eustream, a.s.

CONDENSED INTERIM FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH THE INTERNATIONAL ACCOUNTING STANDARD 34, AS ADOPTED BY EU

For the six-months period ended 31 January 2022

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eustream, a.s.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders, Supervisory Board, Board of Directors and Audit Commitee of eustream, a.s.:

Introduction

We have reviewed the accompanying balance sheet of eustream, a.s. (the "Company") as at 31 January 2022 and the related statement of comprehensive income and statement of changes in equity and cash flows for the six month period then ended, and explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the International Financial Reporting Standards as adopted by the EU (the "IFRS"). Management is responsible for the preparation and presentation of this financial information in accordance with recognition and measurement criteria of IFRS.. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the International Financial Reporting Standards.

Emphasis of Matters – Subsequent event

We draw attention to Note 24 of the explanatory information which describes uncertainty resulting from subsequent event – military conflict of Russian Federation in Ukraine and related sanctions, which might have a material impact on valuation of gas assets of the entity and its future cash flows.

Our conclusion is not modified in respect of this matter.

Bratislava, 22 June 2022

Ing. Patrik Ferko, FCCA
Responsible Auditor
Licence UDVA No. 1045

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

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eustream, a.s.
CONDENSED STATEMENT OF FINANCIAL POSITION
As at 31 January 2022 and 31 July 2021
(EUR '000)

ASSETS:	**Note**	**31 January 2022**	**31 July 2021**
NON-CURRENT ASSETS			
Property, plant and equipment	7,4	4 402 742	4 461 267
Non-current intangible assets		5 212	2 620
Non-current financial investments	8	6 607	6 607
Other non-current assets		11 471	17 586
Total non-current assets		**4 426 032**	**4 488 080**
CURRENT ASSETS			
Inventories	9	17 803	11 830
Receivables and prepayments	10	49 906	46 185
Current income tax receivable		-	8 296
Other short-term loans		86	85
Cash and cash equivalents		120 972	58 926
Total current assets		**188 767**	**125 322**
TOTAL ASSETS		**4 614 799**	**4 613 402**
EQUITY AND LIABILITIES:			
EQUITY			
Share capital	14	282 929	282 929
Legal and other reserves	15	(415 734)	(96 041)
Revaluation reserve	4	1 732 910	1 760 825
Retained earnings	15	299 480	333 899
Total equity		**1 899 585**	**2 281 612**
NON-CURRENT LIABILITIES			
Bonds issued	11	989 184	988 890
Loans received	11	65 000	65 000
Deferred income		58 194	58 272
Provisions for liabilities		7 056	6 466
Retirement and other long-term employee benefits		4 047	4 009
Deferred income tax liability		832 179	930 266
Other non-current financial liabilities	13	150 751	84 449
Total non-current liabilities		**2 106 411**	**2 137 352**
CURRENT LIABILITIES			
Current portion of bonds	11	18 854	7 557
Current portion of loans	11	9	12
Trade and other payables	12	587 686	186 327
Income tax		76	-
Provisions for liabilities and other current liabilities		2 178	542
Total current liabilities		**608 803**	**194 438**
TOTAL LIABILITIES		**2 715 214**	**2 331 790**
TOTAL EQUITY & LIABILITIES		**4 614 799**	**4 613 402**

The condensed interim financial statements on pages 1 to 28 were approved for issue on 22 June 2022 and signed on behalf of the Board of Directors:

Ing. Tomáš Mareček
Chairman of the Board of Directors

Ing. Miroslav Bodnár
Member of the Board of Directors

eustream, a.s.
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
For the six-months period ended 31 January 2022 and 31 January 2021
(EUR '000)

	Note	6-month period ending 31 January 2022	6-month period ending 31 January 2021
REVENUES FROM SALE OF SERVICES			
Natural gas transmission and other services	16	303 257	376 803
Total revenues		**303 257**	**376 803**
OPERATING EXPENSES			
Own work capitalised		986	1 401
Consumption of natural gas, consumables and energy		(22 161)	(10 535)
Depreciation, amortisation and impairment losses, net		(70 297)	(72 073)
Other services		(7 750)	(8 807)
Personnel expenses		(15 488)	(14 775)
Provisions for bad and doubtful debts, obsolete and slow-moving inventories, net		(1 537)	(1 479)
Provisions and impairment losses, net		(1 635)	(1 852)
Other operating income		122	629
Other operating expenses		2 822	(3 355)
Total operating costs		**(114 936)**	**(110 846)**
OPERATING PROFIT		**188 320**	**265 957**
Finance income	17	**14 347**	**65**
Finance costs	18	**(15 204)**	**(16 452)**
PROFIT BEFORE TAX		**187 463**	**249 570**
INCOME TAX	19	(44 824)	(64 709)
PROFIT FOR THE PERIOD		**142 639**	**184 861**
Other comprehensive income (items that may be reclassified subsequently to profit or loss)			
Hedging derivatives (cash flow hedging)		(404 675)	(56 242)
Deferred tax related to items of other comprehensive income for the period		84 982	11 811
Other comprehensive income (items that will not be reclassified subsequently to profit or loss)	**7**		
Increase/decrease in properties revaluation reserve		34	(3 882)
Deferred tax related to items of other comprehensive income for the period		(7)	989
OTHER NET COMPREHENSIVE INCOME FOR THE PERIOD		**(319 666)**	**(47 324)**
TOTAL NET COMPREHENSIVE INCOME FOR THE PERIOD		**(177 027)**	**137 537**
Basic and diluted earnings per ordinary share (nominal value 3 319,39 EUR)	20	**2**	**2**
Basic and diluted earnings per ordinary share (nominal value 82 895 533,19 EUR)	20	**41 792**	**54 163**
Basic and diluted earnings per ordinary share (nominal value 200 000 000 EUR)	20	**100 831**	**130 677**

eustream, a.s.
CONDENSED STATEMENT OF CHANGES IN EQUITY
For the six-months period ended 31 January 2022 and 31 January 2021
(EUR '000)

	Registered capital	Legal reserve fund	Hedge reserve	Revaluation reserve	Retained earnings	Total
Balance at 31 July 2020	**282 929**	**56 586**	**(5 761)**	**1 820 486**	**418 873**	**2 573 113**
Net profit for the period	-	-	-	-	184 861	184 861
Other comprehensive income/(loss) for the period	-	-	(44 431)	(2 893)	-	(47 324)
Transfer to retained earnings	-	-	-	(29 183)	29 183	-
Total net comprehensive income for the period	**-**	**-**	**(44 431)**	**(32 076)**	**214 044**	**137 537**
Transactions with shareholders:	-	-	-	-	-	-
Dividends paid	-	-	-	-	(418 500)	(418 500)
Balance at 31 January 2021	**282 929**	**56 586**	**(50 192)**	**1 788 410**	**214 417**	**2 292 150**
Balance at 31 July 2021	**282 929**	**56 586**	**(152 627)**	**1 760 825**	**333 899**	**2 281 612**
Net profit for the period	-	-	-	-	142 639	142 639
Other comprehensive income/(loss) for the period	-	-	(319 693)	27	-	(319 666)
Transfer to retained earnings	-	-	-	(27 942)	27 942	-
Total net comprehensive income for the period	**-**	**-**	**(319 693)**	**(27 915)**	**170 581**	**(177 027)**
Transactions with shareholders:	-	-	-	-	-	-
Dividends paid	-	-	-	-	(205 000)	(205 000)
Balance at 31 January 2022	**282 929**	**56 586**	**(472 320)**	**1 732 910**	**299 480**	**1 899 585**

eustream, a.s.
CONDENSED STATEMENT OF CASH FLOWS
For the six-months period ended 31 January 2022 and 31 January 2021
(EUR '000)

	Note	6-months period ended 31 January 2022	6-months period ended 31 January 2021
PROFIT BEFORE TAX		**187 463**	**249 570**
Adjustments:			
Depreciation, amortization and impairment losses, net		70 297	72 073
Interests, net		15 988	15 295
FX differences		(25)	12
Derivatives		1 481	8 397
Provisions, allowances and other non-cash items		3 684	3 199
(Gain)/loss from sale of non-current assets		(4)	(169)
(Increase)/decrease in receivables and prepayments		(8 866)	11 568
(Increase)/decrease in inventories		(6 182)	(1 339)
Increase/(decrease) in trade and other liabilities		66 009	5 838
Cash flows from operating activities		**329 845**	**364 444**
OPERATING ACTIVITIES			
Cash flows from operating activities		329 845	364 444
Interest paid		(1 318)	(147)
Interest received		7	67
Income tax paid		(49 565)	(123 268)
Net cash flows from operating activities		**278 969**	**241 096**
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(17 908)	(13 758)
Subsidies received		5 855	9 320
Provision of borrowings		-	-
Proceeds from sale of property, plant and equipment and intangible assets		104	824
Net cash used in investing activities		**(11 949)**	**(3 614)**
FINANCING ACTIVITIES			
Dividends paid		(205 000)	(263 000)
Other income/(expense) from financial activities		-	(830)
Net cash flow from financing activities		**(205 000)**	**(263 830)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**62 020**	**(26 348)**
EFFECT OF FOREIGN EXCHANGE DIFFERENCES		26	(12)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		58 926	113 843
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**120 972**	**87 483**

1. DESCRIPTION OF THE COMPANY

1.1. General Information

In accordance with Act No. 431/2002 Coll, on Accounting and later amendments, eustream, a.s., ("eustream" or "the Company") has prepared these condensed interim financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU).

