ORES

Consolidated IFRS financial statements ORES Assets

2025

NAME AND FORM

ORES Assets. Cooperative company.
CBE Number 0543.696.579.

HEAD OFFICE

Avenue Jean Mermoz 14, 6041 Gosselies.

INCORPORATION

Incorporated December 31, 2013.
Deed of incorporation published in the Appendices to the Moniteur belge (Belgian Official Gazette) of January 10, 2014 under number 14012014.

ARTICLES OF ASSOCIATION

The articles of association have been amended on a number of occasions, most recently under the terms of a deed received by Mr. Jules BASTIN, Notary Public in La Louvière, dated June 12, 2025, published in excerpt form in the appendices to the Moniteur belge (Belgian Official Gazette) of June 19, 2025, under number 338479.

Consolidated IFRS financial statements ORES Assets 2025

This document is a translation of the original French version.
In case of doubt, interpretation ambiguity or inconsistency
in the translated text, the French version shall prevail.

ORES

Chapter 1

Consolidated IFRS financial statements

① Consolidated statement of profit and loss

for the year ended 31st December 2025 (in thousands of €)

	NOTE	31/12/2025	31/12/2024	DIFFÉRENCE
Turnover	01-A	1,191,258	998,800	192,459
Regulatory balances	01-B	(22,753)	81,075	(103,828)
Other operational income	02	29,168	26,556	2,612
Operational income		**1,197,673**	**1,106,431**	**91,242**
Goods and supplies	03	(113,774)	(140,132)	26,358
Transport fees	03	(264,066)	(194,044)	(70,022)
Road fees	03	(45,350)	(42,852)	(2,498)
Employee benefits	19-20	(183,487)	(186,685)	3,198
Write-downs of trade receivables		(3,268)	(11,133)	7,865
Other operating expenses	04	(183,246)	(181,413)	(1,832)
Operating expenses		**(793,190)**	**(756,259)**	**(36,931)**
OPERATING RESULT BEFORE DEPRECIATION AND AMORTIZATION ON (IN)TANGIBLE ASSETS		**404,483**	**350,172**	**54,310**
Depreciation and amortization of (in)tangible assets	08-09	(213,097)	(205,805)	(7,292)
Operating result		**191,385**	**144,367**	**47,018**
Financial income	05	2,381	4,734	(2,353)
Financial expenses	06	(60,531)	(55,660)	(4,871)
Financial profit (loss)		**(58,149)**	**(50,926)**	**(7,223)**
Share of the result of associates	25			
Profit (loss) before tax		**133,236**	**93,441**	**39,795**
Taxes	22	(36,531)	(26,551)	(9,980)
Profit (loss) for the period		**96,705**	**66,890**	**29,815**
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE GROUP		**96,705**	**66,890**	**29,815**
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THIRD PARTIES				

② Consolidated statement of comprehensive income

for the year ended 31st December 2025 (in thousands of €)

	NOTE	31/12/2025	31/12/2024	DIFFERENCE
Profit (loss) for the period		**96,705**	**66,890**	**29,815**
Other comprehensive income				
Recyclables in the profit and loss statement		**(542)**	**(1,062)**	**520**
Change in fair value of cash flow hedges instruments		(723)	(2,228)	1,506
Tax on items that are or may be reclassified to the profit and loss	22	181	1,166	(984)
Not recyclables in the profit and loss statement		**3,174**	**1,476**	**1,698**
Actuarial gains and losses on defined benefit plans	20	4,232	1,968	2,263
Tax on other items that will not be reclassified to the profit and loss	22	(1,058)	(492)	(566)
Other comprehensive income attributable to the Group		**2,632**	**414**	**2,218**
Other comprehensive income attributable to third parties				
COMPREHENSIVE INCOME FOR THE PERIOD		**99,337**	**67,304**	**32,034**

3 Consolidated statement of financial position – assets

as of 31st December 2025 (in thousands of €)

ASSETS	NOTE	31/12/2025	31/12/2024	DIFFERENCE
Non-current assets		**4,729,977**	**4,533,852**	**196,125**
Intangible assets	08	134,911	114,976	19,934
Tangible assets	09	4,554,686	4,315,817	238,869
Investments in associates	25	3	3	0
Other non-current assets	10	40,376	103,056	(62,679)
Current assets		**515,821**	**339,767**	**176,054**
Inventories	12	125,788	98,519	27,268
Trade receivables	11	65,335	38,215	27,120
Other receivables	11	162,450	91,917	70,533
Current tax assets	11	1,583	1,788	(205)
Cash and cash equivalents	13	103,302	68,865	34,438
Other current assets	10	44,245	40,463	3,782
Assets held for sale	31	13,117		13,117
Total assets excluding regulatory assets		**5,245,798**	**4,873,619**	**372,179**
Regulatory assets	01-B	251,631	271,913	(20,283)
TOTAL ASSETS		**5,497,429**	**5,145,532**	**351,897**

4 Consolidated statement of financial position – liabilities

as of 31st December 2025 (in thousands of €)

LIABILITIES	NOTE	31/12/2025	31/12/2024	DIFFERENCE
Equity		**2,038,816**	**2,015,625**	**23,191**
Share capital	14	1,017,794	864,445	153,349
Retained earnings		742,222	761,015	(18,793)
Other reserves		278,825	390,189	(111,364)
Non-controlling interests		(24)	(24)	0
Non-current liabilities		**2,820,317**	**2,476,962**	**343,355**
Borrowings	15	2,486,834	2,142,409	344,425
Provisions for employee benefits	19-20	81,954	79,759	2,195
Other provisions	18	15,659	13,144	2,515
Deferred tax liabilities	23	221,211	228,100	(6,889)
Other non-current liabilities	16-17	14,660	13,550	1,110
Current liabilities		**638,295**	**652,945**	**(14,650)**
Borrowings	15	228,712	330,207	(101,495)
Trade payables	16	207,042	187,118	19,924
Other payables	16-17	191,612	128,651	62,960
Current tax liabilities		3,958	86	3,872
Other current liabilities	17	6,971	6,883	89
Total liabilities excluding regulatory liabilities		**5,497,429**	**5,145,532**	**351,897**
Regulatory liabilities	01-B			
TOTAL LIABILITIES		**5,497,429**	**5,145,532**	**351,897**

⑤ Consolidated statement of changes in equity

as of 31st December 2025 (in thousands of €)

			RESERVES						
		SHARE CAPITAL	CASH FLOW HEDGES INSTRUMENTS	ACTUARIAL GAINS AND LOSSES ON DEFINED BENEFIT PENSION PLANS	STATUTORY RESERVES	TOTAL	RETAINED EARNINGS	NON-CONTROLLING INTERESTS	TOTAL EQUITY
AS OF 1ST JANUARY 2025		**864,445**	**73,044**	**(54,676)**	**371,820**	**390,189**	**761,015**	**(24)**	**2,015,625**
Comprehensive income for the period	Profit for the period						96,705		**96,705**
	Other comprehensive income, net of income tax		(542)	3,174		**2,632**			**2,632**
Transactions with shareholders	Dividends relating to the previous year						(76,145)		**(76,145)**
Transfers	Transfer from available reserves to unavailable contributions	153,349			(153,349)	**(153,349)**			
	Transfer from or to statutory reserves				39,353	**39,353**	(39,353)		
AS OF 31ST DECEMBER 2025		**1,017,794**	**72,502**	**(51,502)**	**257,824**	**278,825**	**742,222**	**(24)**	**2,038,816**
AS OF 1ST JANUARY 2024		**867,464**	**74,106**	**(56,152)**	**320,713**	**338,668**	**821,793**	**(24)**	**2,027,901**
Comprehensive income for the period	Profit for the period						66,890		**66,890**
	Other comprehensive income, net of income tax		(1,062)	1,476		**414**			**414**
Transactions with shareholders	Dividends relating to the previous year						(74,668)		**(74,668)**
Transfers	Transfer from available reserves to unavailable contributions	(3,019)			(1,125)	**(1,125)**	(768)		**(4,912)**
	Transfer from or to statutory reserves				52,232	**52,232**	(52,232)		
AS OF 31ST DECEMBER 2024		**864,445**	**73,044**	**(54,676)**	**371,820**	**390,189**	**761,015**	**(24)**	**2,015,625**

⑥ Consolidated statement of cash flows

as of 31st December 2025 (in thousands of €)

CASH FLOWS FROM OPERATING ACTIVITIES		NOTE	31/12/2025	31/12/2024
Profit for the period			**96,705**	**66,890**
Adjustments for the following elements:	Amortization and depreciation on (in)tangible assets	08-09	213,097	205,805
	Changes in provisions	18-19	6,048	(4,097)
	Gains on sale of (in)tangible assets		(299)	(246)
	Write-downs of trade receivables		5,036	(13,277)
	Inventory write-downs	12	78	149
	Financial income	05	(3,880)	(4,734)
	Financial expenses	06	62,029	55,660
	Income tax expenses recognized in profit or loss statement	22	36,531	26,551
	Regulatory balances	01-B	(28,238)	(89,038)
Operating cash flow before changes in working capital			**387,107**	**243,663**
Changes in working capital	Change in inventories	12	(27,347)	(21,645)
	Change in trade and other receivables	11	(54,633)	20,746
	Change in trade and other payables	16-17	82,153	(53,853)
Cash flows from operating activities			**387,280**	**188,911**
Paid interest			(53,723)	(53,313)
Received interest			4,317	8,109
Paid taxes			(39,983)	(13,861)
Regulatory balances recovered		01-B	50,992	7,964
NET CASH FLOW FROM OPERATING ACTIVITIES			**348,883**	**137,810**

CASH FLOWS FROM INVESTING ACTIVITIES		NOTE	31/12/2025	31/12/2024
	Acquisition of intangible assets	08-09	(33,436)	(18,654)
	Acquisition of tangible assets	08-09	(446,555)	(330,592)
	Sale of tangible assets	08-09	836	4,354
	Government grants	08-09		36,638
NET CASH FLOWS FROM INVESTING ACTIVITIES			**(479,154)**	**(308,254)**

CASH FLOWS FROM FINANCING ACTIVITIES		NOTE	31/12/2025	31/12/2024
	Borrowing issuance	15	560,000	410,000
	Repayment of borrowings	15	(318,979)	(209,001)
	Issuance and repayment of loans and guarantees	11	431	3,648
	Repayment of lease liabilities	21	(4,366)	(2,977)
	Paid dividends	14	(72,378)	(76,356)
NET CASH FLOWS FROM FINANCING ACTIVITIES			**164,709**	**125,314**

Change in cash and cash equivalents from continuing operations	**34,438**	**(45,130)**
Cash and cash equivalents at the beginning of the period	**68,865**	**113,995**
Cash and cash equivalents at the end of the period	**103,302**	**68,865**

7 Change in assets and liabilities arising from financing activities

as of 31st December 2025 (in thousands of €)

