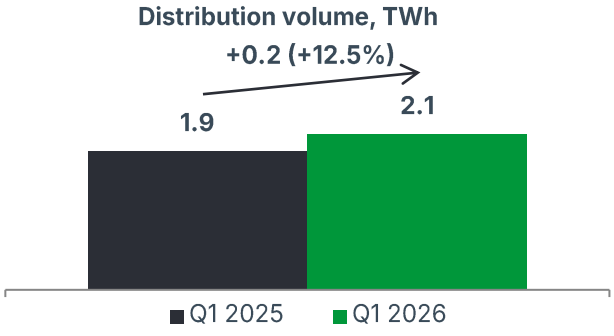
The average price of the distribution service remained practically stable at €46.2/MWh (-0.3% compared to Q1 2025), mainly due to a higher sales volume.

Distribution losses

Distribution losses amounted to 96.4 GWh, i.e. 4.2% in the first quarter of 2026. The amount of distribution losses increased by 13.6 GWh and the rate of distribution losses rose by 0.1 percentage points compared to the same period in 2025.







Supply interruptions

In the first quarter of 2026, the average duration of unplanned supply interruptions was 13.6 minutes (Q1 2025: 63.3 minutes). Due to adverse weather conditions, the number of unplanned interruptions was the highest in February.

The average duration of planned supply interruptions was 24.0 minutes (Q1 2025: 16.3 minutes). The duration of planned supply interruptions depends on the extent of planned network maintenance and renewal.

Key indicators for distribution

		Q1 2026	Q1 2025
Distribution losses	GWh	96.4	82.9
SAIFI	index	0.34	0.56
SAIDI (unplanned)	index	13.6	63.3
SAIDI (planned)	index	24.0	16.3
EBITDA / assets	%	8.2	7.0

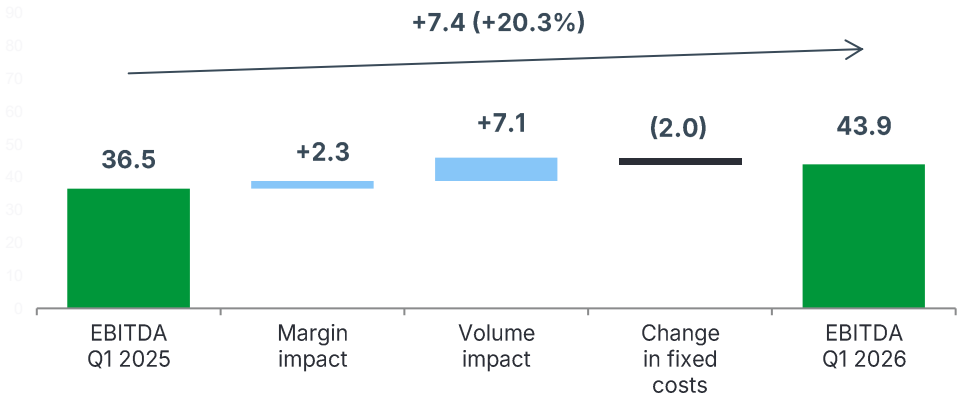
Power outages can be reduced by replacing bare conductors with weatherproof cables. At the end of the first quarter of 2026, 97.8% of our low-voltage distribution network and 48.7% of our medium-voltage distribution network was weatherproof.

Distribution EBITDA

Distribution EBITDA for the first quarter of 2026 was €43.9 million (+20%, +€7.4 million). The main growth driver was a 12% higher sales volume, which improved EBITDA by €7.1 million. The impact of a higher margin was +€2.3 million. Average revenue remained relatively stable, but average variable costs decreased compared to a year earlier.

EBITDA was negatively affected by growth in fixed costs, which had an impact of -€2.0 million. The rise in fixed costs mainly resulted from higher repair and maintenance and payroll costs.

Distribution EBITDA development, m€



Shale Oil

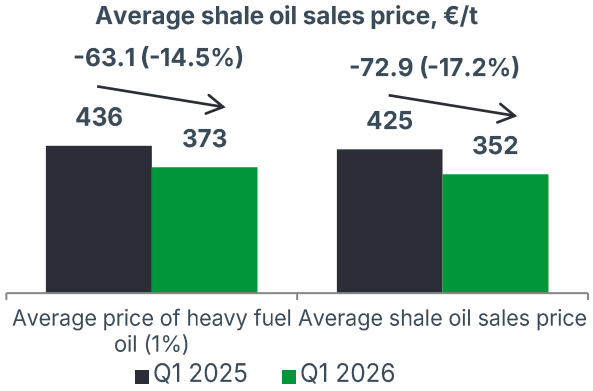
Shale oil revenue and sales volume

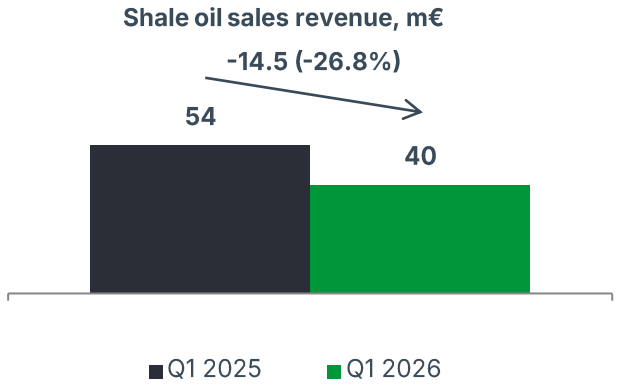
We sold 112.6 thousand tonnes of shale oil in the first quarter of 2026, which generated revenue of €39.6 million. Shale oil revenue decreased by 27% (-€14.5 million) year on year. Sales volume declined by 12% (-14.8 thousand tonnes) compared to the first quarter of 2025, primarily due to long-term repairs carried out at the oil plants, which reduced shale oil output as well as sales opportunities.

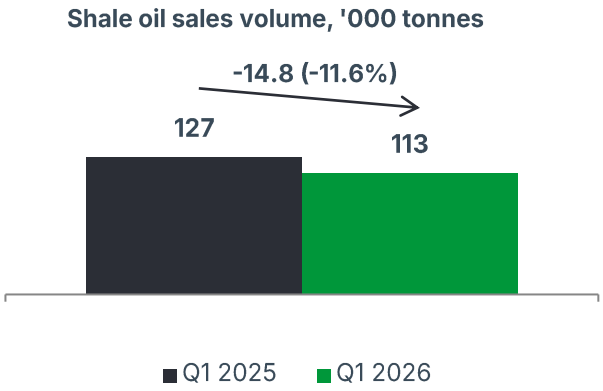
Shale oil price

The average sales price of shale oil (including the impact of derivative transactions) decreased by 17% year on year to €351.9/t (-€72.9/t).

Derivative transactions of the period resulted in a loss of €22.6/t (Q1 2025: a loss of €3.4/t). The average sales price of shale oil excluding the impact of derivative transactions was €374.5/t (-13%, -€53.7/t compared to Q1 2025).







Shale oil production volume

We produced 118.1 thousand tonnes of shale oil in the first quarter of 2026, 3% (-4.3 thousand tonnes) less than in the same period last year. The decline was due to unplanned repairs at the Enefit 280-1 oil plant in January 2026, which reduced output by 7.3 thousand tonnes.

Key indicators for shale oil

		Q1 2026	Q1 2025
EBITDA / sales volume	€/t	94.1	147.9
EBITDA / assets	%	6.7	18.6

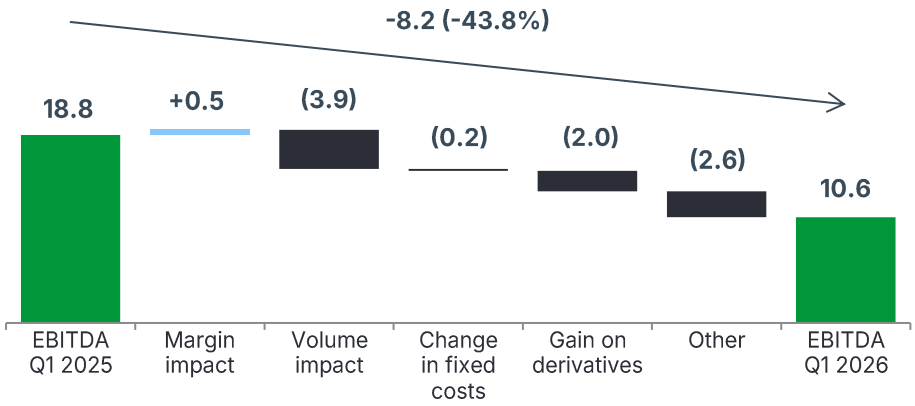
Shale oil EBITDA

Shale oil EBITDA for the first quarter of 2026 decreased year on year (-44%, -€8.2 million), amounting to €10.6 million. Negative impacts came from sales volume and lower sales price. Compared to the first quarter of 2025, sales volume decreased by 15 thousand tonnes (-12%) to 113 thousand tonnes, which had an impact of -€3.9 million on EBITDA.

Although the average sales price decreased, the segment's average margin changed only slightly, because average variable costs decreased by a similar amount. The impact of the change in margin was +€0.5 million (+€4/t). Fixed costs remined stable compared to a year earlier.

The change in the realised outcome of derivative transactions had an impact of -€2.0 million. Other impacts on EBITDA totalled -€2.6 million, consisting mainly of changes in the values of unrealised derivative transactions.