These condensed interim financial statements for the six months period ended 31 January 2022 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed interim financial statements should be read in conjunction with the annual individual financial statements for the year ended 31 July 2021, which have been prepared in accordance with IFRS as adopted by the EU.

These condensed interim financial statements have been reviewed, not audited.

The Company was established by a Memorandum of Association on 26 November 2004 and incorporated in the Commercial Register on 10 December 2004 under the business name SPP - preprava, a.s. Based on a change to the Commercial Register as at 3 January 2008, the Company SPP – preprava a.s. changed its legal name to eustream, a.s. Slovenský plynárenský priemysel, a.s. (SPP) was the 100% owner of the Company until 12 June 2014.

On 19 December 2013, the National Property Fund of the Slovak Republic (Fond národného majetku SR, "FNM"), the Ministry of Economy of the Slovak Republic and Energetický a Průmyslový Holding, a.s. ("EPH") signed a framework contract for the sale and purchase of shares, which regulated the reorganisation of the SPP Group, which took place in the first half of 2014. It comprised a contribution of SPP's shares in SPP – distribúcia, a.s., eustream, a.s., NAFTA a.s., SPP Infrastructure Financing B.V., SPP Bohemia, a.s., SPP Storage, s.r.o., Pozagas, a.s., GEOTERM Košice, a.s., Probugas, a.s., SLOVGEOTERM, a.s. and GALANTATERM, spol. s r.o. into a newly-established 100% subsidiary, SPP Infrastructure, a.s. ("SPP Infrastructure"). After the completion of the reorganisation, the Slovak Republic represented by the Ministry of Economy became the ultimate 100% owner of SPP, and SPP retained a non-controlling 51% share in SPP Infrastructure.

Since 13 June 2014, the 100% owner of the Company is SPP Infrastructure.

On 1 July 2006, Slovenský plynárenský priemysel, a.s., (hereinafter "SPP") made a contribution to the Company of a part of the business including the assets (excluding the core assets for natural gas transmission) and the liabilities of the former transmission division. It also leased the core assets for natural gas transmission (gas transmission pipelines, compressor stations) to the Company under an operating lease contract. As of 1 July 2006, the Company took over the international natural gas transmission operations.

On 28 February 2013, SPP made a contribution to the Company of a part of the business including the assets (core assets for natural gas transmission – gas transmission pipelines, compressor stations) and related liabilities. The lease of the core natural gas transmission assets terminated as at that date.

The financial statements of eustream, a.s. for the year ended 31 July 2021 were approved by the Annual General Meeting held on 30 September 2021.

Identification Number (IČO)	35 910 712
Tax Identification Number (DIČ)	2021931175

1.2. Principal activities

With effect from 1 July 2006, the Company as the holder of a gas transmission permit in the defined territory of the Slovak Republic began to fulfil the obligations of an independent transmission system operator in accordance with the legislative requirements concerning the establishment of an independent transmission system operator ("legal unbundling").

Liberalisation of the Slovak Energy Sector

Regulatory framework of the Slovak natural gas market

Under current energy legislation, the natural gas market in the Slovak Republic is fully liberalised, allowing all customers to freely select a natural gas supplier. As a transmission system operator, the basic mission of eustream a.s. is to provide reliable, safe and efficient transmission of natural gas in the defined territory of the Slovak Republic on the basis of non-discriminatory rules in accordance with national and EU legislation and contractual obligations. Eustream is obliged to provide non-discriminatory access to the transmission system on the defined territory to any gas market player who meets the commercial and technical conditions for gas transmission. The Company's activities are subject to regulation by the Regulatory Office of Network Industries (RONI). RONI which, inter alia, defines the regulatory policy for the individual regulatory periods, monitors compliance of the Company's activities with applicable energy legislation, and issues decisions including price decisions, by which it approves tariffs for access to the transmission system and natural gas transmission, and the conditions for their application.

Tariffs for regulated operations

For the relevant regulatory period, RONI approves tariffs for access to the transmission system and for natural gas transmission, and the conditions for their application in accordance with applicable legislation. In Slovakia, the original length of the regulatory period was from 1 January 2017 to 31 December 2021, however it was extended by 1 year till 31 December 2022 due to an exceptional extension of the regulatory period by the Amendment No. 1 to the Regulatory Policy, a subsequent amendment to the ÚRSO Decree No. 223/2016 Coll. of 19 July 2016 laying down price regulation in the gas sector was adopted. For the period 2017 to 2021, tariffs for access to the transmission system and for natural gas transmission were set as a fixed price, which were also the maximum price, based on an benchmark analysis of tariffs for access to the transmission system and for gas transmission in other EU Member States. Tariffs for access to the transmission system and for natural gas transmission were approved on 31 October 2016 by RONI Decision No. 0021/2017/P, which was amended by RONI Decision No. 0100/2017/P on 17 August 2017, Decision No. 0078/2021/P of 06 April 2021, Decision No. 0079/2021/P of 02 July 2021 and the Decision No. 0068/2022/P of 28 December 2021. In accordance with Article 14(15) of Act No. 250/2012 Coll. on Regulation in Network Industries as amended, eustream was obliged to act in line with the decision on the application of tariffs until the end of the original regulatory period, ie 31 December 2021, unless RONI approved an amendment thereto. On 29 May 2019, RONI issued Decision No. 0040/2019/P for the period beginning on 1 January 2022, in which it decided on the methodology for determining the reference price, the amount of applicable reference prices, the level of multipliers, discounts and other factors pursuant to Art. 26 and Art. 28 of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas. On 28 December 2021, RONI issued the Decision No. 0068/2022/P by which it amended the previous price decisions listed above. The Decision No. 0068/2021/P RONI set, among other things, the tariffs for entry and exit points Veľké Kapušany, Budince and Domestic point for the year 2022, which are the reserve prices for these points as well as the price of interruptible capacity for these points, a flow- based charge (gas for operational purposes), the amount of a neutrality charge including the methodology determination for calculating the applied price for the determination of a fee for daily capacity overrun, the conditions for applying the neutralization charge, the amount of the fee for increasing the level of security of gas supply (additional fee to cover revenues) and conditions of its application, a fee for daily capacity overrun conditions of the CEGHIX index application.

Changes to regulatory laws and policy

The core laws and regulations applying to eustream's operations are:

- Commission Regulation (EU) 312/2014 of 26 March 2014 establishing a network code on gas balancing of transmission networks
- Commission Regulation (EU) 2015/703 of 30 April 2015 establishing a network code on interoperability and data exchange rules
- Commission Regulation (EU)) 459/2017 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013
- Commission Regulation (EU) 460/2017 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas
- Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks as amended (primarily Annex I)
- Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency
- Commission Implementing Regulation (EU) No 1348/2014 of 17 December 2014 on data reporting implementing Article 8(2) and Article 8(6) of Regulation (EU) No 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency
- Act No. 250/2012 Coll. on Regulation in Network Industries, as amended (hereinafter the "Act on Regulation")

- Act No. 251/2012 Coll. on Energy and on Amendment to and Supplementation of Certain Acts, as amended (hereinafter the "Energy Act"), together with RONI Decree No. 223/2016 Coll. of 19 July 2016, which establishes price regulation in the gas industry, as amended, and RONI Decree No. 24/2013 Coll. of 14 January 2013 laying down the rules for the functioning of the internal electricity market and the rules for the functioning of the internal gas market, as amended

The gas market has developed dynamically in recent years resulting in amendments to the relevant legislation, and changes to market requirements for provided services and products. As at 2 July 2021, the short-haul product (supplementary product introduced in 2020) was updated by RONI Decision No. 0002/2021/P-PP. At the end of the year 2021, the Company submitted a proposal to change the operating rules in connection with the implementation of a new supplementary service – Shorthaul – Domestic. The proposal was approved by the RONI Decision No. 0006/2021/P-PP of 8 December 2021.