	01/01 2025	CASH FLOW FROM FINANCING ACTIVITIES	CASH FLOW FROM OPERATING ACTIVITIES	CASH FLOW FROM INVESTING ACTIVITIES	NON-CASH FLOW VARIATION				31/12 2025
					RECLASSIFICATION	FAIR VALUE CHANGES	OTHERS (IFRS16)	TOTAL	
Other non-current assets	103,056	15	821		60,585	1,258		61,843	40,376
Other receivables	91,917	(61,274)	(16,652)		7,393			7,393	162,450
Long-term borrowings	2,142,409	560,000			(215,620)	45		(215,575)	2,486,834
Short-term borrowings	330,207	(318,979)			215,620	1,864		217,484	228,712
Other non-current liabilities	13,550	416			(4,236)		4,929	692	14,660
Other payables	128,651		62,960						191,612
Other current liabilities	6,883	(4,139)	(732)		4,237	722		4,959	6,971
Equity	2,015,625	(6,205)	91,806		(65,040)	2,631		(62,409)	2,038,816
TOTAL	**4,832,298**	**169,835**	**138,203**	**0**	**2,938**	**6,520**	**4,929**	**14,386**	**5,170,432**

	01/01 2024	CASH FLOW FROM FINANCING ACTIVITIES	CASH FLOW FROM OPERATING ACTIVITIES	CASH FLOW FROM INVESTING ACTIVITIES	NON-CASH FLOW VARIATION				31/12 2024
					RECLASSIFICATION	FAIR VALUE CHANGES	OTHERS (IFRS16)	TOTAL	
Other non-current assets	30,253	3,657	2,424		(83,983)	5,099		(78,884)	103,056
Other receivables	110,978	(65,040)	12,335	(102,764)	174,530			174,530	91,917
Long-term borrowings	2,051,343	280,000			(188,979)	45		(188,934)	2,142,409
Short-term borrowings	219,880	(79,002)			188,979	350		189,329	330,207
Other non-current liabilities	19,602	(9)		(7,857)	(4,153)		5,967	1,814	13,550
Other payables	143,349		(14,698)						128,651
Other current liabilities	6,163	(2,977)	(455)		4,152			4,152	6,883
Equity	2,027,901	(11,315)	66,890	(4,912)	(63,353)	414		(62,939)	2,015,625
TOTAL	**4,609,469**	**125,314**	**66,496**	**(115,533)**	**27,193**	**5,908**	**5,967**	**39,068**	**4,832,298**

Chapter 2

Notes to the consolidated financial statements

1 Preliminary note to the consolidated financial statements

A. Reporting entity and ORES group

The ORES Group (hereinafter referred to as the "Group") comprises ORES Assets, an intermunicipal company designated as gas and electricity distribution system operator (hereinafter referred to as "DSO" or "ORES Assets"), and its subsidiaries ORES and Comnexio. ORES Assets shareholders are one hundred and ninety-nine municipalities and eight Intermunicipal pure financing companies (IPFs)[1]. Since 1st January 2017, the DSO is 100% owned by the public authorities.

ORES, the operating subsidiary, is 99.72% owned by ORES Assets, with the remaining held by seven of the IPFs associated with ORES Assets[2]. Comnexio, created on 1st June 2019, to manage the Group's contact center activities, is 93% owned by ORES Assets. Seven of Comnexio's one hundred shares are held by the same IPFs associated in ORES.

In addition, there is also a company partially owned by ORES Assets, Atrias, in which the company holds 16.67%. Due to the significant influence of ORES Assets on this company, the Group decided to consolidate it using the equity method. ORES and Comnexio carry out their activities at cost price. The result for each financial year is therefore zero.

The Group is active only in Belgium, and more specifically in Wallonia, within the territory of municipalities for which ORES Assets is designated as the DSO. The registered office of ORES Assets and ORES is located at Avenue Jean Mermoz 14, 6041 Gosselies (Belgium).

B. Approval of the consolidated financial statements

The Board of Directors of ORES Assets resolves to adopt and approve the Group's consolidated financial statements 31st December 2025 on 15th April 2026.

C. Significant events in 2025

FEBRUARY

- The CWaPE approved ORES Assets' application for revision of authorised revenue for the regulatory period 2025-2029. This revision was requested by the company to finance the comprehensive deployment of advanced metering infrastructure by the end of 2029.

MARCH

- ORES became the first network operator in Belgium to obtain ISO 27001 certification for all its activities and facilities. This standard defines a strict framework for information security management, enabling the company to better protect its data and systems.
- A major awareness campaign was launched throughout Wallonia to create a positive climate around ORES's activities and facilitate acceptance of its projects, which are essential to the modernization of the electrical network. The second objective is to better promote the company as a key actor in the energy transition and as an attractive employer.

1 CENEO, Finest, Finimo, Idefin, IPFBW, IEG, IFIGA and Sofilux.

2 CENEO, Finest, Finimo, Idefin, IPFBW, IEG and Sofilux.

APRIL

- Full roll out of smart meters in Wallonia: a major milestone was achieved with the joint award (with RESA) of the deployment contract to the temporary joint venture "ENZO," comprising Infra Group, APK Group, Circet, and Kobor. The consortium must install approximately 700,000 meters across ORES's service territory, in compliance with high requirements in terms of execution quality, customer satisfaction, and information systems management. Following preparatory works, operational deployment began in September.
- Completion of a €250 million bond financing operation with American institutional investors and a Canadian investor. This initiative aims to diversify financing sources and secure favorable conditions to support ORES's investments related to the energy transition.

MAY

- Launch of a communication campaign inviting electric vehicle owners to declare their residential charging installations. This is to better anticipate the evolution of behaviors and more effectively direct network reinforcement investments to meet existing needs.

JUNE

- ORES's IT systems are evolving: they can now transmit quarter-hourly consumption data – in 15 minute intervals – from smart meters to suppliers. This advancement will allow customers to opt for dynamic tariff contracts in the future and, from the beginning of 2026, for the "Impact" distribution pricing, which will encourage them to consume electricity when it is most abundant.
- Following the launch in April of a new web space specifically dedicated to large companies and supporting them in the context of the energy transition, ORES is updating its myORES customer portal. This portal is now accessible to all customers, with the added benefit of simplified procedures, as login is now also available via itsme®.
- On 24th June, ORES brought together renewable energy producers, storage specialists, and project developers for an information and exchange day. The agenda included solutions proposed to support their network connection procedures and awareness of issues related to flexibility.

JULY

- Frédéric Mallefait became the new Chief Information Officer of ORES. With solid experience in digital transformation and management of large technology projects, he joins the Executive Committee with the mission to strengthen synergy between IT and business units and support ORES's strategic ambitions.

SEPTEMBER

- ADMS Commissioning: ORES has reached a crucial milestone in the implementation of its smart grid with the transition to the new centralized control system for its high-voltage network. This is the culmination of five years of work dedicated to modernizing the monitoring tool and evolving operational processes. A cornerstone of real-time network management, ADMS will enable congestion anticipation, flexible load management, and support for contractual flexibility.

OCTOBER

- Opening of a new ORES operational site in Walloon Brabant. Located in the "Northern Zone" of Nivelles, this facility allows technical teams to have a convenient supply point as well as office and meeting spaces in the western part of the Province.

DECEMBER

- "Connect My Home" celebrates its 10 years. Launched in 2015 by ORES and Proximus, this service enables the completion of new residential connections in a single day via a single application. Since then, it has been enriched with the integration of SWDE and VOO (Orange) in 2016, then RESA in 2024. Over this decade, nearly 17,000 customers have benefited from it and have seen their procedures with the different partners considerably simplified, thanks to the coordination provided by ORES.
- On 18th December, the technical workforce career development pathway was finalized between the company's social partners within the competent body. Four local agreements were concluded. They will enable part of the technical personnel to access improvements in their career path, or even evolutions in their function.
- ORES obtained a €450 million loan granted by the European Investment Bank, in the context of the modernization of its electrical network and its contribution to the energy transition. This loan confirms the EIB's confidence in the company's financial strength and financial governance.

D. Report on risks and uncertainties

ORES and ORES Assets constitute a coherent economic group for which a consolidated risk and opportunity analysis is conducted. The following paragraphs identify the main risks and opportunities that the ORES Group ("the Group") may face, as well as the measures taken to mitigate these risks. Risk management is a key process. It identifies, analyses, and assesses risks based on their typology, probability of occurrence, and potential impact on achieving objectives, as well as on ORES' strategic, operational challenges and projects. The methodology used in this process is described in the ORES Assets 2025 consolidated annual BGAAP report, and more specifically in the section entitled "Description of the main features of the internal control and risk management systems." The main results for the 2025 financial year are explained below, focusing on the most significant risks as identified in the risk analysis presented in June and updated in December 2025. These risks are classified by category. Some unidentified risks could arise or, although they may seem limited today, become more significant in the future. Nevertheless, the methodology implemented, by empowering all departments, thereby multiplying information sources, and by planning regular updates to the risk profile, significantly reduces the likelihood of overlooking a significant risk.

1. RISKS ASSOCIATED WITH NETWORK CONGESTION

The integration of an increasing number of renewable energy production capacities into the network or the rapid growth in electrification of energy uses such as transportation and heating, is shifting the electricity system from a centralized model (driven by production with unidirectional network integration) to a broad ecosystem with multiple, decentralized, and intermittent energy sources. This results in significant volatility in the energy flows passing through the network. The number of requests for substantial industrial connections has increased considerably over time. New technologies such as data centers, fast charging, and industrial batteries further increase the pressure on the network. These shifts raise several issues, one of which is the saturation of both high-voltage (HV) and low-voltage (LV) networks. It focuses both on the interface between the DSO and the TSO (a bottleneck that limits access to high-voltage power) and on congestion on the low-voltage network (in both production and consumption) resulting from variations in demand (voltage drops when demand is too high or overvoltage when decentralized production exceeds consumption). Anticipating and forecasting electricity needs is difficult. The various forecasting scenarios evolve significantly each year. This complexity is compounded by the potential impact on electricity distribution networks of B2B customers' decarbonization plans. To mitigate this risk, a major industrial plan has been defined and is currently being implemented. It is accompanied by various projects and roadmaps, particularly those related to network and customer aspects, which also aim to better target investments and network optimization measures, as well as encourage customers to consume electricity at the right time.

Additionally, the decree on demand-side flexibility adopted by the Walloon Parliament in December 2025 represents a significant change in the framework governing power access. The decree enables network operators to offer flexible connection contracts under specified conditions, particularly when the electrical network experiences capacity constraints. Under this framework, available network capacity can be modulated in response to network congestion.

Given the capacity constraint limiting access to high-voltage power as described above, it is essential to ensure reliable access to power capacity. This requires, among other things, alignment of the strategic vision and operational priorities between the TSO and the DSO. The implementation of a power capacity plan that takes into account these various aspects, along with the establishment of an Investment Committee, regular coordination meetings with Elia, and ongoing work on flexibility,... contributes to mitigate this risk.

For all these reasons, mitigating the risk of network congestion depends not only on ORES but on a whole range of stakeholders, including adapting consumption patterns by both B2C and B2B customers. It is essential that there be alignment between Wallonia's ambitions for energy transition and network investment, the legal framework as defined by decrees, and the regulatory framework that allocates the authorized revenue and determines the available budget.

2. BUSINESS CONTINUITY RISKS

In the context of the energy transition towards a more environmentally sustainable energy mix, with a target of carbon neutrality by 2050, the future of the gas distribution network is uncertain. Should natural gas be excluded from energy mix, ORES Assets' gas distribution network could be repurposed for alternative uses, such as district heating network or as a biomethane distribution vector. The absence of a sufficiently precise political and regulatory framework regarding the future of gas infrastructure creates business risk and delays the transition of the gas distribution network to one of these alternative applications. ORES is particularly attentive to these issues, notably through the establishment of a dedicated task force focused on alternative molecules and has adopted a prudent approach to capital investments in gas network.