Shale Oil EBITDA development, m€



Other Products and Services

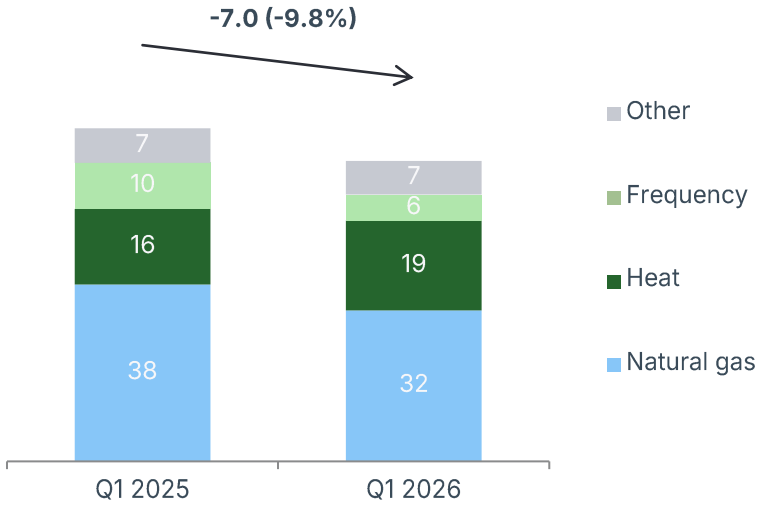
The segment of other products and services includes the sale of natural gas, heat, industrial equipment, and solar and charging solutions. The effects of one-off transactions, participation in the provision of system services (frequency markets) and part of the Group's central development expenses and fixed costs are also reported in this segment.

Revenue from other products and services

In the first quarter of 2026, revenue from other products and services amounted to €64.3 million. Compared to the same period last year, revenue decreased by 10% (-€7.0 million).

The revenue decline was mainly due to lower revenue from the sale of natural gas (-€5.5 million) and system services (-€4.3 million). However, revenue from the sale of heat grew by €3.1 million.

Sales revenue from other products and services, m€



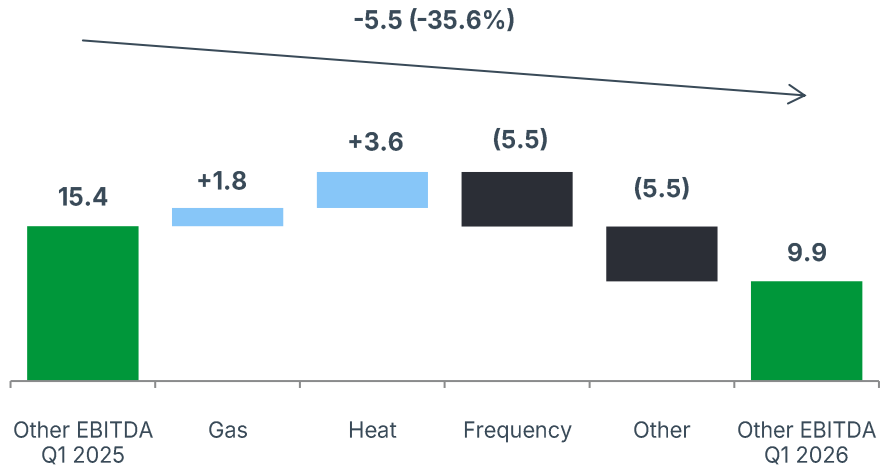
EBITDA from other products and services

In the first quarter of 2026, EBITDA from other products and services decreased by €5.5 million compared to the same period in 2025, amounting to €9.9 million.

Natural gas EBITDA increased by €1.8 million due to the positive impact of derivative transactions. Heat EBITDA also improved, exceeding the figure for the first quarter of 2025 by €3.6 million.

EBITDA for system services, on the other hand, decreased by €5.5 million year on year. The figure for the first quarter of 2025 was influenced by an exceptional market situation, caused by the connection of the transmission network to the continental European grid.

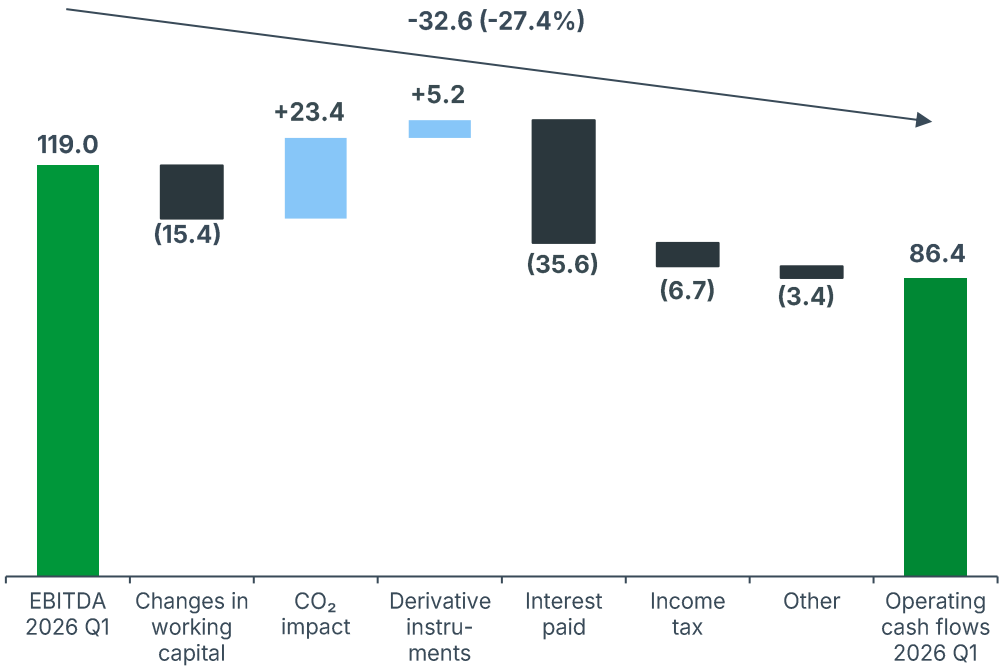
Other EBITDA development, m€



Cash Flows

The Group's net operating cash flow for the first quarter of 2026 was €86.4 million, 27.4% (€32.6 million) lower than EBITDA, which amounted to €119.0 million.

EBITDA to operating cash flow development, m€



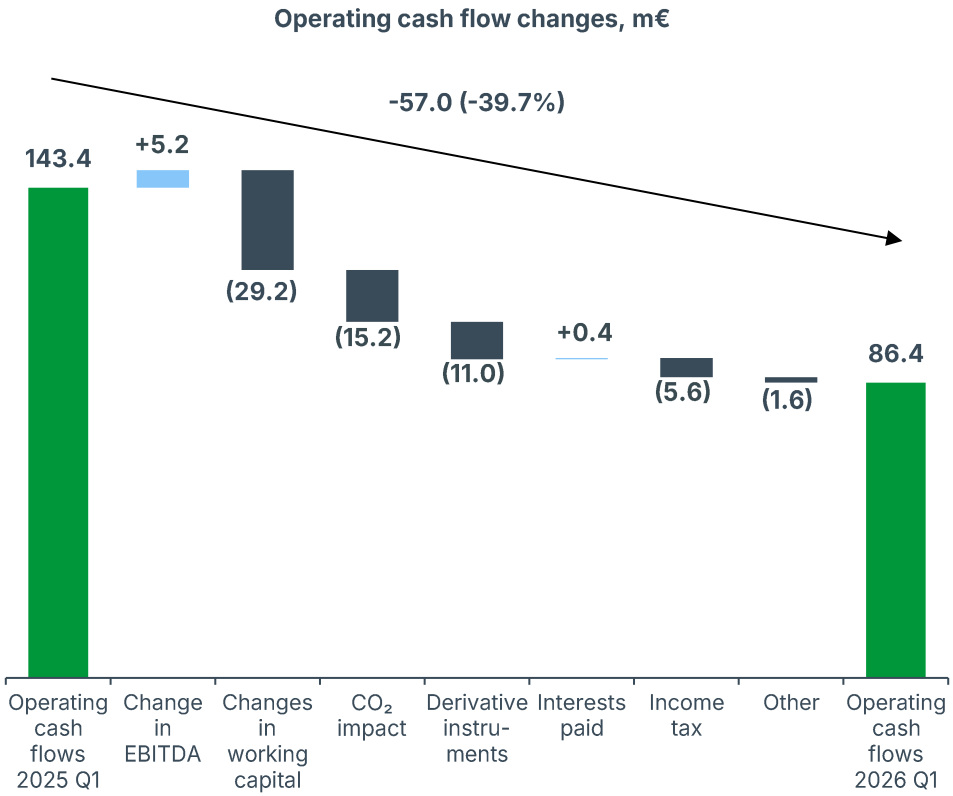
The net impact of changes in working capital on cash flows from operating activities was -€15.4 million. Higher electricity prices increased trade receivables, but the rise in current liabilities offset some of this negative impact. The opposing effects of changes in other current assets and inventories largely cancelled each other out, having no additional significant impact on cash flows.

The impact of settlements relating to CO_2 emission allowances on the difference between EBITDA and net operating cash flow was +€23.4 million. This includes the impact of provisions recognised for CO_2 emission allowances of +€36.9 million, which had a non-cash effect on EBITDA.

The impact of derivative financial instruments (excluding CO_2 instruments) on operating cash flows was +€5.2 million. This includes impacts from electricity derivatives of +€5.5 million, shale oil derivatives of +€1.5 million and gas and other derivatives of -€1.8 million. These impacts were in addition to the effects of derivative transactions already included in EBITDA.

Interest paid on borrowings reduced operating cash flows by €35.6 million compared to EBITDA. Income tax paid in the first quarter of 2026 amounted to €6.7 million, while other impacts on operating cash flows totalled -€3.4 million.

Net operating cash flow decreased by €57.0 million (39.7%) year on year.



In the first quarter of 2026, changes in working capital reduced net operating cash flow by €29.2 million year on year. The strongest impact came from changes in inventories (-€19.4 million), primarily gas inventories. While a decrease in inventories improved operating cash flows by €23.4 million in the first quarter of last year, the positive impact of changes in inventories this year was significantly smaller, amounting to €4.0 million.

The impact of settlements relating to CO_2 emission allowances on operating cash flows was -€15.2 million due to the high positive reference base in the first quarter of 2025.