EU's third energy package and certification of the transmission system operator

After the transposition of the EU's third energy package into Slovak law, the Government of the Slovak Republic was entitled to determine, based on a proposal of the Ministry of Economy of the Slovak Republic, whether the ownership unbundling model of the transmission system operator which is part of a vertically-integrated gas company, or the independent transmission system operator model would be applied. At a meeting on 28 November 2012, the Government of the Slovak Republic decided by Resolution No. 656/2012 that the ownership unbundling model of the transmission system operator would not be applied. Based on the above, the Company complied with the conditions of the independence of the transmission system operator, which is part of the vertically-integrated gas company. On 28 October 2013, RONI issued Decision No. 0002/2013/P-CE on granting certification to eustream as the transmission system operator. Subsequently, on 22 November 2013, the Ministry of Economy of the Slovak Republic issued Decision No. 1795/2013-1000, which confirmed eustream as the transmission system operator that meets the conditions for the unbundling of an independent transmission system operator pursuant to Articles 51 to 60 of the Energy Act. The Company is obliged to consistently comply with the conditions stipulated in the relevant legislation for an independent transmission system operator.

1.3. Employees

The full-time equivalent of the Company's employees for the six-month period ended 31 January 2022 was 628, the number of employees as at 31 January 2022 was 625 and the number of key management personnel was 12 (for the six-month period ended 31 January 2021, the FTE was 631, and the number of employees as at 31 January 2021 was 630 and 12 representatives of key management personnel). Key management personnel comprises members of the Board of Directors, members of the Supervisory Board and managers directly reporting to the statutory body or a member of the statutory body.

1.4. Registered office

Votrubova 11/A
821 09 Bratislava
Slovak Republic

1.5. Information on the consolidated group

The Company is a subsidiary of SPP Infrastructure, which has its registered office at Mlynské nivy 44/a, Bratislava and which holds a 100% share in the Company's share capital.

The Company is included in the consolidated financial statements of a higher level group company in the EU. The consolidated financial statements are prepared by SPP Infrastructure, in accordance with International Financial Reporting Standards (IAS/IFRS) as adopted by the EU.

The financial statements of the Company and the consolidated financial statements of SPP Infrastructure are filed with the Business Register of the Bratislava I District Court, Záhradnícka 10, 811 07 Bratislava. The Company's financial statements are published in the Register of Financial Statements and at www.eustream.sk.

Energetický a Průmyslový Holding, a.s. is the ultimate reporting entity that has consolidated eustream since 24 January 2013. EPH is also the ultimate controlling entity.

The Company reports an investment in a subsidiary, Eastring B.V., in which it directly owns more than 50% of the voting rights and has the right to exercise control over the operations of the subsidiary. The subsidiary is not consolidated using the full consolidation method, as it has an insignificant impact on the financial statements. The investment in the subsidiary is reported at cost less provisions.

2. NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS AND CHANGES IN ESTIMATES

2.1. Adoption of New and Revised International Financial Reporting Standards

The following amendments to the existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period:

- **Amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments: Disclosures", IFRS 4 "Insurance Contracts" and IFRS 16 "Leases"** – Interest Rate Benchmark Reform – Phase 2 adopted by the EU on 13 January 2021 (effective for annual periods beginning on or after 1 January 2021),

- **Amendments to IFRS 16 "Leases"** – Covid-19-Related Rent Concessions beyond 30 June 2021 adopted by the EU on 30 August 2021 (effective from 1 April 2021 for annual periods starting, at the latest, on or after 1 January 2021),

- **Amendments to IFRS 4 "Insurance Contracts"** – Extension of the Temporary Exemption from Applying IFRS 9 adopted by the EU on 16 December 2020 (the expiry date for the temporary exemption from IFRS 9 was extended from 1 January 2021 to annual periods beginning on or after 1 January 2023).

The Company reassessed in detail the impact of IFRS 16 "Leases", which introduces a single common model for the reporting of leases by the lessee, under which all leased assets and liabilities resulting from a lease are recognised on the balance sheet, regardless of whether it is an operating or finance lease. Lessees recognise operating leases in the same way as finance leases are currently recognised. Recognition by lessors will remain almost unchanged. When conducting its business activities, the Company leases its vehicle fleet under an operating lease. The Company has analysed the impact of this standard and concluded that its adoption has no material impact on the separate financial statements.

The adoption of other standards and amendments stated above had no material impact on the Company's financial statements.

Standards and amendments to the existing standards issued by the IASB and adopted by the EU but not yet effective

At the date of authorisation of these financial statements, the following amendments to the existing standards were issued by the IASB and adopted by the EU and are not yet effective:

- **Amendments to IAS 16 "Property, Plant and Equipment"** – Proceeds before Intended Use adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),

- **Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"** – Onerous Contracts – Cost of Fulfilling a Contract adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),

- **Amendments to IFRS 3 "Business Combinations"** – Reference to the Conceptual Framework with amendments to IFRS 3 adopted by the EU on 28 June 2021 (effective for annual periods beginning on or after 1 January 2022),

- **IFRS 17 "Insurance Contracts"** including amendments to IFRS 17 adopted by the EU on 19 November 2021 (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to various standards due to "Annual Improvements to IFRS Standards (2018 – 2020 Cycle)"** resulting from the annual improvement project of IFRS (IFRS 1, IFRS 9, IFRS 16 and IAS 41) primarily with a view to removing inconsistencies and clarifying wording – adopted by the EU on 28 June 2021 (The amendments to IFRS 1, IFRS 9 and IAS 41 are effective for annual periods beginning on or after 1 January 2022. The amendments to IFRS 16 only relate to an illustrative example, so no effective date is stated.).

New standards and amendments to the existing standards issued by the IASB but not yet adopted by the EU

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the IASB, except for the following new standards and amendments to the existing standards, which were not endorsed for use in the EU:

- **IFRS 14 "Regulatory Deferral Accounts"** (effective for annual periods beginning on or after 1 January 2016) – the European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard,

- **Amendments to IAS 1 "Presentation of Financial Statements"** – Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 1 "Presentation of Financial Statements"** – Disclosure of Accounting Policies (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"** – Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 12 "Income Taxes"** – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"** – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and other amendments (effective date deferred indefinitely until the research project on the equity method has been concluded),

- **Amendments to IFRS 17 "Insurance Contracts"** – Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective for annual periods beginning on or after 1 January 2023).

The Company anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Company in the period of initial application.

Hedge accounting for a portfolio of financial assets and liabilities whose principles have not been adopted by the EU remains unregulated.

According to the Company's estimates, the application of hedge accounting to a portfolio of financial assets or liabilities pursuant to **IAS 39: "Financial Instruments: Recognition and Measurement"** would not significantly impact the financial statements if applied as at the balance sheet date.

- **IFRS 14 "Regulatory Deferral Accounts"** issued by the IASB on 30 January 2014. This standard is intended to allow entities that are first-time adopters of IFRS, and that currently recognise regulatory deferral accounts in accordance with their previous GAAP, to continue to do so upon transition to IFRS.

- **IFRS 17 "Insurance Contracts"** issued by the IASB on 18 May 2017. The new standard requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 "Insurance Contracts" and related interpretations while it is applied. Amendments to IFRS 17 "Insurance Contracts" issued by the IASB on 25 June 2020 defer the date of initial application of IFRS 17 by two years to annual periods beginning on or after 1 January 2023. Additionally, the amendments introduce simplifications and clarifications of some requirements in the Standard and provide additional reliefs when applying IFRS 17 for the first time.

- **Amendments to IFRS 3 "Business Combinations"** – Reference to the Conceptual Framework with amendments to IFRS 3 issued by the IASB on 14 May 2020. The amendments: (a) update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework; (b) add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and (c) add to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

- **Amendments to IFRS 4 "Insurance Contracts"** – Extension of the Temporary Exemption from Applying IFRS 9 issued by the IASB on 25 June 2020. The amendments change the fixed expiry date for the temporary exemption in IFRS 4 Insurance Contracts from applying IFRS 9 Financial Instruments, so entities will be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.

- **Amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments: Disclosures", IFRS 4 "Insurance Contracts" and IFRS 16 "Leases"** – Interest Rate Benchmark Reform – Phase 2 issued by the IASB on 27 August 2020. The changes relate to the modification of financial assets, financial liabilities and lease liabilities, specific hedge accounting requirements, and disclosure requirements applying IFRS 7 to accompany the amendments regarding modifications and hedge accounting:

  a) **Modification of financial assets, financial liabilities and lease liabilities** – the IASB has introduced a practical expedient for modifications required by the reform (modifications required as a direct consequence of the IBOR reform and made on an economically equivalent basis). These modifications are accounted for by updating the effective interest rate. All other modifications are accounted for using current IFRS requirements. A similar practical expedient is proposed for lessee accounting applying IFRS 16.

  b) **Hedge accounting requirements** – under the amendments, hedge accounting is not discontinued solely due to the IBOR reform. Hedging relationships (and related documentation) must be amended to reflect modifications to the hedged item, hedging instrument and hedged risk. Amended hedging relationships should meet all qualifying criteria to apply hedge accounting, including effectiveness requirements.

  c) **Disclosures** – in order to allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages these risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition, the amendments require that an entity disclose information about:
     - How the transition from interest rate benchmarks to alternative benchmark rates is managed, the progress made at the reporting date, and the risks arising from the transition;
     - Quantitative information on non-derivative financial assets, non-derivative financial liabilities and derivatives that continue to reference interest rate benchmarks subject to the reform, disaggregated by significant interest rate benchmark;
     - If the IBOR reform results in changes to an entity's risk management strategy, a description of these changes and how the entity is managing these risks.

  d) The IASB also amended IFRS 4 to require insurers that apply the temporary exemption from IFRS 9 to apply the amendments when accounting for modifications directly required by the IBOR reform.