Cybercrimes are increasing exponentially, a trend reinforced by the geopolitical context and digital transformation. Multiple laws and regulations have been adopted to enhance Belgium's resilience to cybersecurity threats, (notably the NIS2 Directive and the CER Directive). As an essential services operator, the Group is directly subject to these regulatory requirements. The company has identified the highest-risk scenarios and has implemented a robust governance framework for information systems security. This comprehensive approach enabled ORES to obtain ISO 27001 certification in March 2025.

3. ECONOMIC AND FINANCIAL RISKS (INCLUDING TARIFF RISKS)

A. TARIFF RISKS

The tariffs for ORES and ORES Assets' activities are governed by an important legislative and regulatory framework, of which two principal elements are the tariff decree and the tariff methodology established by the CWaPE on the basis of this decree. This framework determines notably the resources available to the DSO to finance its activities (authorized revenue) as well as a set of rules that can influence positively or negatively the remuneration of shareholders (incentive regulation mechanism). Any modification to this framework or to the context in which the DSO operates may affect the Group's revenue, profits, and/or financial position. A new tariff methodology was approved by the CWaPE in late May 2023 for the period 2025-2029. For electricity, the CWaPE also approved in 2024 tariff guidelines relating to a new form of tariff, applicable from 2026, for low-voltage customers and providing greater incentives for load shifting. The electricity and gas authorized revenue proposals and the 2025 tariff proposals for electricity and the 2025-2029 one for gas were approved in 2024.

The electricity proposals were reviewed in 2025 to adapt authorized revenues following the Walloon Parliament's decision to generalize the deployment of smart meters. The 2026-2029 electricity distribution tariffs were approved in 2025 (implementation of the new incentive tariff based on the guidelines mentioned above).

Having authorized revenues fixed for a five-year period is a positive element that provides the company with visibility regarding the resources available to it. However, in the context of energy transition, it is important to ensure that these authorized revenues allow coverage of the costs necessary for the industrial plan required to support this transition. During the fiscal year, following the increase in the cost of implementing this industrial plan, ORES faced a growing risk related to access to financing (see interest rate risk).

Differences may arise between the forecasted controllable costs (those approved in authorized revenue) and actual costs. To mitigate this risk, the following actions are notably implemented:

- monthly budget monitoring, refinement of budgets and realization of “best estimate”;
- monitoring of indexation parameters as well as the evolution of certain costs.

Finally, the company must ensure that it complies with its financial covenants, which are monitored on a regular basis.

B. TAX RISK

ORES Assets and ORES are subject to corporate income tax. Changes in tax regulations and their interpretation by the tax authorities may impact the group. The tariff methodology stipulates that any tax expense incurred by ORES Assets is included in the tariff as a non-controllable cost. Consequently, the impact of these changes and interpretations is essentially limited to ORES.

C. ASSET AND LIQUIDITY RISKS

As part of managing these risks and the billing of fees to use the networks which constitute the bulk of the Group's turnover, ORES Assets has a guarantee mechanism in place for its energy suppliers active on the network. These guarantees are defined by the contract granting network access and are reviewed annually.

ORES has short-term financing capacity through its commercial paper program and the credit line mentioned above; liquidity risk can be considered under control. Cash management helps to limit market, asset structure, and liquidity risks. The management bodies have implemented a prudent investment policy, based on diversification and the use of products with limited credit and interest rate risk.

D. MACROECONOMIC AND CYCLICAL RISKS

The economic situation may have repercussions on demand for electricity and natural gas, on the price of certain energy-related charges, and on the Group's financing conditions.

With respect to the impact on electricity and natural gas demand, this risk and its effects are normally not borne by the Group, as the 2025-2029 tariff methodology provides for regulatory oversight of variances between budgeted and actual results during the fiscal year following the year in question (N+1), including volume risk, with the tariff for regulatory balances adjusted to account for these variances through consultation between the CWaPE and the DSOs regarding the timing of cost recovery in tariffs to maintain tariff stability.

Energy price volatility may impact certain DSO charges and thus create risks for the Group, such as exceeding the authorized price corridor for electricity purchases or the bankruptcy of an energy supplier, which the Group mitigates through careful attention to public procurement procedures for energy purchases and their implementation, as well as comprehensive supplier monitoring procedures including payment terms and guarantees.

With respect to the impact on the Group's financing conditions, reference is made to the interest rate risk disclosure, which addresses derivative financial instruments used for hedging purposes, the financing and debt management policy, and monitoring of market data.

② Notes to the consolidated statement of profit and loss

Note 01 A - Turnover (in thousands of €)

Distribution fee

The Group's turnover is primarily based on income and expenses related to distribution fees for the electricity and gas distribution network. On behalf of energy suppliers, the Group distributes electricity and gas to homes and businesses connected to the network. For electricity, the distribution fee also includes the transmission fee (re-invoicing of the costs of using the transmission network, of which Elia is the sole operator). This fee is invoiced by Elia to the Group and recorded as a cost of sales (cascade principle), resulting, in principle, in a neutral impact on the profit or loss statement – see also note 03.

Income and expenses related to distribution fees are recognized based on the tariffs in effect for the fiscal year, provided that electricity or gas has been supplied and transported to consumers connected to the distribution network during the corresponding period. Revenues are recognized progressively and are based on meter readings and on estimates for the non-metered portion of network usage (invoiced as an advance payment). These estimates are adjusted at the reporting date with the non-metered distribution fee (RTNR), which is calculated based on the total volumes that have transited the network.

ELECTRICITY	31/12/2025	31/12/2024
Distribution fee	896,656	721,507
Public service obligations (PSOs)	29,223	40,561
Others	4,349	3,874
TOTAL	**930,227**	**765,942**

GAS	31/12/2025	31/12/2024
Distribution fee	222,513	186,145
Public service obligations (PSOs)	15,346	20,549
TOTAL	**237,859**	**206,694**

NOT ALLOCATED	31/12/2025	31/12/2024
Third-party inventory management	3,132	4,936
Construction contracts	20,040	21,228
TOTAL	**23,172**	**26,164**

Total turnover	**1,191,258**	**998,800**
Performance obligations fulfilled progressively	1,186,909	994,926
Performance obligations fulfilled at a specific time	4,349	3,874

The regulatory environment in which the Group operates is described in the accounting policies in section 3.A.15.

As highlighted in the key facts, 2025 saw the implementation of new distribution and transmission tariffs, which were higher than those of the previous regulatory period. This largely explains the increase in the distribution fee, observed for both electricity and gas, of +24.28% and +19.54% respectively. Furthermore, the quantities billed also increased: +1.40% for electricity and +2.47% for gas.

Public service obligations (PSOs)

The Walloon Government imposes clearly defined, transparent, and non-discriminatory public service obligations (PSOs) on the distribution system operators (DSOs), compliance with which is monitored by regulators (primarily the CWaPE, but also the CREG for supply to protected customers). These obligations include, in particular:

- To ensure the supply of electricity to protected customers at the social tariff. The difference between the social tariff and the market price is recovered partly by the DSOs from the CREG (fund managed by the latter), and partly through tariffs according to the type of protected customer, thus ensuring neutrality in terms of the result;
- To temporarily ensure the supply of end customers who find themselves temporarily without a supply contract or bound by a supply contract that has been suspended (so-called “sub-supplier X” customers). The corresponding energy purchases are recorded in sales costs (see note 03);
- To ensure the installation of a prepayment meter at the request of the customer or as part of a procedure for default of payment by the end customer to their energy supplier;
- To provide a single point of contact in order to simplify administrative procedures; the DSO is indeed the only point of contact for electricity producers with a photovoltaic panel installation with a net power of less than or equal to 10 kVA wishing to connect to the network.

Income and expenses related to energy sales under public service obligations (particularly to protected customers) are recognized progressively once electricity or gas has been supplied and transported to consumers connected to the network during the corresponding period. The amounts recognized as income are based on meter readings and estimates for the portion of non-metered network usage.

Sales related to PSOs, for both electricity and gas, are down by €11.3 million and €5.2 million respectively. This is largely due to the decrease in the energy price set by the CREG (the social tariff for protected customers or the “Max Price” for “sub-supplier X customers”, coupled with a decrease in sales volumes. Added to this is the reduced amount to be received from the CREG compared to 2024 to compensate for the social tariff granted, as the difference between the market price and the social tariff is smaller than in 2024.

Third-party inventory management

The Group has entered into a service contract for inventory management (logistics) on behalf of a third party, to whom it also sells goods. This contract stipulates remuneration based on the number of square meters used. The contract expired on 31st July 2025.

Construction contracts

The Group’s turnover also includes income from construction contracts for various works, such as public lighting extensions or network maintenance.

Since the completion date of a construction contract can be reliably estimated, the income and expenses related to that contract are recognized in the profit and loss account progressively, according to the contract’s progress.

Note 01 B - Regulatory balances (in thousands of €)

Detailed information on the CWaPE tariff methodology and the regulatory environment in which the Group operates is described in the accounting policies, under section 3.A.15.

Currently, there is no specific IFRS standard addressing the accounting for regulatory balances in a regulated environment. Discussions are underway within the IASB to develop a new standard on regulatory assets and liabilities that would clarify the position companies should take. In this context, a transitional standard was published in January 2014 (IFRS 14 - Regulatory Deferral Accounts), applicable only to first-time adopters of IFRS. This standard explicitly allows the recognition of regulated assets and liabilities in the financial statements but requires that they be clearly distinguished from other assets or liabilities. In January 2021, the IASB published a draft standard on "Regulatory Assets and regulatory Liabilities." The draft standard confirms this approach of "additional" recognition of regulatory assets, liabilities, and revenues compared to other IFRS standards, particularly IFRS 15 for revenues, based on the fact that the Group has a right to receive economic benefits in the future (or a reimbursement obligation) under the current tariff methodology. This is the approach currently applied by the Group in preparing its financial statements.

1. STATEMENT OF THE FINANCIAL SITUATION		31/12/2025	31/12/2024
Regulatory assets	Distribution and transport balances	251,631	271,913
Regulatory liabilities	Distribution and transport balances		
REGULATORY LIABILITIES		**251,631**	**271,913**
Previous regulatory period		220,922	11,339
Current regulatory period		30,710	260,574

2. DETAILS OF THE EVOLUTION OF REGULATORY BALANCES	31/12/2025	31/12/2024
Via statement of comprehensive income	(22,753)	81,075
Other	2,471	27,634
TOTAL	**(20,282)**	**108,709**

3. STATEMENT OF COMPREHENSIVE INCOME		31/12/2025	31/12/2024
Electricity	Year 2025	24,178	74,069
	Previous years	(23,883)	
	Total	**295**	**74,069**
Gas	Year 2025	2,239	14,173
	Previous years	(9,088)	(7,963)
	Total	**(6,849)**	**6,210**
Transport	Year 2025	1,821	796
	Previous years	(18,021)	
	Total	**(16,199)**	**796**
TOTAL REGULATORY BALANCES		**(22,753)**	**81,075**
Of which	Year 2025	28,238	89,038
	Previous years	(50,992)	(7,963)

The Group will closely monitor the development of the project based on comments on the text and future debates of the IASB and, depending on these, will analyze in detail the consequences of the application of this new standard.