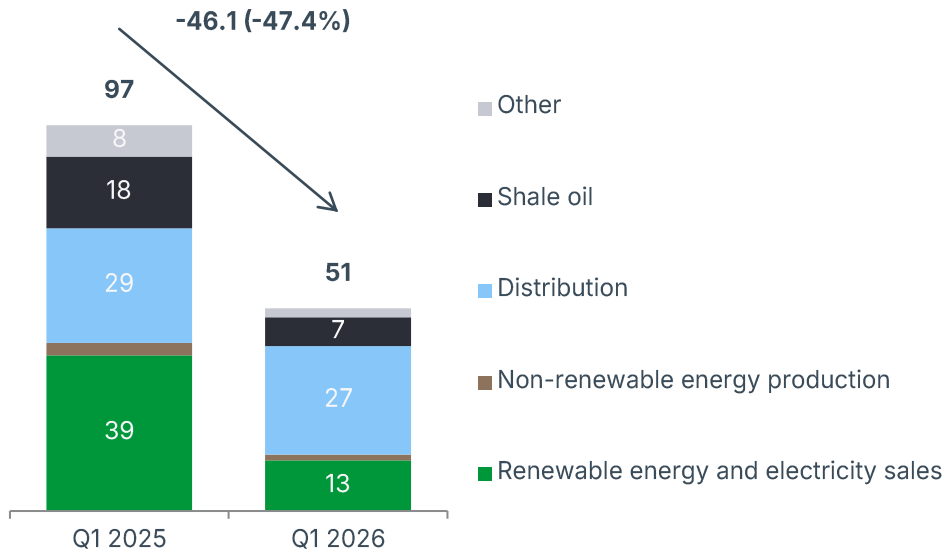
The impact of derivative financial instruments (excluding CO_2 instruments) on operating cash flows was -€11.0 million, including the impacts of electricity derivatives of -€11.5 million, shale oil derivatives of +€3.8 million and other derivatives of -€3.3 million.

Interest payments did not have a significant impact on cash flows from operating activities on a year-on-year basis, as they remained at roughly the same level as in the same period last year. However, income tax payments increased by €5.6 million in the first quarter of 2026 compared to the same period in 2025. The combined impact of other factors affecting cash flows from operating activities was -€1.6 million.

Investment

In the first quarter of 2026, we invested €51.1 million, 47% (-€46.1 million) less than in the same period last year.

Investment breakdown by segments, m€



Renewable energy and electricity sales

In order to expand our renewable energy capacity, we invested €5.3 million in wind farm development in Lithuania and €0.7 million in Estonia. In Lithuania, our investment was primarily in the Kelme II wind farm, which began operating at full capacity at the end of the first quarter of this year.

Regarding solar energy, we mainly invested in the construction of the Strzałkowo solar farm, allocating €2.6 million to the project. The farm is expected to begin generating electricity this summer.

In addition, we invested €1.5 million in public charging infrastructure.

Distribution service

Investments to maintain and continuously improve the quality of our electricity distribution service totalled €25.1 million in the first quarter of 2026 (Q1 2025: €26.5 million). We built 38 substations and 279 km of power lines (Q1 2025: 58 substations and 190 km of power lines).

At the end of the first quarter of 2026, 97.8% of Elektrilevi's low-voltage distribution network was weatherproof (end of Q1 2025: 96.6%). During the quarter, the weatherproof low-voltage overhead network increased by 115 km and the bare conductor network decreased by 115 km. At the end of the period, 76.9% of Elektrilevi's total low- and medium-voltage distribution network was weatherproof (end of Q1 2025: 75.2%).

Shale oil production

In the first quarter of 2026, we invested €5.8 million in building a new shale oil plant. Construction of the facility is close to cpmpletion, with production expected to begin in Q2.

Financing

Development activities in the energy sector are capital-intensive. The company's own resources are not always sufficient to build new production units or significantly expand the business. We therefore raise debt in the market to finance major development projects.

Financing decisions are made in accordance with the Group's financial policy, which outlines the financing principles, the permitted debt ratio and the sources of debt financing. According to the policy, Eesti Energia's objective is to keep the net debt to EBITDA ratio below 3.5 in the long term (the ceiling may be exceeded in the short term in the event of major investments or acquisitions).

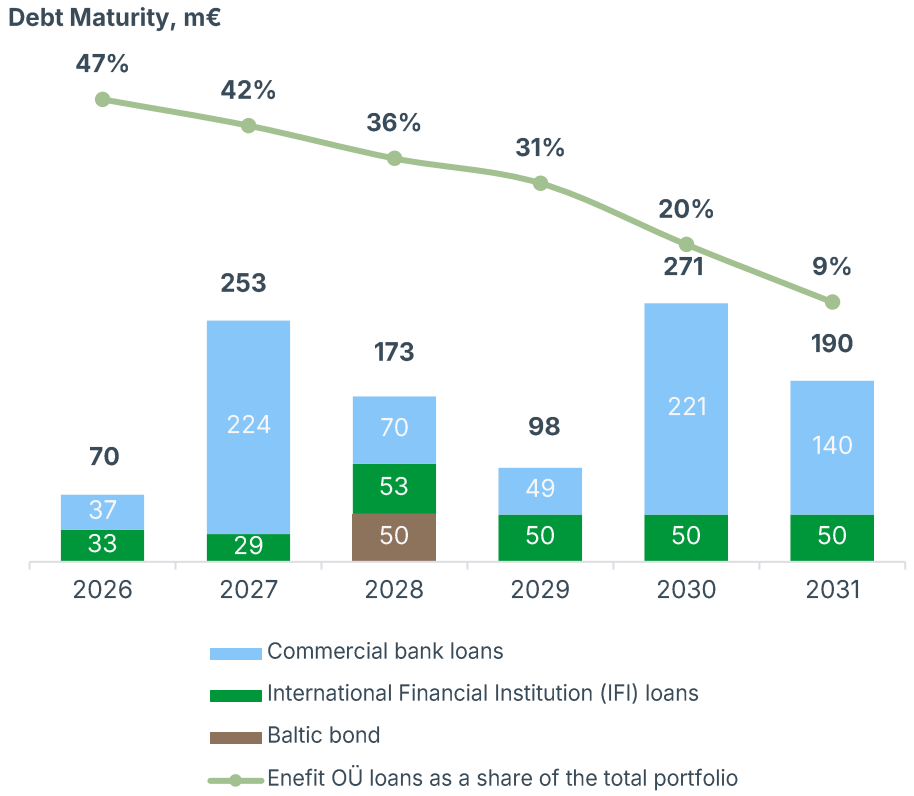
Our main sources of debt are senior unsecured bonds and investment loans from the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the Nordic Investment Bank (NIB) and commercial banks. Eesti Energia has also issued a hybrid bond of €400 million and uses revolving credit and guarantee facilities provided by regional banks.

Borrowings

The Group's borrowings amounted to €1,453 million at the end of the first quarter of 2026 (compared to €1,612 million at the end of 2025).

At the reporting date, liabilities related to long-term investment loans and bonds totalled €1,350 million (end of 2025: €1,591 million). Additionally, the parent company had short-term revolving credit liabilities of €70 million. The Group's borrowings consisted of borrowings of the parent company of €564 million (end of 2025: €865 million) and those of the subsidiary Enefit OÜ (former name: Enefit Green AS) of €875 million (end of 2025: €726 million).

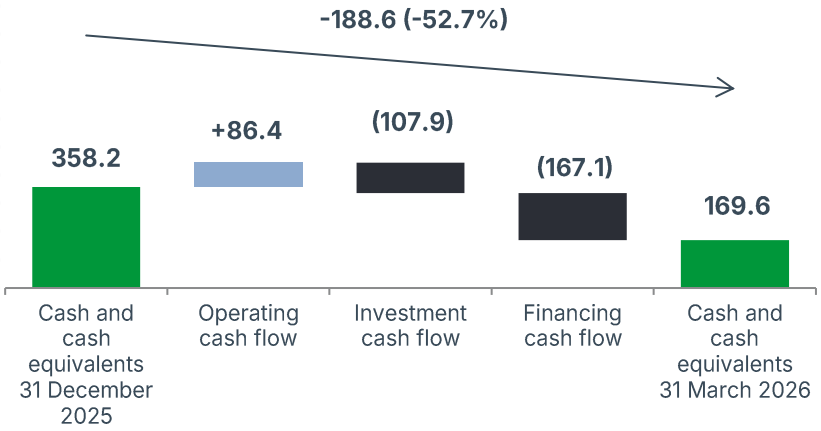
In February 2026, we repaid a syndicated loan early in the total amount of €471 million. The main reason for the early repayment was the high cost of the loan compared to alternative financing options.



Liquid funds

At the end of the first quarter of 2026, the Group had liquid assets (cash and cash equivalents) of €170 million. In addition, the Group had undrawn loans of €350 million, of which €200 million was attributable to the parent company and €150 million to the subsidiary Enefit OÜ.

Liquidity development in Q1 2026, m€



Interest rates

At the reporting date, the weighted average interest rate of Eesti Energia's borrowings was 4.36%.

The Group had fixed-rate borrowings of €229 million and floating-rate borrowings of €1,191 million at the end of the first quarter of 2026 (compared to fixed-rate borrowings of €131 million and floating-rate borrowings of €1,495 million at the end of 2025).

Equity and financial ratios

The Group's equity stood at €2,068 million at the end of the first quarter of 2026. Eesti Energia's sole shareholder is the Republic of Estonia.

At the reporting date, the Group's net debt amounted to €1,283 million (compared to €1,254 million at the end of 2025) and the net debt to EBITDA ratio was 4.0 (end of 2025: 3.95), exceeding the target level set out in the financial policy. The long-term goal is to maintain the ratio below 3.5, as required by the Group's financing principles.

Credit rating

Eesti Energia's current credit ratings are as follows:

- Moody's: Baa3, outlook stable;
- Fitch: BBB-, outlook stable.

Eesti Energia's financial policy aims to maintain an investment-grade credit rating in the long term.

Outlook for 2026

In 2026, Eesti Energia continues to operate in a volatile energy and geopolitical environment, with a strong focus on system reliability, security of supply and the efficient utilisation of existing generation and grid assets. Developments in the Baltic energy market and increased price volatility continue to drive the need for dispatchable generation capacities, accurate balance management and greater system flexibility.

The Group's financial performance in 2026 remains influenced by developments in energy markets, potential regulatory changes, the broader economic environment and geopolitical events. Additional uncertainty stems from the escalation of the conflict in the Middle East, including the military confrontation involving the Iranian region, which has affected oil and natural gas prices and increased price volatility in European energy markets.