- **Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"** – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture issued by the IASB on 11 September 2014. The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that, in a transaction involving an associate or joint venture, the extent of the gain or loss recognition depends on whether the assets sold or contributed constitute a business.

- **Amendments to IFRS 16 "Leases"** – Covid-19-Related Rent Concessions issued by the IASB on 28 May 2020. The amendments exempt lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications and allow lessees to account for such rent concessions as if they were not lease modifications. This applies to Covid-19-related rent concessions that reduce lease payments due on or before 30 June 2021.

- **Amendments to IFRS 16 "Leases"** – Covid-19-Related Rent Concessions beyond 30 June 2021 issued by the IASB on 31 March 2021. The amendments extend by one year the application period of the practical expedient in IFRS 16. The relief was extended by one year to cover rent concessions that only reduce lease payments due on or before 30 June 2022.

- **Amendments to IFRS 17 "Insurance Contracts"** – Initial Application of IFRS 17 and IFRS 9 – Comparative Information issued by the IASB on 9 December 2021. This is a narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time.

- **Amendments to IAS 1 "Presentation of Financial Statements"** – Classification of Liabilities as Current or Non-current issued by the IASB on 23 January 2020. The amendments provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. Amendments to IAS 1 issued by the IASB on 15 July 2020 defer the effective date by one year to annual periods beginning on or after 1 January 2023.

- **Amendments to IAS 1 "Presentation of Financial Statements"** – Disclosure of Accounting Policies issued by the IASB on 12 February 2021. The amendments require entities to disclose their material accounting policies rather than their significant accounting policies and provide guidance and examples to help preparers when deciding which accounting policies to disclose in their financial statements.

- **Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"** – Definition of Accounting Estimates issued by the IASB on 12 February 2021. The amendments focus on accounting estimates and provide guidance on how to distinguish between accounting policies and accounting estimates.

- **Amendments to IAS 12 "Income Taxes"** – Deferred Tax related to Assets and Liabilities arising from a Single Transaction issued by the IASB on 6 May 2021. According to the amendments, the initial recognition exemption does not apply to transactions in which both deductible and taxable temporary differences arise on initial recognition that result in the recognition of equal deferred tax assets and liabilities.

- **Amendments to IAS 16 "Property, Plant and Equipment"** – Proceeds before Intended Use issued by the IASB on 14 May 2020. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing these items, in profit or loss.

- **Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"** – Onerous Contracts – Cost of Fulfilling a Contract issued by the IASB on 14 May 2020. The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract are either the incremental costs of fulfilling that contract, or an allocation of other costs that relate directly to fulfilling contracts.

- **Amendments to various standards due to "Annual Improvements to IFRS Standards (2018 – 2020 Cycle)"** issued by the IASB on 14 May 2020. Amendments to various standards resulting from the annual improvement project of IFRS (IFRS 1, IFRS 9, IFRS 16 and IAS 41) primarily with a view to removing inconsistencies and clarifying wording. The amendments: (a) clarify that a subsidiary which applies paragraph D16(a) of IFRS 1 is permitted to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs (IFRS 1); (b) clarify which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 when assessing whether to derecognise a financial liability. An entity only includes fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf (IFRS 9); (c) remove from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that could arise due to how lease incentives are illustrated in this example (Illustrative Example 13 accompanying IFRS 16); and (d) remove the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique (IAS 41).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These condensed interim financial statements for the six months ended 31 January 2022 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed interim financial statements should be read in conjunction with the annual individual financial statements for the year ended 31 July 2021, which have been prepared in accordance with IFRS as adopted by the EU

Except as described below, the same accounting policies and methods of computation were followed in the preparation of these condensed interim financial statements as compared with the annual individual financial statements for the year ended 31 July 2021.

Certain new standards, interpretations and amendments to the existing standards, as disclosed in the individual financial statements for the year ended 31 July 2021, became effective for the Company from 1 January 2022. These new or amended standards, as listed above, had no impact on presentation and disclosures.

Interim period income tax expense is accrued using the effective tax rate that would be applicable to expected total annual earnings, that is, the estimated weighted average annual effective income tax rate applied to the pre-tax income of the interim period.

b) Earnings per share calculation

The Company recognize earnings per share based on the types of ordinary shares described in note 20. The company calculates earnings per share by dividing the profit after tax by the weighted average of each ordinary share type based on their nominal value

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of condensed interim financial statements requires management to make judgments, 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 interim financial statements, the Company took the following decisions concerning uncertainties and estimates that have a significant impact on the amounts recognized in the financial statements,

Remeasurement of property, plant and equipment

As at 1 January 2016, the Company applied a revaluation model under IAS 16 "Property, plant and equipment" for the property, plant, and equipment used for natural gas transmission. The assets include gas pipelines, compressor stations and border entry/exit points and domestic points. The first remeasurement was carried out at 1 January 2016, and subsequent remeasurement was carried out at 1 August 2019.

The Company opted for this model as it believes it will result in the financial statements providing more reliable and relevant information on buildings, structures, land, machinery and equipment used for natural gas transmission.

The subsequent remeasurement was recorded with no impact on prior periods. The result of the remeasurement as at 1 August 2019 was an increase in the amount of property, plant and equipment by EUR 510 153 thousand, an increase in a deferred tax liability by EUR 129 354 thousand and creation of the revaluation reserve in equity, and an impairment of property, plant and equipment by EUR 357 thousand recognised in the income statement in the line Depreciation, amortisation and impairment losses, net.

The remeasurement of Company assets was conducted by an independent expert who primarily applied the cost approach, supported by the market approach for some types of assets. In general, the replacement cost method was used and the indexed historical cost method was used for assets where replacement costs were not available. Replacement costs are based on the cost of an equivalent asset (EA) and are an estimate of the net book value of the asset based on the cost of an EA, the useful life and the age of existing assets (replacement cost less depreciation methodology). When determining the fair value of individual items of assets using the cost approach, physical, technological and economic obsolescence of assets was taken into consideration.

The result of the remeasurement of assets used for natural gas transmission was an increase in the amount of assets and a related increase in equity. The assumptions used in the revaluation model are based on reports of independent appraisers. The resulting reported amounts of these assets and the related revaluation surplus of assets do not necessarily represent amounts for which these assets could or will be sold. Based on an independent expert opinion, the Company also reconsidered the economic useful lives of gas plants, machinery and equipment. The assessment of economic useful lives requires an expert opinion of technical experts.

There are uncertainties about future economic conditions, changes in technology and business environment in the industry, which could result in future adjustments to estimated remeasured amounts and useful lives of assets, which could have an impact on the financial position, equity and profit.

Estimated useful lives

The estimation of the useful life of an item of fixed assets is a matter of management judgment based upon experience with similar assets. In determining the useful life of an asset, management considers the expected usage based on usage estimates, estimated technical obsolescence, amortization and the environment in which the asset is operated. Changes in any of these conditions or estimates may result in adjustments to future depreciation rates.

During the year, the Company reconsidered the useful life of property, plant and equipment used for the natural gas transmission based on independent expert opinion. Changes in estimates of the useful life are reflected prospectively.

The economic useful lives of non-current assets are based on the accounting estimates as listed below. The carrying amounts of these assets as at 31 January 2022 and 31 July 2021 are presented in Condensed Statement of Financial Position. If the estimated useful lives of the pipeline and compressor stations had been five years shorter than the management's estimate for the six-month period ended 31 January 2022, the Company would recognise increased depreciation charges for assets constituting pipelines and compressor stations by EUR 18 187 thousand (for the six-month period ended 31 January 2021 increased by EUR 18 050 thousand).

The total useful lives of fixed assets are as follows:

Border entry/exit points, domestic points	7 – 49
Compressor stations	4 - 60
Gas pipelines	29 - 75
Buildings	18 – 40
Machinery and equipment, other tangible assets	3 - 20
Non-current intangible assets	3 – 8

Land is not depreciated as it is deemed to have an indefinite useful life.

5. RISK MANAGEMENT

a) Financial risk

The condensed 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 Company's annual financial statements as at 31 July 2021.

The Company is exposed to various financial risks. The Company's overall risk management policy addresses the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial position of the Company. To manage specific risks, the Company enters into trading with financial derivative instruments, e.g., forward or swap interest and commodity contracts. The goal of such trades is to manage risks related to movements in interest rates and commodity prices arising from the Company's operations.