The Group assumed that these balances would be recovered in the future, which has been the case since 2015 in the form of an advance payments for the 2008-2014 balances and definitively for the balances allocated by the CWaPE since 2019 (see below). They are therefore recognized as an asset or a liability.

The regulatory balances at the end of 2025 will result in a regulatory asset of €251.6 million, compared to a regulatory asset balance of €271.914 million in 2024. The year-over-year variations are attributable to:

- The regulatory distribution balances for the year: +€24.2 million in electricity and +€2.2 million in gas;
- Previous distribution regulatory balances recovered: -€23.8M in electricity and -€9.1M in gas;
- Transport balances: -€16.2M, including +€1.8M relating to the year 2025 and -€18.0M recovered following the approval by the CWaPE of the 2022-2023 balances;
- The balance sheet movement of €2.5 million recorded in "Other" resulting from a transfer of other current assets to tariff balances following the obtaining of the final transport balances for the financial year 2024 for an amount of €3 million and a transfer to assets held for sale for an amount of €0.5 million (see note 31 on this subject).

Past regulatory balance tariffs relating to fiscal years 2015-2023 and to the budget revision for the advanced metering infrastructure deployment envelope are recovered by ORES Assets through distribution tariffs, as determined by the CWaPE in its tariff methodologies. This recovery mechanism enabled the collection in 2025 of €23.8 million for electricity activity (excluding transmission) compared to €0.0 million in 2024, and €9.1 million for gas activity (2024: €8.0 million).

For both electricity and gas, the distribution regulatory balance for 2025 financial year results from the contraction of these elements:

- The volume effect: regulatory assets recorded in both electricity and gas activities as the quantities distributed in 2025 were lower than those budgeted;
- Favorable effect resulted from the indexation of controllable costs based on the actual 2025 inflation rate;
- Additional budget was granted in electricity by the regulator for the generalized deployment of smart meters, but has not yet been reflected in the tariffs in effect in 2025;
- Regulatory liability was recorded in electricity relating to lower charges resulting from invoices issued in the context of the financial reconciliation process.

Regarding transport-related balances, a regulatory asset of €1.8 million is recorded this year, justified by the assumptions taken to calibrate the rates for re-invoicing transport costs and by the use of actual volumes for calculating the balance.

Note 02 - Other operating income (in thousands of €)

The "other recovery of expenses" line item principally comprises cost recoveries other than those related to network operators' customers, such as:

- Training fees invoiced to subcontractors for the issuance of work permits on our network;
- The re-invoicing of costs related to projects undertaken jointly with counterparts in Brussels and Flanders;
- Administrative management services provided on behalf of other companies operating in the sector.

	31/12/2025	31/12/2024
Recovery of fraudulent consumption	1,725	2,723
Various recoveries from customers	7,780	6,482
Damages to facilities	4,353	4,190
Leases / supplies	3,963	4,308
Other recovery of expenses	11,347	8,853
TOTAL	**29,168**	**26,556**

Note 03 - Cost of sales (in thousands of €)

Goods and supplies

This category includes the purchase of electricity to cover network losses, and is therefore specific to the electricity sector. In accordance with the electricity decree of 12th April 2001, the distribution system operator is responsible for purchasing energy to cover losses through transparent and non-discriminatory procedures, giving priority to green electricity when it does not generate additional costs. Purchases necessary for this coverage are subject to public procurement rules (competitive bidding process – call for tender or contract award). These purchases have decreased by €30.8 million, mainly due to the 37.8% drop in the average price in 2025 (the price being set based on a public procurement in effect for 2025 and 2026); volumes are fairly stable this year (+1%).

Energy purchases include, among others, protected customers under the PSOs. They are slightly up (+7.7%), explained, on the one hand, by the increased distribution fee for protected customers (higher transmission and distribution tariffs in 2025) and, on the other hand, by a less favorable financial reconciliation with all market participants than in 2024.

The last line item concerns the purchase of goods (+€1.9M). In connection with the evolution of our inventories (see note 12), the increase is explained, on the one hand, by a rise in the price of raw materials due to inflation, admittedly more moderate in 2025, and, on the other hand, by more significant activity, particularly in terms of investment work (see note 09 on this subject).

GOODS AND SUPPLIES	31/12/2025	31/12/2024
Energy purchase (PSOs - gas and electricity)	35,639	33,089
Network losses (electricity)	52,703	83,533
Goods	25,432	23,510
TOTAL	**113,774**	**140,132**
TRANSPORT FEES (ELECTRICITY)	**264,066**	**194,044**
ROAD FEES	**45,350**	**42,852**
TOTAL	**423,190**	**377,028**

Transport fees

The electricity transport system operator invoices the DSO monthly for the use of its network. The DSO, in turn, passes this fee on to the energy suppliers (cascade principle). This only applies to the electricity sector, as the gas transport fee is billed directly by the gas transport system operator to the energy suppliers.

The observed increase (€70.0 million) stems primarily from the sharp rise in tariffs applied by the transmission system operator (+70%). This increase is, however, partially offset by a decrease in the cost of surcharges and levies (-41%), particularly those related to renewable energy support mechanisms. Transported volumes, meanwhile, remain broadly stable compared to 2024 (-2%).

Road fees

The DSO is required to calculate annually the road fees related to the distribution of electricity (fully paid to the municipalities) or gas (paid to the municipalities, provinces and the Walloon Region). They are calculated in particular on the basis of the quantities transported the previous year.

Note 04 - Other operating expenses (in thousands of €)

	31/12/2025	31/12/2024
Third-party fees	39,677	43,135
IT consulting	55,526	59,702
Insurance	2,083	2,889
Vehicles leases	1,329	1,134
Building and optical fiber leases	875	692
Other leases and fees	27,445	22,518
Vehicle expenses	9,783	9,201
Specific supplies to the company	8,299	8,110
Other	38,230	34,032
TOTAL	**183,246**	**181,413**

IT consulting fees decreased by €4.2 million and should be related to the increase in intangible asset investments recorded in 2025 (see note 08). Indeed, in 2025, consulting expenses related to projects in progress and initiated in certain cases in 2024 reached the stage of being capitalized as intangible assets in accordance with the company's valuation rules.

The renewal of Microsoft licenses explains in part the increase recorded this year in the "Other leases and royalties" item.

Finally, the increase in the "Other" line item (+€4.2 million) should be related to the net movement in provisions, changing from -€9.2 million in 2024 to +€2.5 million following the recording of additional provisions, partially offset by the utilization and reversal of provisions in 2025 (see note 18 on this matter).

Note 05 - Financial income (in thousands of €)

	31/12/2025	31/12/2024
Interest income	441	657
Other	1,940	4,077
TOTAL	2,381	4,734

The observed decrease in interest income in 2025 (-€0.2 million) is explained by the decline in investments in bank accounts in favor of investments in short-term money market funds (SICAV).

Derivative instruments (swaps, caps – accounted for among others)

Since 2017, instead of hedging its variable loans with swaps, the Group has opted for the purchase of interest rate caps accounted for in non-current assets and not designated as hedging assets (see note 27 on this subject).

Other interest income consists, on the one hand of changes in the fair value of these financial products when this change is positive and, on the other hand, of various financial income such as capital gains realized on financial investments.

In 2025, the financial income realized on interest rate caps was only €0.4 million compared to €3.1 million in 2024, and the gain realized on the sale of SICAV investments was €1.5 million compared to €1.0 million in 2024. The change in fair value is principally related to the easing of the monetary policy of the European Central Bank, resulting in a decrease in short-term interest rates. These decisions negatively impact the "mark to market" of our interest rate cap hedging instruments.

Despite these rate decreases, the gain realized on the sale of SICAV investments increased due to a higher volume of cash, a consequence of the bond issuance whose proceeds were received in April 2025 (see note 06 on this matter).

Note 06 - Financial expenses (in thousands of €)

Description of the hedging policy within the Group

Fluctuations in interest rates impact the level of financial expenses. To minimize this risk, the Group implements a financing policy that seeks to achieve an optimal balance between fixed and variable interest rates, and within this framework, uses financial hedging instruments to cover uncertain developments. The financing policy also takes into account the different maturities of the borrowings and assets. These three points (loan maturity, interest rates, and the use of hedging derivatives) were the subject of decisions by the competent bodies of ORES Assets and ORES, which enabled the establishment of the financial policy necessary for the active management of debt.

Financing operations

During fiscal year 2025, the ORES Group entered into new borrowing arrangements totaling €560 million to meet the general financing needs of the company, including the refinancing of existing debt, notably the bridge credit facility of €130 million contracted in late 2024, and the financing of capital expenditures (see note 09).

The Group concluded, in April 2025, a bond financing transaction in the form of a private placement on the American market for €250 million with American and Canadian institutional investors, strengthening the Group's strategy to diversify its financing sources.

	31/12/2025	31/12/2024
Interest on conventional loans	34,198	41,212
Interest on bonds	18,441	10,570
Interest on lease liabilities	500	420
Other interest charges	2,286	1,333
TOTAL INTEREST EXPENSES	**55,425**	**53,535**
Effect of the un-winding of discount of provisions	4,899	1,952
Other financial expenses	207	173
TOTAL FINANCIAL EXPENSES	**60,531**	**55,660**

Two additional conventional loan facilities were also entered into:

- a financing contract of €280 million was executed in December 2025 with the European Investment Bank (EIB), which forms part of a total EIB financing program of €450 million, with the second contract to be executed during 2026 and available for drawdown until December 2027;
- a borrowing of €30 million was drawn in November 2025 from one of the Group's commercial banks.

Total interest expenses increased by approximately €2 million, explained by the recognition in 2025 of interest charges related to borrowings contracted in 2024 totaling €410 million and the subscription of new bond financing of €250 million commencing in April 2025.

"Effect of the "un-winding" of discount on provisions

This line item records, in addition to finance charges related to pension funds, actuarial differences related to the "un-winding" (as the obligation is a discounted amount, it increases, all else being equal, over time) of provisions relating to jubilee bonuses and disability benefits (these benefits are classified as other long-term benefits).

The increase in finance charges results, on the one hand, from the increase in the discount rate for defined benefit pension obligations from 3.17% to 3.35% for the former employee status and from 3.40% to 4.12% for the new employee status, and on the other hand, from actuarial differences observed on jubilee bonuses and disability benefits between the assumptions taken at the end of 2024 and the actual results in 2025 (see note 20 on this matter).