At the same time, several factors are expected to support improvements in the Group's financial performance in 2026. A significant positive contribution will come from new wind farms in Lithuania reaching full operational capacity, increasing the share of renewable energy and the volume of low variable-cost generation. Earnings stability is further supported by remuneration for strategic reserve capacity and somewhat higher fuel prices linked to heightened geopolitical tensions in the Middle East.

In the shale oil segment, the gradual ramp-up of the new Enefit 280-2 plant towards near full production capacity is expected to have a positive impact in the second half of 2026, with the planned production level to be reached by the third quarter.

Following the extensive investment cycle of recent years, Eesti Energia's primary focus in 2026 is on completing existing development projects and ensuring the reliability of the energy system. Despite a lower level of investments, improving customer experience remains a key priority.

The Group's diversified generation portfolio, growing share of renewable energy, increased business integration and renewed management structure support the stability and resilience of financial results in a volatile market environment in 2026.

Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Income Statement

	1st Quarter		
in million EUR	2026	2025	Note
Revenue	566.3	522.0	5
Other operating income	62.0	27.3	6
Change in inventories of finished goods and work-in-progress	(4.4)	(8.0)	
Raw materials and consumables used	(384.5)	(335.2)	7
Payroll expenses	(56.9)	(48.7)	
Depreciation, amortisation and impairment	(45.7)	(40.4)	
Other operating expenses	(63.5)	(43.6)	8
OPERATING PROFIT	**73.2**	**73.4**	
Financial income	0.9	3.3	
Financial expenses	(26.1)	(12.8)	
Net financial expense	**(25.2)**	**(9.5)**	
Profit from associates under the equity method	1.9	2.0	
PROFIT BEFORE TAX	**49.9**	**65.9**	
Corporate income tax expense	(0.8)	3.9	
PROFIT FOR THE PERIOD	**49.1**	**69.8**	
Equity holder of the Parent Company	49.2	64.7	
Non-controlling interest	(0.1)	5.1	

Condensed Consolidated Interim Statement of Comprehensive Income

	1st Quarter		
in million EUR	**2026**	**2025**	**Note**
PROFIT FOR THE PERIOD	**49.1**	**69.8**	
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Revaluation of hedging instruments net of reclassifications to profit or loss	27.9	(30.2)	14
Of which share of non-controlling interest	-	*(0.1)*	
Impact of comprehensive income of associates	0.1	(0.8)	14
Excange differences on the transactions of foregin operations	(2.0)	0.8	14
Of which share of non-controlling interest	-	*0.1*	
Other comprehensive income/(loss) for the period	**26.0**	**(30.2)**	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**75.1**	**39.6**	
Equity holder of the Parent Company	75.2	34.5	
Non-controlling interest	(0.1)	5.1	

Condensed Consolidated Interim Statement of Financial Position

in million EUR	31.3.2026	31.12.2025	Note
Assets			
Non-current assets			
Property, plant and equipment	3,587.1	3,585.9	9
Right-use-of assets	26.5	24.0	
Intangible assets	96.0	95.0	
Prepayments for non-current assets	35.8	35.3	9
Deferred tax assets	18.5	18.6	
Derivative financial instruments	115.9	113.6	10
Investments in associates	67.8	65.9	
Other shares and holdings	0.3	0.3	
Non-current receivables	1.1	1.1	
Total non-current assets	**3,949.0**	**3,939.7**	
Current assets			
Inventories	146.0	150.8	
Greenhouse gas allowances and certificates of origin	33.6	37.2	
Trade and other receivables	293.8	251.7	
Derivative financial instruments	73.9	43.9	10
Cash and cash equivalents	169.6	358.2	
Total current assets	**716.9**	**841.8**	
Total assets	**4,665.9**	**4,781.5**	3

in million EUR	31.3.2026	31.12.2025	Note
EQUITY			
Capital and reserves attributable to equity holder of the parent			
Share capital	846.6	846.6	11
Share premium	259.8	259.8	
Statutory reserve capital	75.0	75.0	
Hybrid bonds	406.3	398.5	
Other reserves	123.4	97.4	14
Retained earnings	354.4	313.1	
Total equity and reserves attributable to equity holder of the parent	**2,065.5**	**1,990.4**	
Non-controlling interest	**2.1**	**2.2**	
Total equity	**2,067.6**	**1,992.6**	
LIABILITIES			
Non-current liabilities			
Borrowings and lease liabilities	1,246.2	1,404.7	12
Deferred tax liabilities	19.5	18.5	
Other payables	6.1	6.1	
Derivate financial instruments	4.9	4.9	10
Contract liabilities and government grants	541.5	534.7	
Provisions	38.8	38.4	13
Total non-current liabilities	**1,857.0**	**2,007.3**	
Current liabilities			
Borrowings and lease liabilities	214.3	226.6	12
Payables for EUA transactions	132.4	131.2	
Trade and other payables	221.4	292.3	
Derivative financial instruments	19.5	11.4	10
Contract liabilities and government grants	3.0	3.5	
Provisions	150.7	116.6	13
Total current liabilities	**741.3**	**781.6**	
Total liabilities	**2,598.3**	**2,788.9**	
Total liabilities and equity	**4,665.9**	**4,781.5**	

Condensed Consolidated Interim Statement of Cash Flows

	1st Quarter		
in million EUR	2026	2025	Note
Cash flows from operating activities			
Cash generated from operations	127.2	176.9	
Interest and loan fees paid	(35.6)	(36.0)	15
Interest received	1.5	3.6	
Corporate income tax paid	(6.7)	(1.1)	
Net cash generated from operating activities	**86.4**	**143.4**	
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	(111.2)	(95.3)	8
Proceeds from grants of property, plant and equipment	1.5	0.5	
Proceeds from sale of property, plant and equipment	1.8	0.5	
Net cash used in investing activities	**(107.9)**	**(94.3)**	
Net cash generated from financing activities			
Loans received	426.3	20.0	12
Repayments of bank loans	(593.0)	(61.5)	12
Principle elements of lease liabilities	(0.6)	(0.6)	12
Proceeds from realisation of interest rate swaps	0.2	1.1	
Net cash used in financing activities	**(167.1)**	**(41.0)**	
Net cash flows	**(188.6)**	**8.1**	
Cash and cash equivalents at the beginning of the period	358.2	468.9	
Cash and cash equivalents at the end of the period	169.6	477.0	
Net change in cash and cash equivalents	**(188.6)**	**8.1**	

Condensed Consolidated Interim Statement of Changes in Equity

	Attributable to equity holder of the Parent Company								
in million EUR	Share capital	Share premium	Statutory legal reserve	Hybrid bonds	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
Equity as at 31.12.2024	**746.6**	**259.8**	**75.0**	**398.5**	**160.2**	**565.5**	**2,205.6**	**177.8**	**2,383.4**
Profit for the period	-	-	-	-	-	64.7	64.7	5.1	69.8
Other comprehensive income for the period	-	-	-	-	(30.2)	-	(30.2)	-	(30.2)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(30.2)**	**64.7**	**34.5**	**5.1**	**39.6**
Coupons on hybrid bonds	-	-	-	7.8	-	(7.8)	-	-	-
Total contributions by and distributions to owners of the Group, recognised directly in equity	**-**	**-**	**-**	**7.8**	**-**	**(7.8)**	**-**	**-**	**-**
Equity as at 31.3.2025	**746.6**	**259.8**	**75.0**	**406.3**	**130.0**	**622.4**	**2,240.1**	**182.9**	**2,423.0**
Equity as at 31.12.2025	**846.6**	**259.8**	**75.0**	**398.5**	**97.4**	**313.1**	**1,990.4**	**2.2**	**1,992.6**
Profit for the period	-	-	-	-	-	49.2	49.2	(0.1)	49.1
Other comprehensive income for the period	-	-	-	-	26.0	-	26.0	-	26.0
Total comprehensive income for the period	-	-	-	-	**26.0**	**49.2**	**75.2**	**(0.1)**	**75.1**
Coupons on hybrid bonds	-	-	-	7.8	-	(7.8)	-	-	-
Total contributions by and distributions to owners of the Group, recognised directly in equity	**-**	**-**	**-**	**7.8**	**-**	**(7.8)**	**-**	**-**	**-**
Equity as at 31.3.2026	**846.6**	**259.8**	**75.0**	**406.3**	**123.4**	**354.4**	**2,065.5**	**2.1**	**2,067.6**

Notes to the Condensed Interim Consolidated Financial Statements

1. Accounting policies

These condensed consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting as adopted in European Union. The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Accounting policies and presentation of information applied to this interim report were consistent with those used in the consolidated financial statements for the financial year that ended on 31 December 2025.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

The information contained in the interim financial statements has not been audited or otherwise verified by auditors.

2. Financial risk management

2.1. Financial risks

The Group's activities are exposed to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures. The purpose of financial risk management is to mitigate financial risks and minimize the volatility of financial results. The risk and internal audit department under the Chairman of the Management Board and the Audit Committee are engaged in risk management and responsible for the development, implementation, and maintenance of the Group's risk management system. The Group's financial risks are managed in accordance with the principles established by the Management Board at the Group level. The Group's liquidity, interest rate and currency risks are managed in the finance department of the parent company.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

2.2. Interest rate swaps

Interest rate swaps usually involve the exchange of a floating interest rate for a fixed rate (or vice versa) with a purpose to hedge against the cash flow fluctuations. An economic relationship exists between the hedging instruments (interest rate swaps) and the hedged items (loan agreements), because as at 31 March 2026 the critical terms of all interest rate swaps matched the terms of the loan agreements (notional amounts, currencies, maturities, payment schedules). Future hedging transactions are entered into with a hedge ratio of one to one. The Group tests hedge effectiveness by using the hypothetical derivative method and compares the changes in the fair value of interest rate swaps with the changes in the fair value of loan agreements.

Potential sources of hedge ineffectiveness are the following:

- A change in the credit risk of the Group or the counterparty of the interest rate swap. The impact of credit risk may cause an imbalance in the economic relationship between the hedged item and the hedging instrument. According to the assessment of the Group's management, it is highly unlikely that changes in credit risk would cause significant hedge ineffectiveness.