The main risks arising from financial instruments of the Company are commodity risk, interest rate risk, credit risk, and liquidity risk.

There have been no changes in the risk management department or in any risk management policies since the financial year end. The following is the summary of key developments in the risk management only in those areas which had significant developments since 31 July 2021.

(1) Commodity price risk

Commodity price risk is the risk or uncertainty arising from possible movements in prices for natural gas and their impact on the Company's future performance and results of operations. A decline in prices could result in a decrease in the Company's net profit and cash flows.

The Company regularly estimates the natural gas surplus and enters into short and mid-term commodity swaps in order to hedge gas prices.

In the six-month period ended 31 January 2022, the Company entered into commodity swaps to hedge cash flow from sales of surplus of gas in-kind.

The following table details commodity swap contracts outstanding at the 31 January 2022 and 31 July 2021:

Open commodity swaps	**As at 31 January 2022**		**As at 31 January 2022**	
	Fair value		**Nominal value**	
	Cash flow hedging	**Held for trading**	**Cash flow hedging**	**Held for trading**
Sales of natural gas				
Less than 3 month	(110 210)	-	26 739	-
3 to 12 month	(316 551)	-	79 024	-
over 12 month	(126 197)	-	98 773	-

Open commodity swaps	As at 31 July 2021		As at 31 July 2021	
	Fair value		Nominal value	
	Cash flow hedging	Held for trading	Cash flow hedging	Held for trading
Sales of natural gas				
Less than 3 months	(49 448)	-	32 022	-
3 to 12 months	(55 602)	-	75 135	-
Over 12 months	(43 565)	-	96 076	-

A 15% change in the market prices of natural gas would have an impact on the fair value of these derivatives in the amount of EUR 113 624 thousand.

Movement in hedging reserve is disclosed in Note 15.

(2) Interest rate risk

Interest rate risk is the risk that market interest rates will fluctuate. As at 31 January 2022, the Company had issued bonds with a fixed interest rate and long-term investment loans with floating interest rate (see Note 11).

In 2018, the Company entered into a series of interest rate swaps with a forward start with a nominal value of EUR 500 million to hedge the Company's cash flows from interest from the planned future issue of bonds for the refinancing of the Company's bonds due in July 2020. Following the new issue of the Company's bonds in June 2020 (see Note 11), the Company terminated the hedge and reclassified interest rate swaps to non-hedging derivative financial instruments, the subsequent measurement of which at fair value is recognised through profit or loss. The effective portion of changes to the fair value of interest rate swaps qualifying for effective cash flow hedging until the termination of the hedge is accumulated in equity in the hedging reserve and dissolved in the income statement using the effective interest rate.

The Company is exposed to interest rate risk as regards interest rate movements in long-term investment loans and open interest rate swaps.

The following table shows swap interest rate contracts open at the reporting date:

Open interest rate swaps	As at 31 January 2022		As at 31 January 2022	
	Fair value		Nominal value	
	Cash flow hedging	Held for trading	Cash flow hedging	Held for trading
Less than 3 months	-	-	-	-
3 to 12 months	(8 679)	(198)	-	-
Over 12 months	(38 723)	14 332	500 000	500 000

Open interest rate swaps	As at 31 July 2021		As at 31 July 2021	
	Fair value		Nominal value	
	Cash flow hedging	Held for trading	Cash flow hedging	Held for trading
Less than 3 months	-	-	-	-
3 to 12 months	(8 748)	(540)	-	-
Over 12 months	(39 652)	(1 117)	500 000	500 000

(3) Credit risk

The Company is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Exposure to credit risk arises as a result of the Company's sales of services with a deferred maturity period and other transactions with counterparties that give rise to financial assets, which comprises cash and cash equivalents, provided borrowings and trade receivables.

As for cash and cash equivalents in banks, the Company only enters into relationships with banks that have a high independent rating.

The Company sells its services to various customers, none of which, individually or collectively, in terms of volume and solvency, pose a significant risk of failure as regards the settling of their liabilities. Operational procedures are in place at the Company to ensure that services are sold to customers with a good credit history and only up to an acceptable credit limit.

The maximum exposure to a default risk is represented by the carrying amount of each financial asset, including derivative financial instruments, recognised on the balance sheet, net of a provision. The default risk is partially eliminated through collateral as disclosed in Note 10.

The total exposure to credit risk is summarised in the table below.

	Note	As at 31 January 2022	As at 31 July 2021
Provided borrowings		**86**	**85**
Receivables and prepayments		**49 324**	**46 185**
- Receivables from transmission activities	10	28 844	28 725
- Receivables from financial derivatives		61	-
- Other receivables	10	20 419	17 460
Other assets		**11 410**	**17 586**
Cash and cash equivalents		**120 972**	**58 926**
Total credit risk		**181 792**	**122 782**

The credit quality of cash in banks as at 31 January 2022 was as follows: EUR 21 097 thousand in banks with Moody's A1 rating, EUR 86 817 thousand in banks with Moody's A2 rating, EUR 11 405 thousand in banks with Moody's A3 rating, EUR 976 thousand in banks with Moody's Aa3 rating and EUR 675 thousand in banks with Moody's Baa1 rating.

(4) Liquidity risk

Prudent liquidity risk management implies maintaining a sufficient level of cash with adequate maturity, availability of funding through an adequate amount of committed credit lines and the ability to close open market positions. The Company, as a member of the SPP Infrastructure Group, is a party to a system of effective utilisation of resources and liquidity optimisation (SEUR). Under the system, flexibility is maintained by ensuring the continued availability of funds for all parties to SEUR to cover their financial needs (cash-pooling).

The table below summarises the maturity of the financial liabilities and contingent liabilities as at 31 January 2022 and 31 July 2021 based on contractual undiscounted payments:

As at 31 January 2022	Up to 1 month	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Bonds issued/ guarantees provided	14 287	-	8 125	568 021	508 125	**1 098 559**
Loans received	-	-	-	-	65 000	**65 000**
Other liabilities	-	28 870	71 926	103	-	**100 899**
Trade and other payables	38 320	5 326	3 329	66	-	**47 041**
Commodity swaps	-	73 361	332 365	147 232	-	**552 958**
Interest rate swaps	-	-	8 069	24 210	989	**33 268**

As at 31 July 2021	Up to 1 month	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Bonds issued/guarantees provided	-	-	22 412	568 021	508 125	**1 098 558**
Loans received	-	-	-	-	65 000	**65 000**
Other liabilities	-	16 480	2 729	115	-	**19 324**
Trade and other payables	19 187	7 961	17 681	116	-	**44 945**
Commodity swaps	-	40 671	58 764	49 180	-	**148 615**
Interest rate swaps	-	-	9 288	40 769	-	**50 057**

As at the reporting date, the Company has binding revolving lines available from banks for operational needs in the total amount of EUR 275 million, with an average maturity of 2.0 years. These credit lines were not drawn down as at 31 January 2022. The company also has a credit line for a documentary letter of credit in the amount of EUR 5 880 thousand.

b) Capital Management

The Company manages its capital to ensure its ability to support business activities on an ongoing basis, while maximising the return to shareholders by the optimisation of the debt to equity ratio and ensuring a strong credit rating and optimisation of key capital ratios.

The Company's capital structure comprises cash and cash equivalents and equity attributable to the Company's owners as disclosed in Notes 14 and 15, and loans received and bonds issued as disclosed in Note 11. Liabilities to capital (gearing) ratio as at 31 January 2021 was 50 % and as at 31 July 2020 was 44%.

The gearing ratio at the period-end:

	As at 31 January 2022	As at 31 July 2021
Debt (i)	(1 073 047)	(1 061 459)
Cash and cash equivalents (restricted and unrestricted)	120 972	58 926
Net debt (ii)	(952 075)	(1 002 533)
Equity (iii)	1 899 585	2 281 612
Net debt to equity ratio	**50%**	**44%**

(i) Debt is defined as long-term and short-term bonds issued and loans received.
(ii) Net debt is defined as difference between debt and cash and cash equivalents.
(iii) Statement of financial position on Page 1

The Company's indebtedness did not exceed the threshold defined in the Company's Articles of Association.

c) Categories of Financial instruments

	As at 31 January 2022	As at 31 July 2021
Financial assets		
Derivative financial instruments recognised as hedging	61	-
Derivative financial instruments not recognised as hedging	14 134	-
Receivables and prepayments (including cash and cash equivalents)	181 644	122 697
Borrowings provided	86	85
Investments in subsidiaries and associates	6 607	6 607
Financial liabilities		
Derivative financial instruments recognised as hedging	600 421	197 015
Derivative financial instruments not recognised as hedging	-	1 657
Financial liabilities carried at amortised costs	1 221 137	1 125 728

d) Estimated Fair Value of Financial Instruments

Fair value measurements are categorised into levels in the fair value hierarchy as follows: (i) level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level 2 measurements are valuation techniques where all material inputs are observable for the asset or liability, either directly (prices) or indirectly (derived from prices), and (iii) level 3 measurements are valuations not based on observable market data (unobservable inputs). Management applies judgment in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require a significant adjustment, such a measurement is a level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

(1) Recurring fair value measurements

Recurring fair value measurements are those that the accounting standards require or permit in the statement of financial position at the end of each reporting period.