Note 07 - Segment information (in thousands of €)

Financial information by operating segment according to Belgian accounting standards (in thousands of €)

STATEMENT OF PROFIT AND LOSS

BELGIAN ACCOUNTING STANDARDS 31/12/2025	Gas Segment	Electricity Segment	Other activities[3]	ORES[4]	COMNEXIO[5]	TOTAL COMBINED[6]
Turnover	228,909	930,500		920,909	9,933	2,090,251
Other operating income	7,188	44,624		10,541	6	62,359
Operating expenses	(174,535)	(852,109)		(926,445)	(9,862)	(1,962,951)
Operating profit or (loss)	**61,562**	**123,015**		**5,005**	**77**	**189,659**
Financial income	773	2,847		48,662	16	52,298
Financial expenses	(17,641)	(35,436)		(48,662)		(101,739)
Financial profit or (loss)	**(16,868)**	**(32,589)**			**16**	**(49,441)**
Other						
Profit or (loss) before tax	**44,694**	**90,426**		**5,005**	**93**	**140,218**
Taxes	(9,986)	(29,215)		(5,005)	(91)	(44,297)
PROFIT OR (LOSS) FOR THE PERIOD	**34,708**	**61,211**			**2**	**95,921**

BELGIAN ACCOUNTING STANDARDS 31/12/2024	Gas Segment	Electricity Segment	Other activities[3]	ORES[4]	COMNEXIO[5]	TOTAL COMBINED[6]
Turnover	206,306	852,826	3,173	787,138	10,648	1,860,090
Other operating income	18,137	56,301		9,613	7	84,058
Operating expenses	(167,475)	(817,691)	(3,256)	(793,601)	(10,565)	(1,792,588)
Operating profit or (loss)	**56,968**	**91,436**	**(83)**	**3,150**	**89**	**151,560**
Financial income	1,433	2,921		41,626	11	45,992
Financial expenses	(15,613)	(33,818)		(41,626)		(91,057)
Financial profit or (loss)	**(14,180)**	**(30,897)**			**11**	**(45,066)**
Other						
Profit or (loss) before tax	**42,788**	**60,539**	**(83)**	**3,150**	**100**	**106,495**
Taxes	(8,517)	(22,377)		(3,150)	(100)	(34,144)
PROFIT OR (LOSS) FOR THE PERIOD	**34,271**	**38,162**	**(83)**			**72,350**

3 Activities related, among other things, to public lighting - non PSOs part.

4 ORES is a 99.72% subsidiary of ORES Assets.

5 Comnexio is a 93% subsidiary of ORES Assets.

6 Combined financial statements of the Group without elimination of intercompany transactions.

STATEMENT OF FINANCIAL POSITION

BELGIAN ACCOUNTING STANDARDS 31/12/2025	Gas Segment	Electricity Segment	Other activities	ORES	COMNEXIO	TOTAL COMBINED
Non-current assets	**1,453,703**	**3,105,768**	**15**	**2,365,897**	**1,179**	**6,926,562**
Intangible and tangible assets	1,446,251	3,074,865		796	1,179	4,523,091
Other non-current assets	7,452	30,903	15	2,365,101		2,403,471
Current assets	**134,965**	**533,318**	**(15)**	**465,333**	**1,583**	**1,135,184**
Inventories		12,868		125,788		138,656
Trade and other receivables	66,714	283,355	(15)	228,079	38	578,171
Cash and cash equivalents	18	83		104,885	1,521	106,507
Other current assets	68,233	237,012		6,581	24	311,850
TOTAL ASSETS	**1,588,669**	**3,639,085**		**2,831,231**	**2,761**	**8,061,745**
Equity	**630,453**	**1,440,444**		**462**	**25**	**2,071,384**
Share capital	329,340	688,454		458	25	1,018,277
Other reserves	285,438	659,366				944,804
Capital grants	15,675	92,624		4		108,303
Non-current liabilities	**843,429**	**1,687,226**		**2,376,682**		**4,907,337**
Borrowings	835,667	1,654,811		2,365,100		4,855,578
Provisions	7,762	32,415		11,582		51,759
Current liabilities	**114,787**	**511,415**	**(1)**	**454,087**	**2,736**	**1,083,024**
Borrowings	72,396	143,224		163,438		379,058
Trade payables	10,869	134,959		118,750	1,595	266,173
Other current liabilities	31,522	233,232	(1)	171,899	1,141	437,793
TOTAL LIABILITIES	**1,588,669**	**3,639,085**	**(1)**	**2,831,231**	**2,761**	**8,061,745**

BELGIAN ACCOUNTING STANDARDS 31/12/2024	Gas Segment	Electricity Segment	Other activities	ORES	COMNEXIO	TOTAL COMBINED
Non-current assets	**1,414,973**	**2,932,531**	**15**	**1,969,612**	**1,333**	**6,318,464**
Intangible and tangible assets	1,413,067	2,834,670		1,064	1,333	4,250,134
Other non-current assets	1,906	97,861	15	1,968,548		2,068,330
Current assets	**125,437**	**400,657**	**146**	**463,199**	**1,449**	**990,888**
Inventories		11,732		98,519		110,252
Trade and other receivables	51,022	142,055	(184)	288,109	13	481,015
Cash and cash equivalents	21	98		70,418	1,392	71,928
Other current assets	74,394	246,772	330	6,153	44	327,694
TOTAL ASSETS	**1,540,410**	**3,333,188**	**161**	**2,432,812**	**2,782**	**7,309,353**
Equity	**618,398**	**1,431,833**		**466**	**25**	**2,050,722**
Share capital	278,225	586,220		458	25	864,928
Other reserves	324,325	751,402				1,075,726
Capital grants	15,849	94,212		8		110,068
Non-current liabilities	**741,881**	**1,444,106**		**1,978,062**		**4,164,050**
Borrowings	734,153	1,411,528		1,968,538		4,114,219
Provisions	7,728	32,578		9,525		49,831
Current liabilities	**180,131**	**457,249**	**161**	**454,284**	**2,757**	**1,094,581**
Borrowings	59,217	129,762		256,771		445,750
Trade payables	13,736	110,538	18	105,635	1,431	231,358
Other current liabilities	107,178	216,949	143	91,879	1,325	417,473
TOTAL LIABILITIES	**1,540,410**	**3,333,188**	**161**	**2,432,812**	**2,782**	**7,309,353**

Reconciliation of segment information (prepared in accordance with Belgian accounting standards) and the Group's financial statements (prepared in accordance with IFRS standards – in thousands of €)

31/12/2025		Segment information	Group financial statements	Variations
Profit and loss statement	Turnover and regulatory balances	2,090,251	1,168,505	(921,746)
	Profit (loss) before taxes	140,218	133,236	(6,982)
Financial position	Total assets	8,061,745	5,497,429	(2,564,316)
	Total liabilities	8,061,745	5,497,429	(2,564,316)

31/12/2024		Segment information	Group financial statements	Variations
Profit and loss statement	Turnover and regulatory balances	1,860,090	1,079,875	(780,215)
	Profit (loss) before taxes	106,494	93,441	(13,053)
Financial position	Total assets	7,309,353	5,145,532	(2,163,821)
	Total liabilities	7,309,353	5,145,532	(2,163,821)

The Executive Committee of ORES, supervised by the Boards of Directors of ORES and ORES Assets, constitutes the principal operational decision-maker of the Group. In its daily management, it reviews the accounts of ORES Assets, ORES, and Comnexio established in accordance with Belgian accounting standards. Indeed, the Group operates in a regulated context in which the financial statements of each Group entity established in accordance with Belgian standards and, notably for ORES Assets, for each type of energy (gas and electricity), have an impact on future tariffs Consequently, the Group is organized into operating segments corresponding to electricity and gas energies to which is added an unregulated activity (other activities) relating principally to the maintenance of public lighting, non PSOs part. ORES is responsible for the operational and daily management of ORES Assets' activities; it re-invoices all its costs at cost price to the DSO and consequently realizes no profit. Comnexio, a company created in 2019, manages contact center activities and also operates at cost price on behalf of the DSO.

The two principal segments, namely gas and electricity, to which is added a marginal segment (other activities), are representative of the manner in which the Group is managed and correspond to the criteria for consolidation developed in IFRS 8 - Operating Segments.

DIFFERENCE BETWEEN SEGMENT INFORMATION AND THE CONSOLIDATED FINANCIAL STATEMENTS OF ORES ASSETS:

- Transactions, balances, income and expenses between operating segments are fully eliminated on consolidation,
- Recognition of dividends when approved by the General Meeting;
- Provision for employee benefits:
  - **A.** Recognition of provisions in respect of the Group's pension plans
  - **B.** No deferral of pension costs written back from third parties;
- Intangible and tangible assets:
  - **A.** Depreciation of fixed assets from the date they are brought into service,
  - **B.** Adjustment of staff costs included in the value of fixed assets;
  - **C.** Recognition of rights-of-use in investments;
- Recognition of derivative financial instruments at their fair value;
- Recognition of deferred taxes on each adjustment made;
- Recognition of an additional impairment loss on trade receivables.

Most of these differences were comprehensively detailed in the Group's IFRS transition note included in the first IFRS financial statements as of 31st December 2012.

INFORMATION ON GEOGRAPHICAL AREAS

The Group operates exclusively in Belgium, and more specifically in the Walloon Region.

INFORMATION ABOUT MAIN CUSTOMERS

For the gas segment, as in 2024, three of our customers, energy suppliers, represent alone 80% of the distribution fees invoiced in 2025 (79% in 2024).

For the electricity segment, as in 2024, two of our customers, energy suppliers, represent alone 71% of the distribution fees invoiced in 2025 (same percentage in 2024).

3 Notes to the consolidated statement of financial position

Note 08 - Intangible assets (in thousands of €)

The intangible assets acquired or developed in 2025 principally comprise the following projects:

- SM Strategic: related to the smart metering project and the integration of prosumers and prepayment;
- NEO: migration of the ERP SAP-R3 to SAP4HANA;
- SG ADMS: related to the overall smart grid project: implementation of a distribution management system (electricity, gas) and fault management, including integration with the SCADA system (remote control) which collects measurements in real time and enables remote control of the network, with this application placed into service in 2025;
- DATACOM, a telephony solution (including a new communication tool) enabling users to access, through their laptops, data centers hosting information technology solutions.

The evolution of techniques in network management, advanced metering infrastructure, and other developments demonstrate that significant costs are generated, these have been historically capitalized under the “development costs” line item of intangible assets.

It should be noted that the impairment test performed at the end of 2025 led to the decommissioning of a project that was at the end of its life. This generated an impact of €947 thousand.