  Fair value is calculated using a third-party model which is confirmed by the transaction partner. On the basis of the Group's internal calculations, the fair value of interest rate swaps is determined as the present value of the expected future cash flows based on the Euribor forward curves derived from observable market data. The fair value measurement takes into account the credit risk of the Group and the counterparty, which is calculated on the basis of credit spreads derived from credit default swaps or bond prices. The fair value of interest rate swaps qualifies as a level 2

measurement in the fair value hierarchy. As at 31 March 2026, the Group had three interest rate swaps to hedge the interest rate risk of three loans:

- An interest rate swap with a notional amount of EUR 100.0 million (31 December 2025: EUR 100.0 million), whereby the Group receives interest at a rate equal to 3-month EURIBOR and pays a fixed rate of interest of 2.36%. The swap is designated to hedge the exposure to the interest rate risk of a floating-rate loan for which the agreement was signed on November 4th 2025.
- An interest rate swap with a notional amount of EUR 39.6 million (31 December 2025: EUR 40.6 million), whereby the Group receives interest at a rate equal to 3-month EURIBOR and pays a fixed rate of interest of 1.049%. The swap is designated to hedge the exposure to the interest rate risk of a floating-rate loan that was drawn down on 24 September 2022.
- An interest rate swap with a notional amount of EUR 27.5 million (31 December 2025: EUR 28.3 million), whereby the Group receives interest at a rate equal to 6-month EURIBOR and pays a fixed rate of interest of 1.125%. The swap is designated to hedge the exposure to the interest rate risk of a floating-rate loan that was drawn down on 30 June 2022.

2.3. Derivatives used to hedge the risks associated with the purchase of electricity

The Group sells electricity to its customers in the retail market. Part of the customers have agreements with fixed rates. To hedge the volatility risk in electricity prices, the Group uses derivatives (futures, forward contracts and long-term power purchase agreements), which are entered into for the purchase of electricity at each 15 minute period of trading. Transactions designed to hedge the volatility risk in electricity prices are designated as hedging instruments in cash flow hedges. The underlying hedged item is the risk components of highly probable forecast electricity purchase transactions: TGE Polish base and peak load prices (Polish market) and the Nord Pool system price, and the difference between the system price and the Finnish area price i.e. the price spread (markets other than Poland). Long-term cash-settled power purchase agreements hedge the exposure to the Nord Pool Lithuanian price area. The volumes of derivative instruments entered into to hedge the purchase price risk is driven by the volumes of forecast fixed-price sales transactions. The hedge ratio of the hedging relationships is one to one.

2.4. Derivatives used to hedge the risks associated with the purchase of natural gas

The Group sells natural gas to its customers in the retail market. Part of the customers have agreements with fixed rates. The Group uses derivatives (futures and forwards) to hedge the volatility risk in natural gas prices in the Polish market, which are entered into for the purchase of a specific amount of gas in each month. Transactions designed to hedge the volatility risk in gas prices are designated as hedging instruments in cash flow hedges. The underlying hedged item is the risk component of highly probable forecast gas purchase transactions: the purchase price of natural gas on the Polish power exchange TGE.

The volume of derivative instruments entered into to hedge the price risk associated with the natural gas purchases in Poland depends on the natural gas sales volumes which are determined by volumes required by customers

under long-term fixed-price agreements. Consistent with the Group's hedging strategy, derivative contracts are concluded for the next three years and allowed net open position is 5% of the volumes of highly probable forecast purchase transactions. The hedge ratio of the hedging relationships is one to one.

2.5. Derivatives used to hedge the risks associated with the sale of shale oil

The Group has shale oil production facilities in Estonia and it sells the produced shale oil in the global energy markets. The Group uses derivatives (futures and swaps) to hedge the volatility risk in the prices of shale oil. In these transactions, the counterparty undertakes to pay the difference between a fixed price and the market price in a given period of time. According to the Group's hedging policy, the purpose of hedging is to secure a predefined level of revenue from future sales. Contracts are concluded for the sale of specific amounts of shale in future periods and they are designated as hedging instruments in cash flow hedges. The underlying hedged item is the risk component of highly probable forecast shale oil sales transactions: heavy fuel oil with 1% sulphur content or its separately identifiable subcomponents. The volume of derivative transactions entered into to hedge the price risk of the sale of shale oil depends on long-term sales contracts signed for future periods and the production plan. Consistent with the Group's hedging strategy, derivative contracts are concluded for the next two years to the extent of up to 80% of the volumes of highly probable forecast sales transactions. The percentage of hedged sales volumes is higher for the years closer to the reporting date, due to the liquidity of the derivatives and the Group's hedging strategy. The hedge ratio of the hedging relationships is one to one.

2.6. Fair value

The Group estimates that the fair values of financial assets and liabilities reported at amortized cost in the statement of financial position as of 31 March 2026 and 31 December 2025 do not materially differ from the carrying amounts reported in the consolidated financial statements. For disclosure purposes, the fair value of financial liabilities is determined by discounting the contractual cash flows at the market interest rate which is available for similar financial instruments of the Group.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2);
- inputs for the asset or liability that are not based on observable market data (Level 3).

The following tables present the Group's assets and liabilities that are measured at fair value by the level in the fair value hierarchy as at 31 March 2026 and 31 December 2025:

	31.3.2026							
in million EUR	ASSETS				LIABILITIES			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash flow hedges								
Future, forward and long-term PPA contracts to purchase electricity	7.5	2.7	108.6	118.8	-	-	6.8	6.8
Future and forward contracts to purchase natural gas	10.7	-	-	10.7	-	-	-	-
Swap and forward contracts for sale of shale oil	5.5	-	-	5.5	11.2	-	-	11.2
Interest rate swap	-	2.5	-	2.5	-	-	-	-
Total cash flow hedges	**23.7**	**5.2**	**108.6**	**137.5**	**11.2**	**-**	**6.8**	**18.0**
Trading derivatives								
Future, forward and long-term PPA contracts to purchase electricity	1.1	2.9	40.5	44.5	-	-	1.4	1.4
Future and forward contracts to purchase natural gas	0.9	-	-	0.9	-	-	-	-
Swap and forward contracts for sale of shale oil	4.9	-	-	4.9	2.5	-	-	2.5
Guarantee of origin	-	-	2.0	2.0	-	-	2.5	2.5
Total trading derivatives	**6.9**	**2.9**	**42.5**	**52.3**	**2.5**	**-**	**3.9**	**6.4**
Total derivative financial instruments (Notes 2.1 and 14)	**30.6**	**8.1**	**151.1**	**189.8**	**13.7**	**-**	**10.7**	**24.4**

	31.12.2025							
in million EUR	ASSETS				LIABILITIES			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash flow hedges								
Future, forward and long-term PPA contracts to purchase electricity	2.5	6.0	96.4	104.9	-	1.9	2.3	4.1
Future and forward contracts to purchase natural gas	-	-	-	-	6.1	-	-	6.1
Interest rate swap	-	1.5	-	1.5	-	0.2	-	0.2
Total cash flow hedges	**2.5**	**7.5**	**96.4**	**106.4**	**6.1**	**2.1**	**2.3**	**10.4**
Trading derivatives								
Future, forward and long-term PPA contracts to purchase electricity	0.9	1.7	38.7	41.3	-	1.1	0.5	1.1
Future and forward contracts to purchase natural gas	-	-	-	-	0.7	-	-	0.7
Swap and forward contracts for sale of shale oil	5.4	-	-	5.4	-	-	-	-
Swap and forward contracts for sale of shale oil gasoline	0.3	-	-	0.3	-	-	-	-
Guarantee of origin	-	-	4.2	4.2	-	-	3.6	3.6
Total trading derivatives	**6.6**	**1.7**	**42.9**	**51.2**	**0.7**	**1.1**	**4.1**	**5.9**
Total derivative financial instruments (Notes 2.1 and 14)	**9.1**	**9.1**	**139.3**	**157.5**	**6.8**	**3.1**	**6.4**	**16.3**

2.6. Fair value, cont.

Financial instruments within level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. The Group's derivatives that are traded on Nasdaq OMX, ICE, TGE, Argus and EEX exchanges, are classified as Level 1 instruments. The fair values of forwards. swaps and futures are determined on the basis of their spot prices at the reporting date.

Financial instruments within level 2

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. An instrument is included in level 2 if all the significant inputs required to establish the fair value of the instrument are observable. If one or more significant inputs are not based on observable market data, an instrument is included in level 3. The values of the Group's derivatives arising from Baltic electricity and interest rate swap transactions is calculated using valuation techniques, which are based on the quotations of Nasdaq OMX and the interbank swap market at the reporting date.

Financial instruments within level 3

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. An instrument is included in level 3 if one or more significant inputs are not based on observable market data. The Group classifies derivatives over guarantees of origin (green certificates) and power purchase agreements (PPAs) as level 3 financial instruments.

The financial risk management department of the Group performs the valuations of derivative items required for financial reporting purposes, including level 3 fair values. This team reports directly to the financial risk committee who approves the valuation technique. Discussions of valuation processes and results are held between the financial risk committee and the valuation team at least once every quarter, in line with the Group's quarterly reporting periods.

Level 3 instruments

in million EUR	**31.3.2026**	**31.12.2025**
Derivatives for electricity purchase	140.9	132.3
Concluded derivatives for Guarantees of Origin	(0.5)	0.6
Total	**140.4**	**132.9**

The fair value of PPAs is determined using a valuation technique that incorporates both observable and unobservable inputs. Observable inputs

include market-quoted forward prices such as the Nord Pool system price and the Helsinki EPAD as published on Nasdaq OMX at the balance sheet date.

Unobservable inputs include, among others, long-term price forecasts from third-party expert reports, expected production and consumption data of market participants, market prices of fuel inputs (CO_2, gas, coal), information on plant or cable outages, and knowledge of expected future developments. The fair value calculations are performed on a monthly basis.

The fair value of level 3 derivatives of guarantees of origin (GoOs) is calculated using a valuation technique, which is based on the bid and ask quotations of traders in GoOs. The fair value calculations are made on a daily basis.