Recurring fair value measurements are categorised are as follows:

As at 31 January 2022:	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value	**-**	**14 195**	**-**	**14 195**
Financial derivatives recognised as hedging	-	61	-	61
Financial derivatives not recognised as hedging	-	14 134	-	14 134
Financial liabilities and contingent liabilities at fair value	**-**	**600 421**	**-**	**600 421**
Financial derivatives recognised as hedging	-	600 421	-	600 421
Financial derivatives not recognised as hedging	-	-	-	-

As at 31 July 2021:	Level 1	Level 2	Level 3	Total
Financial assets at fair value	**-**	**-**	**-**	**-**
Financial derivatives recognised as hedging	-	-	-	-
Financial derivatives not recognised as hedging	-	-	-	-
Financial liabilities and contingent liabilities at fair value	**-**	**198 672**	**-**	**198 672**
Financial derivatives recognised as hedging	-	197 015	-	197 015
Financial derivatives not recognised as hedging	-	1 657	-	1 657

The fair value of commodity swaps is determined using forward commodity prices as at the reporting date. The fair value of interest rate swaps is determined using forward interest rates as at the reporting date.

The fair value of a financial guarantee described in Note 21, Commitments and Contingencies, was determined at EUR 0, as it was provided under arm's length conditions and it is not probable that the Company will have to pay.

There were no movements between Levels 1 to 3 in the six-month period ended 31 January 2022, or in the year ended 31 July 2021.

(2) Non-recurring fair value measurements

There were no non-recurring fair value measurements in the six-month period ended 31 January 2021.

(3) Assets and liabilities not measured at fair value

The fair value of financial assets and financial liabilities by level and their carrying amounts:

As at 31 January 2022:	Level 1	Level 2	Level 3	Fair value total	Carrying amount
Financial assets	**-**	**-**	**6 693**	**6 693**	**6 693**
Borrowings provided with fixed interest rate	-	-	86	86	86
Investments in subsidiaries and associates	-	-	6 607	6 607	6 607
Financial liabilities	**508 077**	**521 436**	**65 009**	**1 094 522**	**1 073 047**
Bonds issued	508 077	521 436	-	1 029 513	1 008 038
Loans received	-	-	65 009	65 009	65 009

As at 31 July 2021:	Level 1	Level 2	Level 3	Fair value total	Carrying amount
Financial assets	**-**	**-**	**6 692**	**6 692**	**6 692**
Borrowings provided with fixed interest rate	-	-	85	85	85
Investments in subsidiaries and associates	-	-	6 607	6 607	6 607
Financial liabilities	**531 999**	**538 857**	**65 012**	**1 135 868**	**1 061 459**
Bonds issued	531 999	538 857	-	1 070 856	996 447
Loans received	-	-	65 012	65 012	65 012

In the six-month period ended 31 January 2022, the estimated fair value of borrowings with a fixed interest rate was determined based on the expected future cash flows discounted by the applicable interest rate at which a debtor would obtain new borrowings with the same maturity period and at the same credit risk.

The fair value of bonds issued was determined based on the quoted market price.

The fair value of other financial assets and financial liabilities approximates their carrying amounts as at the reporting date.

Non-current trade receivables and trade payables were discounted, except when the effect of discounting is insignificant.

6. SEGMENT REPORTING

The Company assesses segment information for the current and comparative reporting periods in accordance with IFRS 8 Operating Segments.

The Board of Directors has identified one operating segment which is used to manage the Company's business, allocate resources and make strategic decisions according to the nature of products and services. The Company's activities are concentrated in Slovakia, where all the non-current tangible assets are situated. The main indicators used by the Board of Directors in their decision making are earnings before interest, taxes, depreciation and amortisation (EBITDA) and capital expenditures. For their decision making, the Board of Directors uses financial information consistent with that disclosed in these financial statements.

7. PROPRETY, PLANT AND EQUIPMENT

6-month period ended 31 January 2022	
Opening net book value as at 1 August 2021	**4 461 267**
Additions	11 331
Revaluation of assets through revaluation reserve	-
Revaluation of assets through profit or loss	-
Reclassifications from intangible assets	-
Disposals	-
Depreciation charge	(69 891)
Change in provisions - Revaluation reserve	34
Change in provisions - P&L	1
Closing net book value as at 31 January 2022	**4 402 742**

6-month period ended 31 January 2021	
Opening net book value as at 1 August 2020	**4 575 460**
Additions	16 632
Revaluation of assets through revaluation reserve	(3 992)
Revaluation of assets through profit or loss	-
Disposals	431
Depreciation charge	(1 056)
Change in provisions - Revaluation reserve	(71 814)
Change in provisions - P&L	110
Change in provisions - P&L	(11)
Closing net book value as at 31 January 2021	**4 515 760**

The most significant addition to assets in the reporting period ended 31 January 2022 was construction of the Poland – Slovakia interconnection pipeline.

The cost of fully depreciated non-current assets (including non-current intangible assets) that were still in use as at 31 January 2021 amounted to EUR 12 374 thousand (31 July 2021: EUR 13 648 thousand).

As at 31 January 2022, the Company does not record any assets that are in use, but not yet registered in the Real Estate Register (31 July 2021: EUR 0 thousand).

8. NON-CURRENT FINANCIAL INVESTMENTS

Non-current financial investments include:

	Borrowings	**Shares**	**31 January 2022**	**31 July 2021**
Cost	-	6 607	6 607	6 607
Impairment	-	-	-	-
Closing balance, net	**-**	**6 607**	**6 607**	**6 607**

Shares represent equity interests in the following company:

Name	Country of registration	Ownership interest in %	Principal activity
Other equity interests			
Central European Gas HUB AG (hereinafter "CEGH")	Austria	15	Intermediation of natural gas trading
Eastring B.V.	Netherlands	100	Holding activities

9. INVENTORIES

	As at 31 January 2022	As at 31 July 2021
Natural gas used for balancing	11 040	4 779
Raw material and other inventories	13 799	13 878
Provision	(7 036)	(6 827)
Total	**17 803**	**11 830**

Natural gas inventories represent natural gas used for balancing the transmission system and operating purposes.

As at 31 January 2022 and 31 July 2021, a provision for inventories was created for unusable or damaged raw material in stock.

10. RECEIVABLES AND PREPAYMENTS

	As at 31 January 2022	As at 31 July 2021
Receivables from transmission activities	28 844	28 725
Receivables from financial derivatives	-	-
Other receivables	21 062	17 460
Total	**49 906**	**46 185**

As at 31 January 2022, the Company recorded receivables within maturity in the amount of EUR 40 413 thousand and overdue receivables in the amount of EUR 9 493 thousand excluding provisions. In the comparable period, i.e. as at 31 July 2021, the Company recorded receivables within maturity in the amount of EUR 38 070 thousand and overdue receivables in the amount of EUR 8 115 thousand excluding provisions.

Receivables and prepayments are recognised net of provisions for bad and doubtful debts in the amount of EUR 9 402 thousand (31 July 2021: EUR 8 152 thousand).

Receivables from transmission activities mainly represent receivables from renowned international gas transmission companies and were fully paid at the reporting date.

Other receivables are mainly receivables from subsidies (EUR 6 190 thousand), provided collateral (EUR 1 979 thousand) and receivables from unbilled supplies (EUR 10 679 thousand). Receivables from Cash-pooling with SPP Infrastructure is in the amount of EUR 0 thousand (31 July 2021: EUR 0 thousand). In the reporting period ended 31 January 2022, a portion of receivables from cash-pooling in the amount of EUR 19 994 thousand was offset with a payable from approved dividends.

SPP Infrastructure is the parent company of SPP – distribúcia, a.s., eustream, a.s., NAFTA a.s. and others (see Note 1.1). Based on a careful consideration of historical and future financial performance of the subsidiaries of SPP Infrastructure, Company management believes that receivables and other receivables from SPP Infrastructure are fully recoverable.

Collateralisation of receivables

Several bank guarantees totaling EUR 60 866 thousand (31 July 2021: EUR 57 908 thousand) were established to secure the Company's receivables.

11. LOANS RECEIVED AND BONDS ISSUED

On 25 June 2020, the Company issued publicly-traded unsecured bonds with a face value of EUR 500 000 thousand, under which it received EUR 497 870 thousand with a fixed coupon of 1.625% p.a. The bonds were used to repay bonds issued in 2013.

The bonds are due as a bullet repayment at the final maturity date on 25 June 2027. The effective interest rate is 1.759% p.a., before impact of the interest rate hedge.