	31/12/2025	31/12/2024
Acquisition cost	206,507	174,334
Accumulated amortization and impairment	(71,596)	(59,358)
TOTAL	**134,911**	**114,976**

COST	Software	Development	Total
Opening balance 2024	**155,504**	**2,214**	**157,718**
Acquisitions	18,412		18,412
Internal developments		241	241
Disposals/decommissioning	(2,037)		(2,037)
Opening balance 2025	**171,879**	**2,455**	**174,334**
Acquisitions	33,223		33,223
Internal developments		212	212
Disposals/decommissioning	(1,263)		(1,263)
Closing balance 2025	**203,839**	**2,667**	**206,507**

ACCUMULATED AMORTIZATION AND IMPAIRMENT	Software	Development	Total
Opening balance 2024	**(49,459)**	**(805)**	**(50,264)**
Amortization costs	(10,461)	(584)	(11,045)
Impairment loss on decommissioning	(86)		(86)
Disposals/decommissioning	2,037		2,037
Opening balance 2025	**(57,969)**	**(1,389)**	**(59,358)**
Amortization costs	(13,011)	(480)	(13,491)
Impairment loss on decommissioning			
Disposals/decommissioning	1,253		1,253
Closing balance 2025	**(69,727)**	**(1,869)**	**(71,596)**
TOTAL	**134,112**	**798**	**134,911**

TOTAL COMMITMENTS FOR THE ACQUISITION OF INTANGIBLE ASSETS	31/12/2025	31/12/2024
IT projects	2,988	1,130
TOTAL	**2,988**	**1,130**

Note 09 - Tangible assets (in thousands of €)

	31/12/2025	31/12/2024
Acquisition cost (excluding lease contracts)	8,039,562	7,690,507
Accumulated depreciation and impairment	(3,499,587)	(3,388,471)
Owned tangible assets	**4,539,975**	**4,302,036**
• Land and buildings	132,928	131,037
• Distribution network	4,358,486	4,132,170
• Equipment	47,969	38,242
• Others	592	587
Subtotal	**4,539,975**	**4,302,036**
Right-of-use	37,716	32,788
Accumulated depreciation and impairment	(23,004)	(19,006)
Tangible assets: right-of-use	**14,713**	**13,782**
• Buildings	2,094	2,305
• Optical fiber	4,343	4,994
• Vehicles	8,275	6,482
Subtotal	**14,713**	**13,781**
TOTAL TANGIBLE ASSETS	**4,554,686**	**4,315,817**

1. Owned tangible assets

The acquisition values, depreciation and impairment losses of the acquired tangible assets (excluding lease right-of-use assets) are presented as follows:

COST	Land & buildings	Distribution network	Equipment	Other	Total
Opening balance 2024	**187,539**	**7,176,420**	**190,770**	**1,771**	**7,556,500**
Acquisitions	1,335	316,449	12,807		330,591
Transfers/decommissioning	(595)	(47,289)	(2,063)		(49,947)
Transfer to assets held for sale	(8)	229			221
Government grant received		(146,858)			(146,858)
Opening balance 2025	**188,271**	**7,298,951**	**201,514**	**1,771**	**7,690,507**
Acquisitions	5,973	420,363	20,177	41	446,555
Transfers/decommissioning	(539)	(45,531)	(22,666)		(68,736)
Transfer to assets held for sale	(72)	(28,691)			(28,763)
Government grant received					
Closing balance 2025	**193,635**	**7,645,092**	**199,025**	**1,811**	**8,039,562**

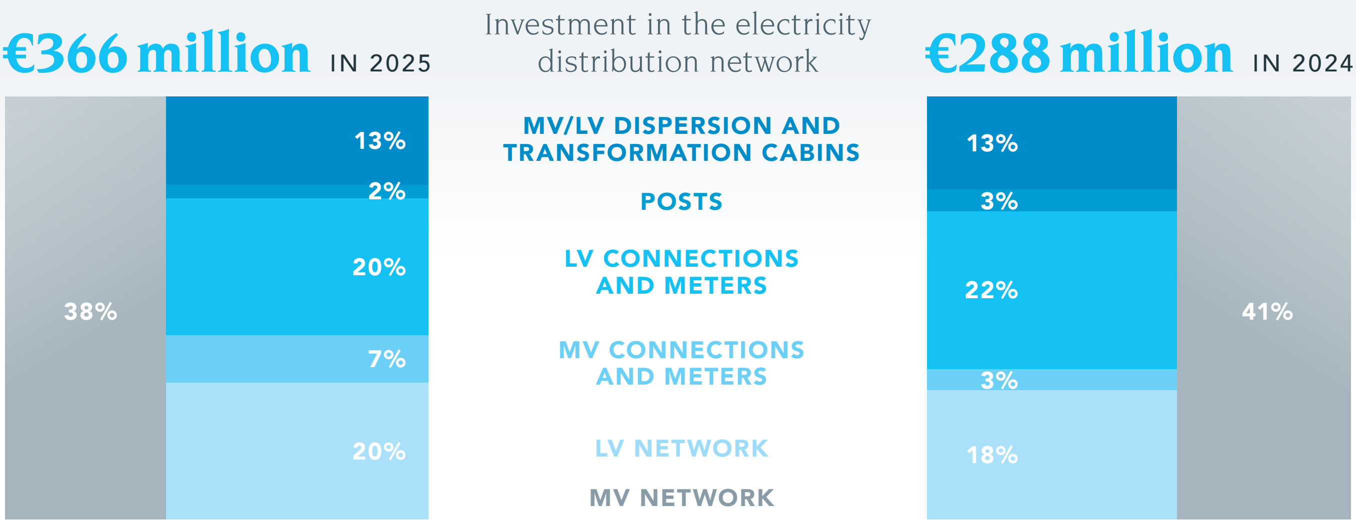
ACCUMULATED DEPRECIATION AND IMPAIRMENT	Land & buildings	Distribution network	Equipment	Other	Total
Opening balance 2024	**(54,513)**	**(3,034,407)**	**(156,497)**	**(1,153)**	**(3,246,570)**
Depreciation expenses	(3,052)	(179,563)	(8,808)	(31)	(191,454)
Transfers/decommissioning	331	47,290	2,033		49,654
Transfer to assets held for sale		(212)			(212)
Government grant received		111			111
Opening balance 2025	**(57,234)**	**(3,166,781)**	**(163,272)**	**(1,184)**	**(3,388,471)**
Depreciation expenses	(3,476)	(184,003)	(10,432)	(34)	(197,945)
Transfers/decommissioning	3	45,549	22,647		68,199
Transfer to assets held for sale		16,282			16,282
Government grant received		2,348			2,348
Closing balance 2025	**(60,707)**	**(3,286,605)**	**(151,057)**	**(1,218)**	**(3,499,587)**
ACCOUNTED FOR AT HISTORICAL COST	**132,928**	**4,358,485**	**47,969**	**592**	**4,539,975**

The investments in 2025, as in prior years, are principally related to the gas and electricity distribution network for an amount of €420.4 million out of total investments of €446.6 million (compared to €316.4 million related to the distribution network out of total investments of €330.6 million in 2024). This increase is explained, among other things, by the acceleration of investments in energy transition (network reinforcement, deployment of advanced metering infrastructure, etc.).

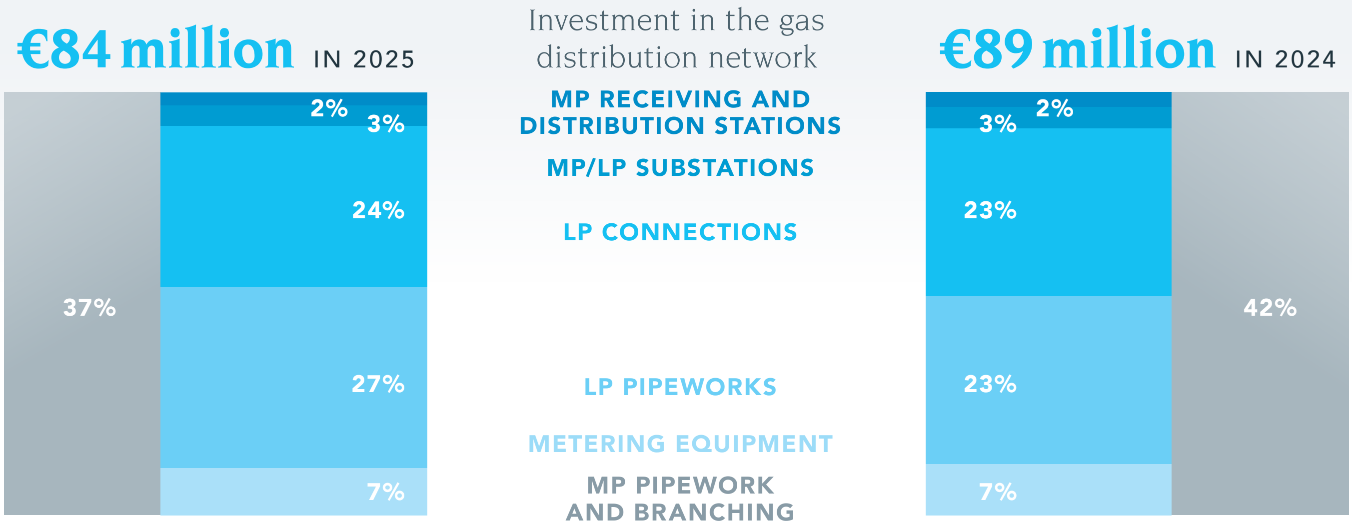
As a reminder, in 2024, ORES Assets benefited from capital subsidies totaling €146.9 million, granted under the Walloon Recovery Plan (PRW) and, in part, by European funds (REPowerEU), to finance investments related to network energy efficiency, accommodation of renewable energy production, and cost control of the energy transition. At December 2024, and in the absence of sufficient clarification on the allocation modalities, these subsidies were entirely allocated to the investments made in the deployment of smart meters.

Investments in the distribution network for the year consist of:

- **Electricity:** equipment replacement (55%) as well as network extension and installation of new substations (45%) for a total amount of €336 million (€288 million in 2024):



- **Gas:** network rehabilitation and remediation works (46%) and extension of the existing network (54%), totaling €84 million (€89 million in 2024).



TOTAL COMMITMENTS FOR THE ACQUISITION OF TANGIBLE ASSETS	31/12/2025	31/12/2024
Electricity distribution network	155,430	98,595
Gas distribution network	21,332	26,293
Buildings & equipment	6,334	8,066
Vehicles	486	495
TOTAL	**183,582**	**133,449**

2. Tangible assets: right-of-use

The right-of-use assets related to tangible assets arise from lease contracts falling within the scope of IFRS 16 - Leases (see accounting policy section A.8). As of 31st December 2025, the detail of right-of-use assets is presented as follows:

COST 31/12/2025	Buildings	Optical fibers	Vehicles	Total
Opening balance 2024	**7,255**	**7,759**	**11,806**	**26,820**
New contracts/ exercise of options	1,063	1,406	3,499	5,968
Termination of contracts/ exercise of options	0	0	0	0
Opening balance 2025	**8,318**	**9,165**	**15,305**	**32,788**
New contracts/ exercise of options	516	0	4,413	4,929
Termination of contracts/ exercise of options	0	0	0	0
Closing balance 2025	**8,833**	**9,165**	**19,717**	**37,716**

ACCUMULATED DEPRECIATION AND IMPAIRMENT	Buildings	Optical fibers	Vehicles	Total
Opening balance 2024	**(5,377)**	**(3,517)**	**(6,783)**	**(15,676)**
Depreciation expenses	(636)	(654)	(2,040)	(3,330)
Opening balance 2025	**(6,013)**	**(4,171)**	**(8,823)**	**(19,006)**
Depreciation expenses	(727)	(651)	(2,620)	(3,998)
Closing balance 2025	**(6,739)**	**(4,822)**	**(11,442)**	**(23,004)**

The depreciation of right-of-use assets is recognized over the shorter of either the lease term or the economic useful life of the leased asset.

During 2025, ORES entered into new lease contracts for buildings and vehicles. Similarly, in accordance with the standard, the Group reconsidered the exercise of extension, renewal, and termination options of lease contracts in order to determine the value of right-of-use assets.

Note 10 - Financial assets (in thousands of €)

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS	NON-CURRENT		CURRENT	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Unlisted equity instruments	17	17		
Listed equity instruments - stock options			3,205	3,064
Derivative financial instruments	2,515	3,773		10
TOTAL	**2,532**	**3,790**	**3,205**	**3,074**

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Derivative financial instruments				952
TOTAL				**952**

FINANCIAL ASSETS AT AMORTIZED COST	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Trade receivables			65,335	38,215
Other receivables	37,844	99,266	162,450	91,917
Other current assets			41,040	40,463
TOTAL	**37,844**	**99,266**	**268,825**	**170,595**

TOTAL	**40,376**	**103,056**	**272,031**	**174,621**

Other non-current financial assets measured at fair value through profit and loss consist of derivative instruments (CAP & collar) that are not designated as hedging instruments (see note 27). As indicated in note 05, the negative change in fair value is explained by a downward trend in short-term interest rates in the coming years. This negatively impacts the "mark to market" of our caps, and more particularly the instruments with maturity scheduled for the end of 2029, which represent the majority of our portfolio.