Level 3 instruments

in million EUR	Cash flow hedges	Derivatives held for trading
Opening balanse as at 01.01.2025	**132.8**	**40.4**
Loss recognised in other comprehensive income	(56.3)	-
Cash settlements	17.9	(4.3)
Reclassification of ineffective portion	(0.3)	-
Gains recognised in other operating income	-	3.8
Loss recognised in other operating expense	-	(1.2)
Closing balance as at 31.12.2025	**94.1**	**38.8**
Gains recognised in other comprehensive income	21.8	-
Cash settlements	(14.0)	(8.8)
Gains recognised in other operating income	-	16.9
Loss recognised in other operating expense	-	(8.3)
Closing balance as at 31.3.2026	**101.9**	**38.6**

Gains recognized in other comprehensive income are accounted for within Revaluation of hedging instruments net of reclassifications to profit or loss. Gains recognized in other income are accounted for within Gain from revaluation of derivatives and losses recognized in other operating expenses are accounted for within Loss from revaluation of derivatives.

2.7. Fair value of financial assets and liabilities measured at amortized cost

Fair value of bonds and bank loans:

in million EUR	31.3.2026	31.12.2025
Carrying amounts of bonds	49.5	49.4
Market value of bonds based on quoted sales price	50.7	50.9
Carrying amounts of bank loans with fixed interest rate	12.4	12.4
Fair value of bank loans with fixed interest rate	12.4	12.3
Carrying amounts of bank loans with floating interest rate (hedged by IRS)	167.1	68.9
Fair value of bank loans with floating interest rate (hedged by IRS)	167.1	68.9
Carrying amounts of bank loans with floating interest rate	1,191.1	1,474.6
Fair value of bank loans with floating interest rate	1,191.1	1,474.6

The bonds are denominated in euros and listed on the Baltic Bond List of the Nasdaq Tallinn Stock Exchange. In determining the market value of the bonds, inputs corresponding to level 1 of the fair value hierarchy have been used. The fair values of the bank loans with a fixed interest rate were determined based on discounted cash flows using a discount rate of 2.986% (2024: 3.110%), that are within level 2 of the fair value hierarchy. The discount rates are calculated based on interpolated interest rate swaps, considering the average length of years to the repayment date(s). Management estimates that the fair values of the loans with floating interest rates do not differ from their carrying amounts as at the end of the reporting period, as the risk margins have not changed.

Other financial assets and liabilities of which fair value is approximate to their carrying amount:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables.

3. Segment reporting

For the purposes of monitoring the Group's performance and making management decisions, the Management Board uses product-based reporting. The Group has determined main products and services, i.e. value-creating units that generate external revenues and profit, and built up a methodology of allocating revenues, expenses, and assets to the products.

The Group has distinguished four main products and services, which are presented as separate reportable segments, and a number of minor products and services, which are presented together within other segments:

1) renewable energy and electricity sales (renewable electricity generation, electricity sales and energy trading);

2) non-renewable electricity production (electricity generation from non-renewable sources);

3) distribution (sale of network services in the regulated market and sale of additional services by Elektrilevi);

4) shale oil (shale oil production and sale);

5) other products and services (including sale of natural gas, heat, industrial equipment and ancillary services, other products and services sale).

The non-renewable electricity production segment includes the generation of electricity from non-renewable sources, such as oil shale and waste fuel. All other activities related to the generation and sale of electricity, including the generation of electricity from renewable sources, the sale of electricity to retail customers and the trading of electricity on the wholesale market, are included in the renewable energy and electricity sales segment.

The segment of other products and services includes by-products and services whose individual share of the Group's revenue and EBITDA is immaterial. None of these products and services meet the quantitative thresholds that would require separate reporting disclosures.

Segment revenues include revenues from external customers only, generated by the sale of respective products or services. As the segments are based on externally sellable products and services (as opposed to legal entities), there are no transactions between segments to be eliminated.

All operating expenses of the Group are allocated to the products and services to which they relate. If a product (e.g. electricity) is created by several Group entities in a vertically integrated chain, then the related expenses include the production cost of each entity involved in preparation of the product (e.g. the cost of electricity includes the cost of oil shale used for its production). Group overheads are allocated to products and services proportionally to the revenue generated in relation to these costs.

The Management Board assesses the performance of the segments primarily based on EBITDA and it also monitors operating profit. Finance income and expenses, and income tax are not allocated to the segments. EBITDA is not a defined performance measure under IFRS. The Group's definition of EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities.

The Group's assets are allocated to the segments based on their purpose of use. Liabilities are not allocated to the segments as they are managed centrally by the Group's finance department.

The sales prices of network charges need to be approved by the Estonian Competition Authority as stipulated by the Electricity Market Act of Estonia. The Estonian Competition Authority has an established methodology for approving the prices that considers the costs necessary to fulfil the legal obligations and ensures justified profitability on invested capital. Generally, the Estonian Competition Authority considers the annual average carrying amount of non-current assets plus 5% of external sales revenue as invested capital. The rate for justified profitability is the Company's weighted average cost of capital (WACC). The sales prices for all other segments are not regulated by the law.

Also, according to the District Heating Act the heating undertakings which sell heat to customers or to network operators who sell heat to customers or produce heat in the process of combined generation of heat and power must obtain the approval of the Competition Authority regarding the maximum price of the heat to be sold.

Revenue

The revenue from external customers reported to the management board of the Parent Company is measured in a manner consistent with that in the consolidated income statement.

	1st Quarter	
in million EUR	**2026**	**2025**
Revenue from external customers		
Renewable energy and electricity sales	243.2	217.2
Non-renewable electricity production	120.6	91.5
Distribution	98.7	88.0
Shale oil	39.6	54.1
Total reportable segments	**502.0**	**450.8**
Other products and services	64.3	71.2
Total (Note 5)	**566.3**	**522.0**

A more detailed revenue breakdown between goods and services is provided in Note 5. In segment reporting, revenue from all goods and services is allocated to four main products and services and the segment of other products and services based on both the direct revenue from the product or service as well as the revenue from its associated sub-products and -services. Therefore, electricity and distribution revenues in Notes 3 and 5 are not directly comparable.

EBITDA

	1st Quarter	
in million EUR	**2026**	**2025**
EBITDA		
Renewable energy and electricity sales	15.8	20.5
Non-renewable electricity production	38.7	22.5
Distribution	43.9	36.5
Shale oil	10.6	18.8
Total reportable segments	**109.0**	**98.3**
Other products and services	9.9	15.5
Total	**118.9**	**113.8**
Depreciation, amortisation and impairment	(45.7)	(40.4)
Net finance costs	(25.2)	(9.5)
Profit from associates using equity method	1.9	2.0
Profit before tax	**49.9**	**65.9**

* EBITDA: profit before finance income and costs, profit (loss) from associates under the equity method, tax, depreciation, amortization and impairment losses

Other profit and loss disclosures

Interest income and expenses, corporate income tax expense and profit (loss) from associates under equity method are not divided between segments and the information is not provided to the Management Board of the parent company.

in million EUR	1st Quarter 2026					
	Other operating income (Note 6)	**Change in inventories of finished goods and work-in-progress**	**Raw materials and consumables used (Note 7)**	**Payroll expenses**	**Other operating expenses (Note 8)**	**Depreciation and amortisation**
Renewable energy and electricity sales	53.0	-	(227.2)	(9.6)	(47.4)	(13.6)
Non-renewable electricity production	-	(3.8)	(63.1)	(12.9)	(2.0)	(3.8)
Distribution	-	-	(35.3)	(12.4)	(3.1)	(17.2)
Shale oil	1.8	(0.4)	(13.2)	(11.5)	(5.6)	(3.7)
Total reportable segments	**54.8**	**(4.3)**	**(338.9)**	**(46.4)**	**(58.2)**	**(38.3)**
Other products and services	7.2	(0.1)	(45.6)	(10.5)	(5.3)	(7.4)
Total	**62.0**	**(4.4)**	**(384.5)**	**(56.9)**	**(63.5)**	**(45.7)**

in million EUR	1st Quarter 2025					
	Other operating income (Note 6)	**Change in inventories of finished goods and work-in-progress**	**Raw materials and consumables used (Note 7)**	**Payroll expenses**	**Other operating expenses (Note 8)**	**Depreciation and amortisation**
Renewable energy and electricity sales	13.1	-	(176.3)	(8.1)	(25.1)	(10.3)
Non-renewable electricity production	2.8	(2.6)	(55.6)	(10.8)	(2.1)	(2.5)
Distribution	-	-	(37.2)	(10.1)	(2.5)	(15.2)
Shale oil	1.8	(4.9)	(18.2)	(10.3)	(3.1)	(5.3)
Total reportable segments	**17.7**	**(7.5)**	**(287.3)**	**(39.3)**	**(32.8)**	**(33.3)**
Other products and services	9.7	(0.5)	(47.9)	(9.4)	(10.8)	(7.1)
Total	**27.3**	**(8.0)**	**(335.2)**	**(48.7)**	**(43.6)**	**(40.4)**

Assets

The amounts reported to the Management Board of the parent company with respect to total assets are measured in a manner consistent with that of the consolidated financial statements

in million EUR	31.3.2026		1st Quarter 2026	31.12.2025		1st Quarter 2025
	Total assets	**Investments in associates**	**Capital expenditure**	**Total assets**	**Investments in associates**	**Capital expenditure**
Renewable energy and electricity sales	1,887.7	0.7	12.8	1,972.6	0.7	39.2
Non-renewable electricity production	195.2	0.7	1.4	199.5	0.6	3.2
Distribution	1,715.4	-	27.3	1,775.4	-	28.9
Shale oil	468.7	1.5	7.3	471.7	1.2	18.0
Total reportable segments	**4,266.9**	**2.9**	**48.8**	**4,419.2**	**2.4**	**89.3**
Other products and services	399.0	65.0	2.3	362.3	63.5	7.9
Total	**4,665.9**	**67.8**	**51.1**	**4,781.5**	**65.9**	**97.2**

4. Seasonality of operating profit

Temperature is the most important factor influencing the domestic electricity and heat demand. Lower temperatures in winter induce higher energy consumption and thus higher revenues and operating profit. In summer, higher temperatures lead to lower electricity and heat consumption and correspondingly to lower revenues and lower operating profit.