On 17 June 2019, the Company drew on a long-term investment loan from the European Investment Bank ("EIB") of EUR 65 000 thousand. The loan is due in December 2027. The loan has a floating interest rate based on 3M EURIBOR with a 3-month update. At 31 January 2022, the effective interest rate is 0.013% p.a.

In 2015, the Company issued private unsecured bonds under which it received EUR 492 660 thousand. The bonds were issued in EUR with a fixed interest rate of 2.90% p.a. (coupon).

The bonds have a fixed final maturity date, with a bullet repayment at the final maturity date on 10 February 2025. The effective interest rate is 2.90% p.a. The entire volume of the Company's issued bonds was purchased by a fellow subsidiary – SPP Infrastructure Financing B.V. with its registered office in the Netherlands.

	As at 31 January 2022			As at 31 July 2021		
	Secured	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
Loans	-	65 009	65 009	-	65 012	65 012
Bonds	-	1 008 038	1 008 038	-	996 447	996 447
Total	**-**	**1 073 047**	**1 073 047**	**-**	**1 061 459**	**1 061 459**
Loans and bonds by interest rate						
- with a floating interest rate	-	65 009	65 009	-	65 012	65 012
- with a fixed interest rate	-	1 008 038	1 008 038	-	996 447	996 447
Total	**-**	**1 073 047**	**1 073 047**	**-**	**1 061 459**	**1 061 459**
Loans and bonds by maturity						
Up to 1 year	-	18 863	18 863	-	7 569	7 569
1 to 5 years	-	492 660	492 660	-	492 660	492 660
More than 5 years	-	561 524	561 524	-	561 230	561 230
Total	**-**	**1 073 047**	**1 073 047**	**-**	**1 061 459**	**1 061 459**

	Carrying amount		Fair value (Note 5 (d) (3))	
	As at 31 January 2022	**As at 31 July 2021**	**As at 31 January 2022**	**As at 31 July 2021**
Loans	65 009	65 012	65 009	65 012
Bonds	1 008 038	996 447	1 029 513	1 070 856
Total	**1 073 047**	**1 061 459**	**1 094 522**	**1 135 868**

12. TRADE AND OTHER PAYABLES

	As at 31 January 2022	As at 31 July 2021
Trade payables	43 737	27 264
Other payables	100 795	19 208
Payables from transmission activities	3 304	17 681
Payables from financial derivatives	435 639	114 339
Total financial liabilities	**583 475**	**178 492**
Payables to employees	2 685	2 633
Social security and other taxes	1 526	5 202
Total non-financial liabilities	**4 211**	**7 835**
Total	**587 686**	**186 327**

As at 31 January 2022, the Company recorded due liabilities of EUR 587,676 thousand and overdue liabilities of EUR 10 thousand. In the comparable period as at 31 July 2021 the Company recorded due liabilities of EUR 186,327 thousand and overdue liabilities of EUR 0 thousand.

Other payables are mainly payables from cash-pooling with SPP Infrastructure is in the amount of EUR 70 000 thousand (31 July 2021: EUR 0 thousand), whose conditions are comparable to those of current bank loan.

Payables secured by lien or other form of security

As at 31 January 2022, a bank guarantee totalling EUR 210 thousand (31 July 2021: EUR 210 thousand) was established with Tatra banka for liabilities to the Customs Office.

13. OTHER NON-CURRENT LIABILITES

	As at 31 January 2022	As at 31 July 2021
Non-current liabilities from financial derivatives	150 648	84 333
Other non-current liabilities	103	115
Total	**150 751**	**84 448**

14. SHARE CAPITAL

The share capital consists of 10 ordinary certificate-form shares with a face value of EUR 3 319.39 per share, 1 ordinary certificate-form share with a face value of EUR 82 895 533.19 and 1 ordinary certificate-form share with a face value of EUR 200 000 000.00. Since 13 June 2014, SPP Infrastructure has been the 100% holder of the above shares (until 12 June 2014: SPP). The share capital is fully recorded in the Business Register. All shares are associated with identical rights and each share represents an identical voting right.

15. LEGAL RESERVE FUND, OTHER FUNDS AND RETAINED EARNINGS

Since 1 January 2008, the Company has been required to prepare financial statements in accordance with IFRS as adopted by the EU. Retained earnings represent amounts based on these financial statements.

Legal reserve fund

The legal reserve fund in the amount of EUR 56 586 thousand (as at 31 July 2020: EUR 56 586 thousand) is created in accordance with Slovak law and is not distributable to shareholders. The reserve is created from retained earnings to cover possible future losses or increases of the share capital. The allotment to the legal reserve fund amounts to at least 10% of the profit for the current year until the reserve is equal to at least 20% of the shared capital. The legal reserve fund in the Company is already equivalent to 20% of the share capital.

Revaluation reserves

Asset revaluation reserves are not immediately available for distribution to the Company's shareholders. Portions of revaluation reserves are reclassified to retained earnings based on differences between the depreciation charges for remeasured amounts and original costs of assets. Revaluation reserves are also reclassified to retained earnings upon the sale, contribution of a part of a business, or upon the disposal of assets. Such transfers to retained earnings are distributable.

Other funds and retained earnings

Based on the decision of the Company's sole shareholder, the Company declared dividends for the year ended 31 July 2021 totalling EUR 205 000 thousand. EUR 71 784 thousand was transferred to retained earnings.

Type of allotment	**Profit allotment for the year ended 31 July 2021**	**Profit allotment for the year ended 31 July 2020**
Allotment to the legal reserve fund	-	-
To cover loss from previous years	-	-
Dividends	205 000	360 461
Retained earnings	71 784	
Total profit to be distributed	**276 784**	**360 461**

Hedging reserve

A hedging reserve represents gains and losses arising from the cash flow hedging.

	Six-month period ended 31 January 2022	**Six-month period ended 31 January 2021**
Opening balance	**(152 628)**	**(5 761)**
Gain/(loss) on cash flow hedging		
Commodity swap contracts	(589 388)	(39 073)
Interest swap contracts	-	-
Deferred income tax applicable to gains/losses recognised through equity	123 772	8 206
Transfer to profit or loss		
Commodity swap contracts	180 912	(20 837)
Interest swap contracts	3 801	3 668
Deferred income tax applicable to gains/losses recognised through profit or loss	(38 790)	3 605
Transfer to the initial carrying amount of the hedged item		
Commodity swap contracts	-	-
Interest swap contracts	-	-
Deferred income tax applicable to amounts transferred to the initial carrying amount of the hedged item	-	-
Closing balance	**(472 320)**	**(50 192)**

A hedging reserve represents the cumulative effective portion of gains or losses arising from changes to the fair value of hedging instruments entered into for cash flow hedges.

A cumulative gain or loss arising from a change in the fair value of hedging derivatives that are recognised and accrued in the reserve fund of cash flow hedging is reclassified to profit or loss provided that the hedging transaction has an effect on profit or loss, or is included as an adjustment of the base in the hedged non-financial item in accordance with the applicable accounting procedures.

Gains/(losses) arising from a change in the fair value of the hedging instruments transferred during the current period from equity to profit or loss are disclosed in the following lines of profit or loss:

	Six-month period ended 31 January 2022	Six-month period ended 31 January 2021
Natural gas transmission and other services	(180 912)	20 837
Finance costs	(3 801)	(3 668)
Total	**(184 713)**	**17 169**

16. REVENUES FROM SALES OF SERVICES

	Six-month period ended 31 January 2022	Six-month period ended 31 January 2021
Natural gas transmission	303 113	376 715
Other	144	89
Total	**303 257**	**376 803**

In the six months period ended 31 January 2022, the Company fully performed long-term contracts for natural gas transmission via the Slovak Republic with a significant Russian natural gas exporter. These contracts enable the use of gas pipelines in line with the transmission capacity required by this exporter to perform long-term export contracts signed with customers in Central and Western Europe.

The Company provides access to the transmission system and transmission services on the basis of ship-or-pay contracts. The major user of the network (shipper) is a significant Russian natural gas exporter, in addition to other customers, which are mainly leading European gas companies transmitting gas from Russian and Asian reservoirs to Europe. Part of the transmission capacity is booked on the basis of long-term contracts, which comprise more than 40% of the Company's revenues from natural gas transmission. In addition, eustream, within the entry-exit transmission system, also concludes short-term transmission contracts and provides supplementary gas transmission services.

The Company receives transmission fees to its accounts from shippers and recipients of supplementary services. Tariffs for transmission services have been fully regulated since 2005 and are governed by the price decision issued by RONI for the relevant regulatory period.

On the basis of the regulated business and pricing terms and conditions, shippers also provide the Company with a portion of tariffs in kind as gas for operating purposes, covering gas consumption during the operation of the transmission system. In accordance with the regulated trade and price terms and conditions, shippers may also provide this part of the tariff as a monetary payment.

Revenues from the natural gas transmission and the provision of supplementary services are generated in the Slovak Republic.