Regarding financial assets measured at fair value through other comprehensive income, consisting principally of interest rate swaps, the decrease in fair value results in part from a contract maturing at the end of 2024 whose fair value was €1 million at the end of 2024. One swap contract remains at the end of 2025 within the ORES Group.

No new hedging contracts were entered into during the year.

Other non-current receivables consist largely of the receivable held from the Walloon Region and relating to the balance of the grant to be received for an amount of €102.3 million unchanged compared to the end of 2024, of which €23.4 million in "other non-current receivables" (compared to €84.0 million at the end of 2024) and €78.9 million in "other current receivables" (compared to €18.3 million at the end of 2024). This allocation between long-term and short-term is an estimate based on a projection of subsidized investments to be made in future years. This explains in large part the significant variation observed in these two line items.

Other current receivables also include the interim dividend distributed in 2025, totaling €61.2 million (€65.0 million in 2024 - see note 11 for details on the variation in receivables and other receivables).

For an explanation of the variation in trade receivables, refer to note 11.

The fair value of trade receivables and other receivables is presumed to equal their carrying amount.

Note 11 - Trade receivables, other receivables, other assets and current tax assets (in thousands of €)

		NON-CURRENT		CURRENT	
		31/12/2025	31/12/2024	31/12/2025	31/12/2024
OTHER NON-CURRENT ASSETS	Financial assets measured at fair value through profit or loss	2,532	3,790	3,205	3,074
	Financial assets measured at fair value through other comprehensive income				952
	Deferred expenses			41,040	36,436
	Total	**2,532**	**3,790**	**44,245**	**40,462**
OTHER RECEIVABLES	Interim dividend			61,274	65,040
	VAT			340	35
	Public service obligations (PSOs)	5,876	6,697		
	Other	8,450	8,585	22,483	9,022
	Prosumer tariff				
	Write-downs on other receivables			(492)	(560)
	Government grants receivable	23,518	83,984	78,845	18,380
	Total	**37,844**	**99,266**	**162,450**	**91,917**
	TOTAL	**40,376**	**103,056**	**206,695**	**132,379**
TRADE RECEIVABLES	Distribution			112,525	85,635
	RTNR and road fees (Distribution)			(79,685)	(39,746)
	Total			**32,840**	**45,889**
	Public service obligations (PSOs)			48,750	71,916
	Advanced payments received (PSOs)			(33,259)	(29,980)
	Total			**15,491**	**41,936**
	Construction contracts			4,781	(53,943)
	Other			39,298	34,006
	Write-downs of trade receivables			(27,075)	(29,673)
	TOTAL			**65,335**	**38,215**
CURRENT TAX ASSETS	**TOTAL**			**1,583**	**1,788**
TOTAL		**40,376**	**103,056**	**273,613**	**172,382**

For an explanation of the variation in current and non-current financial assets measured at fair value through profit or loss, the reader is referred to note 10.

The level of trade receivables related to distribution decreased compared to 2025 (-€13.0 million) and this is largely due to the unmetered distribution fee (RTNR). This RTNR is based on the comparison of allocations and billings for 2025. Given that the volumes transiting the network in 2025 decreased compared to the 2024 allocation (milder weather in 2025, change in consumer habits, ...), the differential between the advance payments invoiced, stable during the year, and these allocations is negative and should generate credit notes in 2026.

The decrease in PSOs is explained in part by a reduction in the social tariff (see note 01-A on this matter), notably in electricity, coupled with a decrease in receivables related to financial reconciliation between all energy market actors.

Regarding the construction contracts for third parties, the significant increase (+€58.7 million) results largely from the reclassification to current liabilities of advance payments received relating to technical intervention for customers. In 2025, the Group decided to classify these advance payments as current liabilities because they are related to technical intervention for customers that will be capitalized as investments when the work is completed. The 2024 ended with a balance of €57.7 million was not subject to this restatement.

Other current receivables, for their part, increase by €75.1 million. This results, on the one hand, as explained above, from the reclassification to short-term of a portion of the subsidy to be received, for an amount of €78.8 million, and, on the other hand, from a receivable from other Walloon DSOs and related to transmission cost equalization, classified in "Other" (+€13.0 million).

FINANCIAL ASSETS AND OTHER RECEIVABLES THAT ARE NOT IMPAIRED	TRADE RECEIVABLES 31/12/2025	31/12/2024	OTHER RECEIVABLES AND TAX ASSETS 31/12/2025	31/12/2024
Not yet due	43,885	11,050	199,994	190,907
TOTAL	**43,885**	**11,050**	**199,994**	**190,907**

CHANGES IN THE PROVISION FOR WRITE-DOWNS	TRADE RECEIVABLES 31/12/2025	31/12/2024	OTHER TAX RECEIVABLES & ASSETS 31/12/2025	31/12/2024
As of 1st January	29,673	28,301	560	591
Recorded write-downs	10,739	10,749	175	139
Reversal of write-downs	(13,336)	(9,377)	(244)	(169)
BALANCE AT CLOSING DATE	**27,075**	**29,673**	**492**	**560**

PROVISIONS FOR WRITE-DOWNS	31/12/2025	31/12/2024
Statement of the financial situation	(27,567)	(30,233)
Statement of comprehensive income	(3,268)	(11,133)

FINANCIAL ASSETS AND OTHER RECEIVABLES THAT ARE IMPAIRED		Write-down basis	Average rate of expected credit loss	Expected loss
Balance at 31/12/2025	Up to 90 days	5,369	32 %	1,716
	Between 91 and 180 days	6,202	33 %	2,028
	Between 181 and 270 days	3,517	40 %	1,404
	Between 271 and 360 days	4,583	43 %	1,951
	Between 361 and 720 days	13,675	43 %	5,944
	More than 720 days	17,554	83 %	14,524
TOTAL		**50,901**		**27,567**
Balance at 31/12/2024	Up to 90 days	11,536	16 %	1,795
	Between 91 and 180 days	6,530	37 %	2,406
	Between 181 and 270 days	7,032	42 %	2,981
	Between 271 and 360 days	4,923	51 %	2,521
	Between 361 and 720 days	13,293	54 %	7,189
	More than 720 days	16,148	83 %	13,341
TOTAL		**59,461**		**30,233**

The decrease in expected credit losses between 2024 and 2025 results in part from improved collection of receivables, particularly PSOs amounts. This improvement results from the regular sale of receivables to collection agencies over the past several years, thereby rejuvenating the base of the trade receivables portfolio.

As a reminder, since 2021, ORES has reassessed its estimates of the average expected credit loss rate, applying a maximum recovery period of two years. Receivables outstanding beyond this two-year period are considered entirely uncollectible. Accordingly, the statistical data used to determine credit loss rates are based on a two-year historical period.

Note 12 - Inventories (in thousands of €)

INVENTORIES	31/12/2025	31/12/2024
Raw materials and supplies	129,039	101,787
Total gross	**129,039**	**101,787**
Write-downs at 01/01/2025	**(3,268)**	**(3,119)**
Increase of write-downs	(78)	(473)
Reversal of write-downs	95	324
Write-downs at 31/12/2025	**(3,250)**	**(3,268)**
TOTAL	**125,788**	**98,519**

Inventories recorded as expenses during the period (cost of sales)	25,432	23,510

At 31st December 2025, the net book value of inventory increased by €27.3 million. Consistent with 2024, the inventory increase is attributable to increased operational activity requiring higher inventory levels to support the increase of our activity and a significant number of projects in progress, and to a lesser extent, upward movement in raw material prices.

It should be noted that the write-downs recorded since 2021 have been updated, on the one hand, on the inventory of electromechanical and budget meters which are no longer intended to be deployed on the network and which are gradually being replaced by smart meters and, on the other hand, on slow-moving inventory items meaning items with no movement for a minimum of five years.

Note 13 - Cash and cash equivalents (in thousands of €)

Cash and cash equivalents increased by €34.4 million during the year and remain in line with the recommendations imposed by the Board of Directors on cash management policy.

For a more detailed analysis of cash and cash equivalents, please refer to the consolidated cash flow statement.

CASH AND CASH EQUIVALENTS FOR THE CASH FLOW STATEMENT	31/12/2025	31/12/2024
Cash	99,578	68,756
Short-term deposits	3,724	109
TOTAL	**103,302**	**68,865**

Note 14 - Capital (in thousands of €)

The rights and obligations attached to the shares are governed by the provisions of the Code of Local Democracy and Decentralization, the Code of Companies and Associations and the DSO's articles of association. The shares have no nominal value.

Following the change in the company's legal structure after the entry into force of the new Code of Companies and Associations, ORES Assets' share capital is now recorded as "available contribution" amounting to €863.9 million (unchanged from 2024) and "unavailable contribution" amounting to €153.9 million (€533 thousands in 2024). These amounts are always presented as "capital" in the IFRS accounts, to ensure continuity.

In 2025, a transfer of €153.3 million from available reserves to unavailable contributions was approved by the General Meeting of ORES Assets in June 2025 and executed. This transfer does not affect the total amount of shareholders' equity but strengthens the Group's financial position by increasing the proportion of unavailable capital.

1. NUMBER OF SHARES (IN THOUSANDS)	ORES Assets
Opening balance 2024	**66,322**
Contribution increase	
Contribution repayment	
Withdrawal of the municipality of Couvin from the electricity distribution activity	(167)
Opening balance 2025	**66,155**
Contribution increase	
Contribution repayment	
Closing balance 2025	**66,155**

2. SUBSCRIBED CAPITAL (IN THOUSANDS OF €)		ORES Assets
Opening balance 2024		**867,464**
Capital increase		
Incorporation of legal reserves		
Capital repayment		
Withdrawal of the municipality of Couvin from the electricity distribution activity		(3,019)
Opening balance 2025		**864,445**
Capital increase		
Incorporation of available reserves		153,349
Closing balance 2025		**1,017,794**
Of which	Available contribution	863,914
	Unavailable contribution	153,880

3. DIVIDEND PER SHARE (IN THOUSANDS OF €)	ORES Assets
Dividends approved by the General Meeting 2024	**74,668**
Dividend per share	1,12
Dividends approved by the General Meeting 2025	**76,144**
Dividend per share	1,15

	2025	2024
Amount of total balance of dividends for year N-1 paid by the Group in year N (including the associated withholding tax)	11,104	11,316
Amount of total interim dividend for year N paid by the Group in year N	61,274	65,040
TOTAL	**72,378**	**76,356**

Note 15 - Borrowings (in thousands of €)

CARRYING AMOUNT		31/12/2025	31/12/2024
Unsecured - Not current	Bank loans	1,854,172	1,759,176
	Bonds	629,151	379,106
	• Listed (not regulated)	529,151	279,106
	• Private placement	100,000	100,000
	Other	3,511	4,127
	Total	**2,486,834**	**2,142,409**
Unsecured - Current	Bank loans	221,339	322,655
	Bonds	6,730	6,937
	Other	643	615
	Total	**228,712**	**330,207**
TOTAL FINANCIAL DEBT		**2,715,546**	**2,472,616**
Of which	Current	228,712	330,207
	Non-current	2,486,834	2,142,409

During fiscal year 2025, the ORES Group entered into new borrowing arrangements to meet the general financing needs of the company, including refinancing of existing debt and notably financing of capital expenditures, which increased significantly as detailed in note 09. New bonds financing from North American institutional investors totaling €250 million were obtained, and a new borrowing facility with the European Investment Bank (EIB) for €280 million was executed.