5. Revenue

	1st Quarter	
in million EUR	**2026**	**2025**
Revenue from contracts with customers		
By activity		
Sale of goods		
Shale oil	42.2	54.5
Shale rock	-	0.1
Other goods	1.2	1.2
Total sale of goods	**43.4**	**55.8**
Sale of services		
Electricity (over time)	358.2	311.7
Sales of services related to network (over time)	100.9	93.0
Gas energy (over time)	32.3	37.8
Heat (over time)	16.0	13.4
Waste reception and resale (in time)	4.3	3.8
Rental and maintenance income (over time)	0.2	0.3
Other services	4.7	5.9
Total sale of services	**516.6**	**465.9**
Total revenue from contracts with customers	**560.0**	**521.7**
Reclassifications from other comprehensive income		
Realisation of shale oil cash flow hedges (Note 14)	(2.5)	(0.4)
Realisation of electricity cash flow hedges (Note 14)	8.8	0.7
Total reclassifications from other comprehensive income	**6.3**	**0.3**
Total revenue (Note 3)	**566.3**	**522.0**

6. Other operating income

	1st Quarter	
in million EUR	**2026**	**2025**
Gain from revaluation of derivatives	57.0	19.2
Renewable energy grant	1.3	4.3
Fines, penalties and compensations	1.9	2.3
Government grants	0.9	0.4
Gain on disposal of property, plant and equipment	0.3	0.3
Other operating income	0.6	0.8
Total other operating income (Note 3)	**62.0**	**27.3**

7. Raw materials and consumables used

	1st Quarter	
in million EUR	**2026**	**2025**
Electricity	229.2	186.7
Greenhouse gases emissions expense (Note 13)	36.9	41.6
Transmission services	29.5	20.2
Gas bought for resale	28.9	33.5
Technological fuel	18.8	13.1
Maintenance and repairs	14.3	11.4
Materials and spare parts	10.1	10.2
Environmental pollution charges	5.1	4.7
Purchased works and services	4.9	4.9
Resource tax on mineral resources	3.5	6.0
Other raw materials and consumables used	3.3	2.9
Total raw materials and consumables used (Note 3)	**384.5**	**335.2**

8. Other operating expenses

	1st Quarter	
in million EUR	**2026**	**2025**
Loss from revaluation of derivatives	43.1	26.1
Miscellaneous office expenses	5.7	4.8
Insurance	2.3	2.3
Consultation	2.1	1.9
Building and structure costs	1.8	2.0
Rental expense	1.6	1.4
Research and development costs	1.1	1.2
Taxes	1.3	1.0
Loss on disposal of property, plant and equipment	1.0	-
Compensatsions	0.3	-
Loss on disposal of subsidiary	0.2	-
Other operating expenses	3.0	2.9
Total other operating expenses (Note 3)	**63.5**	**43.6**

9. Property, plant and equipment

in million EUR	Land	Buildings	Const-ruction	Plant and equipment	Other	Construction in progress	Prepayments	Total
Property, plant and equipment as at 31.12.2024								
Cost	93.1	342.9	1,639.1	3,638.5	8.2	1,116.9	61.1	6,899.8
Accumulated amortisation	-	(226.7)	(733.7)	(2,309.1)	(5.4)	-	-	(3,274.9)
Carrying amount at 31.12.2024	**93.1**	**116.2**	**905.4**	**1,329.4**	**2.8**	**1,116.9**	**61.1**	**3,624.9**
Movements in 2025								
Additions	0.3	-	4.5	12.2	0.5	417.8	8.5	443.8
Refund of overpaid connection fees	-	-	-	-	-	(4.3)	(3.5)	(7.8)
Depreciation charge	-	(5.5)	(41.5)	(105.7)	(0.9)	-	-	(153.6)
Impairment loss	-	(27.5)	(7.4)	(40.9)	-	(121.4)	-	(197.2)
Disposals (at carrying amount)	-	-	(0.2)	(0.4)	-	-	-	(0.6)
Disposal of subsidiary	-	-	(12.5)	(74.8)	-	(0.3)	-	(87.6)
Effects on movements in foreign exchange rates	(0.3)	-	-	0.2	-	0.1	-	-
Other changes	-	-	(0.2)	-	-	-	-	(0.2)
Transfers	-	1.6	163.9	460.2	0.1	(595.5)	(30.8)	(0.5)
Total changes occurred in 2025	**-**	**(31.4)**	**106.6**	**250.8**	**(0.3)**	**(303.6)**	**(25.8)**	**(3.7)**
Property, plant and equipment as at 31.12.2025								
Cost	93.1	344.3	1,786.2	3,978.3	8.3	813.3	35.3	7,058.8
Accumulated amortisation	-	(259.5)	(774.2)	(2,398.1)	(5.8)	-	-	(3,437.6)
Carrying amount at 31.12.2025	**93.1**	**84.8**	**1,012.0**	**1,580.2**	**2.5**	**813.3**	**35.3**	**3,621.2**
Movements in the reporting period								
Additions	-	-	0.9	0.2	-	46.0	0.6	47.7
Depreciation charge and impairments	-	(1.2)	(11.6)	(29.1)	(0.3)	(0.4)	-	(42.6)
Disposals (at carrying amount)	-	-	-	(0.8)	-	(2.0)	-	(2.8)
Effects on movements in foreign exchange rates	-	-	-	(0.2)	-	(0.4)	-	(0.6)
Transfers	-	-	41.5	82.3	-	(123.7)	(0.1)	-
Total changes occured in the reporting period	**-**	**(1.2)**	**30.8**	**52.4**	**(0.3)**	**(80.5)**	**0.5**	**1.7**
Property, plant and equipment as at 31.3.2026								
Cost	93.1	344.2	1,828.5	4,050.3	8.3	732.8	35.8	7,093.0
Accumulated amortisation	-	(260.6)	(785.7)	(2,417.7)	(6.1)	-	-	(3,470.1)
Carrying amount at 31.3.2026	**93.1**	**83.6**	**1,042.8**	**1,632.6**	**2.2**	**732.8**	**35.8**	**3,622.9**

The Group has concluded construction and development contracts, which are not recorded on the balance sheet as a liability, and which are accounted for off-balance sheet. As of 31 March 2026, the Group had obligations arising from these agreements in the amount of EUR 291.7 million (31 December 2025: EUR 156.6 million).

10. Derivative financial instruments

in million EUR	31.3.2026		31.12.2025	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Cash flow hedges				
Future, forward and long-term PPA contracts to purchase electricity	118.8	6.8	104.9	4.1
Future and forward contracts to purchase natural gas	10.7	-	-	6.1
Swap and forward contracts for sale of shale oil	5.5	11.2	-	-
Interest rate swap	2.5	-	1.5	0.2
Total cash flow hedges	**137.5**	**18.0**	**106.4**	**10.4**
Trading derivatives				
Future, forward and long-term PPA contracts to purchase electricity	44.5	1.4	41.3	1.5
Future and forward contracts to purchase natural gas	0.9	-	-	0.7
Swap and forward contracts for sale of shale oil	4.9	2.5	5.4	-
Swap and forward contracts for sale of shale oil gasoline	-	-	0.3	-
Guarantees of origin	2.0	2.5	4.2	3.6
Total trading derivatives	**52.3**	**6.4**	**51.2**	**5.9**
Total derivative financial instruments (Notes 2.1, 2.6 and 14)	**189.8**	**24.4**	**157.5**	**16.3**
Including non-current portion				
Cash flow hedges	78.5	3.0	75.3	2.3
Trading derivatives	37.4	1.9	38.3	2.6
Total non-current portion	**115.9**	**4.9**	**113.6**	**4.9**
Including current portion				
Cash flow hedges	59.0	15.0	31.0	8.1
Trading derivatives	14.9	4.5	12.9	3.3
Total current portion	**73.9**	**19.5**	**43.9**	**11.4**

11. Share capital and dividends

As at 31 March 2026, Eesti Energia AS had 846 645 750 registered shares (31 December 2025: 846 645 750 registered shares). The nominal value of each share is 1 euro.

Eesti Energia AS had not paid dividends during the reporting period (In the first 3 months of 2025 dividends were not paid).

12. Borrowings at amortized cost

in million EUR	Short-term borrowings			Long-term borrowings			Total
	Bank loans	Lease liabilities	Other borrowings	Bonds issued	Bank loans	Lease liabilities	
Borrowings at amortised cost as at 31.12.2024	**194.5**	**2.5**	**-**	**-**	**1,471.5**	**27.2**	**1,695.7**
Changes occurred in 2025							
Cash movements							
Borrowings received	61.2	-	-	49.3	65.0	-	175.5
Repayments of principal	(230.2)	(1.7)	-	-	-	(0.8)	(232.7)
Repayments of interests and other fees	(83.3)	(1.6)	-	-	-	-	(84.9)
Non-cash movements				-			
Initial recognition of lease liabilities	-	-	-	-	-	3.2	3.2
Interest accrued	75.1	1.6	-	0.1	2.1	-	78.9
Transfers	207.0	1.5	-	-	(207.0)	(1.5)	-
Impact of exchange rate changes	-	-	-	-	-	0.1	0.1
Disposal of subsidiary	-	-	-	-	-	(4.2)	(4.2)
Terminated lease liabilities	-	-	-	-	-	(0.3)	(0.3)
Total changes occurred in 2025	**29.8**	**(0.2)**	**-**	**49.4**	**(139.9)**	**(3.5)**	**(64.4)**
Borrowings at amortised cost as at 31.12.2025	**224.3**	**2.3**	**-**	**49.4**	**1,331.6**	**23.7**	**1,631.3**

Changes occurred in the reporting period							
Cash movements							
Borrowings received	100.0	-	3.8	-	322.5	-	426.3
Repayments of principal	(207.3)	(0.4)	-	-	(385.7)	(0.2)	(593.6)
Repayments of interests and other fees	(34.9)	-	-	-	-	-	(34.9)
Non-cash movements							
Initial recognition of lease liabilities	-	-	-	-	-	5.8	5.8
Interest accrued	23.9	-	-	0.1	4.2	-	28.2
Transfers	102.2	0.3	-	-	(102.2)	(0.3)	-
Impact of exchange rate changes	-	-	0.2	-	(0.1)	-	0.1
Terminated lease liabilities	-	(0.1)	-	-	-	(2.6)	(2.7)
Total changes occurred in the reporting period	**(16.1)**	**(0.2)**	**4.0**	**0.1**	**(161.3)**	**2.7**	**(170.8)**
Borrowings at amortised cost as at 31.3.2026	**208.2**	**2.1**	**4.0**	**49.5**	**1,170.3**	**26.4**	**1,460.5**

As at 31 March 2026, the Group had undrawn loan facilities of EUR 350.0 million (31 December 2025: EUR 520.0 million).