17. FINANCE INCOME

	Six-month period ended 31 January 2022	Six-month period ended 31 January 2021
Interest income	9	59
Others finance income, net	14 338	6
Total	**14 347**	**65**

18. FINANCE COSTS

	Six-month period ended 31 January 2022	Six-month period ended 31 January 2021
Interest expense	15 997	15 354
Other financial expense	(793)	1 098
Total	**15 204**	**16 452**

19. INCOME TAX

Income tax comprises the following:

	Six-month period ended 31 January 2022	Six-month period ended 31 January 2021
Current tax	48 714	61 169
Special levy	9 223	17 759
Deferred income tax	(13 113)	(14 219)
Total	**44 824**	**64 709**

Current income tax is calculated from the accounting profit, as determined under Slovak legislation, and adjusted for certain items in accordance with tax legislation, at the currently valid tax rate of 21%, effective from 1 January 2017. In line with Act No. 235/2012 Coll., on a Special Levy on Business in Regulated Industries and on the Amendment to and Supplementation of Certain Acts, the Company is obliged to pay a monthly special levy effective from September 2012. The levy rate for the 6-month period ended 31 January 2022 is 0.0436 per month (0.0654 per month for the 6-months period ended 31 January 2021) based on the profit before tax and is presented as a part of the current income tax pursuant to the IFRS requirements.

Interim period income tax expense is accrued using the effective tax rate that would be applicable to expected total annual earnings, that is, the estimated weighted average annual effective income tax rate applied to the pre-tax income of the interim period.

The effective tax rate differs from the statutory tax rate of 21% in the six-month period ended 31 January 2022, mainly due to the special levy.

Deferred income tax is recognized, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax is calculated at the tax rates that are expected to apply for the period when the asset is realized or the liability is settled. Deferred tax is recognized in the income statement, except for when it relates to items directly credited or directly charged to equity, in which case the deferred tax is also recognized in equity. Major temporary differences arise from depreciation of fixed assets, various allowances, provisions and derivative financial instruments. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the tax deductible temporary differences can be utilized probable that future taxable profit will be available against which the tax deductible temporary differences can be utilized.

Due to the prudent principle, the Company previously recognised a special levy which arose in connection with the contribution of part of the business on 28 February 2013. However, this matter of fact is not possible to interpret as a waiving of rights and claims, or as a confirmation of the applicability of Act No. 235/2012 on the Special Levy to the contribution of part of the business.

Administrative proceedings with the Slovak tax authorities are still ongoing regarding the calculation of the special levy for businesses operating in regulated industries for 2013, as in the Company's view the calculation of the special levy was not performed in accordance with valid legislation. As at the reporting date, these proceedings had not been completed and the Company has no information regarding the date when such proceedings will be completed.

20. BASIC AND DILUTED EARNINGS PER SHARE

As at 31 January 2022	Ordinary shares – face value EUR 3 319.39	Ordinary shares – face value EUR 82 895 533.19	Ordinary shares – face value EUR 200 000 000
Net earnings for the period attributable to	22	41 792	100 831
the number of ordinary shares	10	1	1
Basic and diluted earnings per ordinary share	**2**	**41 792**	**100 831**

As at 31 January 2021	Ordinary shares – face value EUR 3 319.39	Ordinary shares – face value EUR 82 895 533.19	Ordinary shares – face value EUR 200 000 000
Net earnings for the period attributable to	22	54 163	130 677
the number of ordinary shares	10	1	1
Basic and diluted earnings per ordinary share	**2**	**54 163**	**130 677**

The methodology and calculation is described in accounting policies paragraph b)

21. COMMITMENTS AND CONTINGENCIES

Obligations arising from capital construction

As at 31 January 2022, contracts for the acquisition of non-current assets in the amount of EUR 23 547 thousand (as at 31 July 2021: EUR 32 446 thousand) were concluded, which are not disclosed in these financial statements.

Guarantee issued

The Company is a guarantor for the liability arising from bonds issued by its fellow subsidiary – SPP Infrastructure Financing B.V. in the amount of EUR 512 729 thousand as at 31 January 2022 (as at 31 July 2021: EUR 506 113 thousand). As a result, the Company assumed all the risks related to the repayment of the bonds by SPP Infrastructure Financing B.V..

22. RELATED PARTY TRANSACTIONS

During the six-month period, the Company entered into the following transactions with related parties:

	Six-month period ended 31 January 2022				As at 31 January 2022	
	Revenues	**Expenses**	**Dividends**	**Other**	**Receivables**	**Payables**
SPP Infrastructure	8	10	205 000	10	16	70 020
Related parties under EPH's control	145 873	12 825	-	870	10 045	515 429
Other related parties	432	40	-	-	114	695

	Six-month period ended 31 January 2021				As at 31 July 2021	
	Revenues	**Expenses**	**Dividends**	**Other**	**Receivables**	**Payables**
SPP Infrastructure	41	8	418 500	-	3	6
Related parties under EPH's control	41 667	8 082	-	283	4 442	503 054
Other related parties	1	50	-	1 927	93	273

Company management considers transactions with related parties are made on an arm's length basis.

Transactions with SPP Infrastructure mainly represent the payment of dividends to shareholders and transactions related to cash-pooling (see Note 12).

In the six-month period ended 31 January 2022, transactions with related parties under EPH's control mainly represent issued bonds (see also Note 11).

In the six-month period ended 31 January 2022 and 31 January 2021, the Company also provided financial guarantees to SPP Infrastructure Financing B.V. (see also Note 21).

Since 2019, the Company has applied an exemption from IAS 24 on the non-disclosure of information on related parties through the Ministry of Economy of the Slovak Republic.

Remuneration to members of the Company bodies and Company executive management:

	Six-month period ending 31 January 2022	Six-month period ending 31 January 2021
Remuneration to members of the Board of Directors, Supervisory Board and executive management and to former members of the Company's bodies – total	557	550
Of which – Board of Directors and executive management	*364*	*355*
– Supervisory Board	*132*	*130*
– Supervisory Committee	*52*	*52*
– former members of the Board of Directors and executive management	-	*4*
– former members of the Supervisory Board	*9*	*9*
Other long-term benefits to the members of the Board of Directors, Supervisory Board, executive management and former members of the bodies – total	-	-
Post-employment benefits to the members of the Board of Directors, Supervisory Board, executive management and former members of the bodies – total	-	-
Benefits in kind to the members of the Board of Directors, Supervisory Board, executive management and former members of the bodies – total	7	11
Of which – Board of Directors and executive management	*7*	*10*
– Supervisory Board	-	*1*
Other remuneration (including loans, guarantees or other securitization) to the members of the Board of Directors, Supervisory Board, executive management and former members of the bodies – total	-	-
Total amount of used financial or other remunerations for personal use by the Members of statutory body, supervisory body or other body of the accounting unit, which are accounted for	3	3
Of which – Board of Directors and executive management	*3*	*3*
– Supervisory Board	-	-

23. MEMBERS OF THE COMPANY'S BODIES AS AT 31 JANUARY 2022

Body	Position	Name
Board of Directors	Chairman	Ing. Tomáš Mareček
	Vice-Chairman	Ing. Rastislav Jamrich
	Member	Ing. Miroslav Bodnár
	Member	Ing. Ondrej Studenec
	Member	Ing. Michal Kľučár
Supervisory Board	Chairman	Ing. Roman Hudík
	Vice-Chairman	Jiří Zrůst, until 21 December 2021
	Member	Ing. Martin Gebauer, since 22 December 2021
	Member	Ing. Peter Trgiňa, MBA
	Member	Mgr. Andrej Lendvay
	Member	Ing. Mikuláš Maník
	Member	Ing. Anton Matulčík
Supervisory Committee	Chairman	JUDr. Daniel Křetínsky
	Vice-Chairman	Ing. Ružena Lovasová
	Member	Mgr. Hana Krejčí, PhD.
	Member	Ing. Roman Karlubík, MBA
	Member	Mgr. Jan Stříteský
Executive management	General Director	Ing. Rastislav Ňukovič

24. POST-BALANCE SHEET EVENTS

In relation to the ongoing military conflict in Ukraine and the related sanctions targeted against the Russian Federation, the Company has identified risks and adopted appropriate measures to mitigate the impact on its business. Based on available information and current developments, the Company is continuously analysing the situation and assessing its direct impact on the Company. The Company's management has considered the potential impacts of this situation on its operations and business and has concluded that currently, they do not have a material impact on the financial statements of the Company as at 31 January 2021 or on the going concern assumption in 2022. However, it cannot be ruled out that further negative developments might occur in this situation, which may subsequently have a material impact on the Company, its business, financial condition, results, cash flows and prospects in general.

Prepared on: **29 April 2022**	**Signature of a member of the statutory body of the reporting entity**	
	Ing. Tomáš Mareček Chairman of the Board of Directors	Ing. Miroslav Bodnár Member of the Board of Directors