In February 2026, Eesti Energia AS made an early repayment of a EUR 600.0 million syndicated loan. At the time of repayment, the outstanding loan balance was EUR 471.4 million. The main reason for the early repayment was the high cost of the loan compared to alternative financing options.

13. Provisions

in million EUR	Opening balance 31.12.2025				Closing balance 31.3.2026	
		Recognition and reversal of provisions	Interest charge	Use	Short term provision	Long term provision
Environmental protection provisions	21.3	-	0.2	(0.1)	1.3	20.1
Provision for dismantling cost of assets	15.3	-	0.2	-	-	15.5
Provision for greenhouse gas emissions	107.1	36.9	-	-	144.0	-
Provision for renewable energy certificates	5.2	(1.8)	-	-	3.4	-
Other provisions	6.1	-	0.1	(1.0)	2.0	3.2
Total provisions	**155.0**	**35.1**	**0.5**	**(1.1)**	**150.7**	**38.8**

in million EUR	Opening balance 31.12.2024				Closing balance 31.12.2025	
		Recognition and reversal of provisions	Interest charge	Use	Short term provision	Long term provision
Environmental protection provisions	22.3	(1.5)	1.0	(0.5)	1.4	19.9
Provision for dismantling cost of assets	14.5	-	0.8	-	-	15.3
Provision for greenhouse gas emissions	125.2	107.1	-	(125.2)	107.1	-
Provision for renewable energy certificates	2.4	2.8	-	-	5.2	-
Other provisions	6.2	1.0	0.1	(1.2)	2.9	3.2
Total provisions	**170.6**	**109.4**	**1.9**	**(126.9)**	**116.6**	**38.4**

14. Other reserves

in million EUR	31.3.2026	31.12.2025
Other reserves at the beginning of the period	**97.4**	**160.2**
of which hedge reserve at the beginning of the period	**85.4**	**145.7**
electricity cash flow hedges	90.2	140.4
gas cash flow hedges	(6.1)	3.6
shale oil cash flow hedges	-	(1.5)
interest rate swap	1.2	5.8
non-controlling interest of hedging instruments	-	(2.6)
of which currency translation reserve at the beginning of the period	**7.6**	**9.0**
of which reserve related to other comprehensive income of associates at the beginning of the period	**4.4**	**5.5**
Change in fair value of cash flow hedges	**29.4**	**(11.5)**
electricity cash flow hedges	23.3	(9.5)
gas cash flow hedges	15.1	(8.5)
shale oil cash flow hedges	(9.9)	9.4
interest rate swap	0.9	(2.8)
Recognized as an (increase)/decrease of revenue (Note 5)	**(6.3)**	**(8.4)**
shale oil cash flow hedges	2.5	(7.9)
electricity cash flow hedges	(8.8)	(0.5)
Recognized as an increase/(decrease) of cost of raw materials and consumables (Note 7)	**4.5**	**(41.2)**
electricity cash flow hedges	2.9	(40.1)
gas cash flow hedges	1.6	(1.1)
Recognized as an increase/(decrease) of interest expenses	**0.3**	**(1.7)**
Currency translation differences attributable to foreign subsidiaries	**(2.0)**	**(1.7)**
of which share of non-controlling interest	(0.1)	(0.1)
Change in associates other comprehensive income	**0.1**	**(1.1)**
Other reserves at the end of the period	**123.4**	**97.4**
of which hedge reserve at the end of the period	**113.3**	**85.4**
electricity cash flow hedges	107.6	90.2
gas cash flow hedges	10.6	(6.1)
shale oil cash flow hedges	(7.4)	-
interest rate swap	2.5	1.2
of which currency translation reserve at the end of the period	**5.6**	**7.6**
of which reserve related to other comprehensive income of associates at the end of the period	**4.5**	**4.4**

15. Cash generated from operations

	1st Quarter	
in million EUR	**2026**	**2025**
Profit before tax	**49.9**	**65.9**
Adjustments		
Depreciation and impairment of property, plant and equipment and right of use assets	43.2	38.0
Amortisation and impairment of intangible assets	2.5	2.4
Deferred income from connection and other service fees	(4.4)	(4.0)
Gain/(loss) on disposal of property, plant and equipment	0.7	(0.3)
Loss on disposal of associate	0.2	-
Amortisation of government grant received to purchase non-current assets	(0.7)	(0.4)
Profit from associates using equity method	(1.9)	(2.0)
Unpaid/unsettled loss on derivatives	3.8	15.5
Loss from other non-cash transactions	0.1	0.1
Interest expense on borrowings and lease liabilities	25.5	12.0
Interest and other financial income	(0.9)	(3.3)
Adjusted net profit before tax	**118.0**	**123.9**
Net change in current assets relating to operating activities		
Change in receivables related to operating activities	(20.4)	(19.4)
Change in inventories	4.0	23.4
Net change in other current assets relating to operating activities	(20.5)	(7.6)
Total net change in current assets relating to operating activities	**(36.9)**	**(3.6)**
Net change in current liabilities relating to operating activities		
Change in provisions	34.5	42.5
Change in trade payables	(4.6)	(13.9)
Net change in liabilities relating to other operating activities	16.2	28.0
Total net change in liabilities relating to operating activities	**46.1**	**56.6**
Cash generated from operations	**127.2**	**176.9**

16. Related party transactions

The sole shareholder of Eesti Energia AS is the Republic of Estonia.

For the purposes of the condensed consolidated interim financial statements of Eesti Energia, related parties include the shareholders, members of the executive and higher management, and close family members of the above persons and companies under their control or significant influence. Related parties also include entities under the control or significant influence of the state.

As the sales of electricity, network services and heat to the entities over which the state has control or significant influence have been taken place under normal business activity, the group has applied the exemption, provided in paragraph 25 of IAS 24, from disclosure of individually insignificant transactions and balances with the government and other related parties where the state has control or joint control of, or significant influence over, such parties.

In purchasing and selling network services, the prices set by the Estonian Competition Authority are used. All other transactions are concluded using agreed prices.

Transactions with associates

	1st Quarter	
in million EUR	2026	2025
Purchase of goods	3.1	3.2
Purchase of services	0.5	0.3
Purchase of property, plant and equipment and prepayments	-	0.1
Proceeds from sale of services	0.1	0.1
Loans received	3.8	-

Receivables from associates and payables to associates

in million EUR	31.3.2026	31.12.2025
Receivables	11.9	11.6
incl long-term loan receivables	11.9	11.6
Allowance for doubtful loan receivables	(11.9)	(11.6)
Payables	1.3	0.7

Upon premature termination of the service contract with a member of the Management Board, the service contracts stipulate the payment of 3 months remuneration as termination benefits. During the period 1 January – 31 March 2026 remuneration to management and supervisory boards amounted to EUR 1.2 million (1 January – 31 March 2025: EUR 1.4 million).

Transactions with entities over which the members of Supervisory and Management Board have significant influence

	1st Quarter	
in million EUR	2026	2025
Sale of goods and services	3.4	2.5
Purchase of goods, services and prepayments	3.2	0.2

Glossary

Clean Dark Spread (CDS) – Eesti Energia's margin between the price of electricity (in NP Estonia) and oil shale costs and CO_2 costs (taking into account the price of CO_2 allowance futures maturing in December and the amount of CO_2 emitted in the generation of a MWh of electricity)

CO_2 emission allowance – According to the European Union Emissions Trading System (ETS), one emission allowance gives the holder the right to emit one tonne of carbon dioxide (CO_2). The limit on the total number of emission allowances available gives them a monetary value

Controllable production assets – Production assets which operate on energy sources such as oil shale, oil shale gas, wood chips, peat and tyre chips

EBITDA – profit before finance income and costs, profit (loss) from associates under the equity method, tax, depreciation, amortisation, impairment losses

EBITDA margin – profit before finance income and costs, profit (loss) from associates under the equity method, tax, depreciation, amortisation, impairment losses divided by revenue

Financial leverage – net debt divided by the sum of net debt and equity

Liquidity – Amount of liquid assets. Sum of cash and cash equivalent, short-term financial investments and deposits with a maturity of more than 3 months

MWh – megawatt hour. 1 MWh is the unit of energy generated (or consumed) in one hour by a device operating at a constant power of 1 MW (megawatt) 1.000.000 MWh = 1.000 GWh = 1 TWh

Net debt – Debt obligations (amortised) less cash and cash equivalents (incl. bank deposits with maturities exceeding 3 months), units in money market funds and investments in fixed income bonds

Network losses – The amount of electricity delivered to customers is somewhat smaller than the amount supplied from power plants to the network because during transfer a part of electricity in the power lines and transformers converts into heat. To a lesser extent. network losses are caused by power theft and incorrect measuring.

NP system price – The price on the Nord Pool power exchange that is calculated on the basis of all purchase and sale bids without taking into account transmission capacity limitations

ROE - operating profit divided by equity

ROIC – Return on Invested Capital. calculated by dividing operating profit by average invested capital

SAIDI – System Average Interruption Duration Index. The sum of all customer interruption durations in minutes divided by the total number of customers served

SAIFI – System Average Interruption Frequency Index. The total number of customer interruptions divided by the total number of customers served

Variable profit – Profit after deducting variable costs from sales revenue