For detailed information regarding the North American investors transaction, refer to the accounting policies section B.2.6.

GLOSSARY OF TERMS USED TO SEGMENT LOANS

ADJUSTABLE FIXED RATE

A loan whereby the interest rate is fixed for a specified period exceeding one year and contained within the debt repayment term. Upon expiration of this period, the rate is adjusted to reflect market conditions.

VARIABLE RATE

A loan whereby the variable interest rate is based on EURIBOR.

VARIABLE RATE COVERED

Variable rate loan hedged through a derivative instrument such as an interest rate swap, collar, or cap.

REPAYMENTS ARE SCHEDULED AS FOLLOWS (PER DUE DATE AND INTEREST RATE IN THOUSANDS OF €)

31/12/2025	Fixed rate	Adjustable fixed rate	Floating rate	Hedged variable rate	TOTAL
Within the year	163,999	1,500	27,158	36,055	**228,711**
>1 and <3 years	338,607	3,000	52,134	64,002	**457,743**
>3 and <5 years	261,967	3,000	67,577	25,440	**357,983**
>5 and <15 years	984,956	15,000	238,750		**1,238,706**
>15 years	404,302	6,000	22,100		**432,402**
TOTAL	**2,153,829**	**28,500**	**407,719**	**125,497**	**2,715,545**

31/12/2024	Fixed rate	Adjustable fixed rate	Floating rate	Hedged variable rate	TOTAL
Within the year	203,414	1,500	56,933	68,360	**330,207**
>1 and <3 years	296,434	3,000	53,000	71,046	**423,480**
>3 and <5 years	332,664	3,000	48,256	54,450	**438,370**
>5 and <15 years	624,965	15,000	245,875		**885,840**
>15 years	356,856	7,500	30,363		**394,719**
TOTAL	**1,814,333**	**30,000**	**434,427**	**193,856**	**2,472,616**

REPAYMENTS ARE SCHEDULED AS FOLLOWS (PER DUE DATE AND BY TYPE)

31/12/2025	Commercial papers	Bank loans	Bonds	Other	TOTAL
Within the year		221,339	6,730	643	**228,712**
>1 and <3 years		456,512		1,231	**457,743**
>3 and <5 years		356,752		1,231	**357,983**
>5 and <15 years		892,657	345,000	1,049	**1,238,706**
>15 years		148,251	284,151		**432,402**
TOTAL		**2,075,510**	**635,881**	**4,154**	**2,715,545**

31/12/2024	Commercial papers	Bank loans	Bonds	Other	TOTAL
Within the year		322,655	6,937	615	**330,207**
>1 and <3 years		422,248		1,231	**423,479**
>3 and <5 years		437,140		1,231	**438,371**
>5 and <15 years		795,840	90,000		**885,840**
>15 years		103,948	289,106	1,665	**394,719**
TOTAL		**2,081,831**	**386,043**	**4,742**	**2,472,616**

The Group's conventional bank loan agreements, with the exception of the EIB facility, are not subject to specific financial covenants (ratios, etc.).

Following the execution of a new borrowing arrangement with the EIB, a new covenant was imposed under the Belgian accounting framework (BGAAP): Net Financial Debt/RAB not to exceed 60%.

The prior EIB borrowing remains subject to three financial ratios based on consolidated financial statements prepared under the Belgian accounting framework (BGAAP):

- EBITDA/debt service ratio of not less than 1.3 ;
- Net debt/equity ratio not exceeding 1.5 ;
- Equity/total consolidated assets ratio of not less than 0.3.

All four ratios are in compliance at 31st December 2025.

Regarding bond financing, the Group is required to maintain an equity to total assets ratio of 30% both at the statutory level of ORES Assets and at the consolidated level under Belgian accounting standards. This ratio is incorporated into ORES Assets' articles of association (refer to note 30 on capital management).

All borrowings are shown in euros.	CARRYING AMOUNT 31/12 2025	31/12 2024	BORROWING Initial amount	Maturity date (years)	Fixed/ Variable Rate	Interest rates at the end of 2025	HEDGING Hedging instrument
MP 2008	—	5,574	27,870	0	Variable		
FP50 2008	44,715	73,013	223,576	4	Variable	Variable	CAPs at 0.8-0.9%
Bond issued in 2014	80,000	80,000	80,000	19	Fixed	Fixed rate at 4%	
Bond issued in 2015	100,000	100,000	100,000	19	Fixed	Fixed rate at 3%	
Bond issued in 2015	100,000	100,000	100,000	19	Fixed	Fixed rate at 2.85%	
Bond issued in 2021	50,000	50,000	50,000	11	Fixed	Fixed rate at 1.45%	
Bond issued in 2021	50,000	50,000	50,000	16	Fixed	Fixed rate at 1.5%	
Bond issued in 2025	40,000	—	40,000	14	Fixed	Fixed rate at 4.63%	
Bond issued in 2025	65,000	—	65,000	9	Fixed	Fixed rate at 4.41%	
Bond issued in 2025	70,000	—	70,000	11	Fixed	Fixed rate at 4.54%	
Bond issued in 2025	75,000	—	75,000	6	Fixed	Fixed rate at 4.22%	
Loan from the EIB 100	86,667	93,333	100,000	13	Fixed	Fixed rate at 1.365%	
Loan from the EIB 150	120,000	130,000	150,000	12	Fixed	Fixed rate at 1.115%	
Loan from the EIB 50	46,667	50,000	50,000	14	Fixed	Fixed rate at 0.467%	
Loan from the EIB 50	46,667	50,000	50,000	14	Fixed	Fixed rate at 0.467%	
Loan from the EIB 100	100,000	100,000	100,000	15	Fixed	Fixed rate at 0.244%	
Loan from the EIB 100	100,000	100,000	100,000	16	Fixed	Fixed rate at 0.82%	
Loan from the EIB 280	280,000	—	280,000	20	Fixed	Fixed rate at 3.472%	
MP ORES 2016 - Lot 3	—	30,000	30,000	0	Variable		SWAP
MP ORES 2016 - Lot 4	—	30,000	30,000	0	Variable		
MP ORES 2017 - Lot 3	40,000	40,000	40,000	1	Fixed	Fixed rate at 1.051%	
MP ORES 2017 - Lot 4	40,000	40,000	40,000	2	Fixed	Fixed rate at 1.169%	
MEC.ORES.2019-Lot1	50,000	50,000	50,000	0	Fixed	Fixed rate at 0.459%	
MEC.ORES.2019-Lot2	40,000	40,000	40,000	1	Fixed	Fixed rate at 0.524%	
MEC.ORES.2019-Lot3	30,000	30,000	30,000	3	Fixed	Fixed rate at 0.52%	
MEC.ORES.2019-Lot4	30,000	30,000	30,000	3	Fixed	Fixed rate at 0.717%	
MEC.ORES.2019-NOV	45,000	45,000	45,000	4	Fixed	Fixed rate at 0.708%	
MEC.ORES.2020-Lot1-€24m	12,000	14,400	24,000	5	Fixed	Fixed rate at 0.347%	
MEC.ORES.2020-Lot2-€36m	21,000	24,000	36,000	7	Fixed	Fixed rate at 0.419%	
MEC.ORES.2020-Lot3-€30m	20,000	22,000	30,000	10	Fixed	Fixed rate at 0.44%	
MEC.ORES.2020-Lot4-€40m	40,000	40,000	40,000	3	Fixed	Fixed rate at 0.376%	
MEC.ORES.2021-Lot1-€30m	30,000	30,000	30,000	3	Fixed	Fixed rate at 0.499%	
MEC.ORES.2021-Lot2-€30m	30,000	30,000	30,000	4	Fixed	Fixed rate at 0.658%	
MEC.ORES.2021-Lot3-€32m	19,200	22,400	32,000	6	Fixed	Fixed rate at 0.393%	
MEC.ORES.2021-Lot4-€24m	16,000	18,000	24,000	8	Fixed	Fixed rate at 0.477%	
MEC.ORES.2021-Lot5-€24m	16,000	18,000	24,000	8	Fixed	Fixed rate at 0.679%	
MEC.ORES.2021-Lot6-€30m	22,000	24,000	30,000	11	Fixed	Fixed rate at 0.672%	
MEC.ORES.2021-Lot7-€30m	22,000	24,000	30,000	11	Fixed	Fixed rate at 0.698%	
MEC.ORES.2022-Lot3-€30m	15,000	15,000	15,000	5	Variable	2.721%	

All borrowings are shown in euros.	CARRYING AMOUNT 31/12 2025	31/12 2024	BORROWING Initial amount	Maturity date (years)	Fixed/ Variable Rate	Interest rates at the end of 2025	HEDGING Hedging instrument
MEC.ORES.2022-Lot3-€30m	15,000	15,000	15,000	5	Variable	2.821 %	
MEC.ORES.2022-Lot4bis-€30m	24,000	26,000	30,000	12	Variable	2.811 %	
MEC.ORES.2022-Lot4-€30m	12,000	13,000	15,000	12	Variable	2.611 %	
MEC.ORES.2022-Lot4-€30m	12,000	13,000	15,000	12	Variable	2.711 %	
MEC.ORES.2022-Lot5bis-€30m	25,500	27,000	30,000	17	Variable	2.831 %	
MEC.ORES.2022-Lot5-€30m	12,750	13,500	15,000	17	Fixed	Fixed rate at 3.361%	
MEC.ORES.2022-Lot5-€30m	12,750	13,500	15,000	17	Fixed	Fixed rate at 3.461%	
MEC.ORES.2023-Lot1-€30m	30,000	30,000	30,000	6	Variable	2.663 %	
MEC.ORES.2023-Lot2-€40m	40,000	40,000	40,000	8	Variable	2.668 %	
MEC.ORES.2023-Lot3-€18m	7,875	8,438	9,000	14	Variable	2.648 %	
MEC.ORES.2023-Lot3-€18m	7,875	8,438	9,000	14	Variable	2.668 %	
MEC.ORES.2023-Lot4-€18m	28,000	30,000	32,000	14	Variable	2.618 %	
MEC.ORES.2023-Lot5-€30m	27,000	28,500	30,000	18	Variable	2.648 %	
MEC.ORES.2023-Lot6-€30m	27,600	28,800	30,000	23	Variable	2.738 %	
MEC.ORES.2023-Lot5bis-€30m	28,500	30,000	30,000	18	Fixed	Fixed rate at 2.741% + 0.62%	
MEC.ORES.2024-Lot1-€40m	40,000	40,000	40,000	9	Fixed	Fixed rate at 3.435%	
MEC.ORES.2024-Lot2-€30m	28,500	30,000	30,000	19	Fixed phase	Fixed rate at 3.498%	
MEC.ORES.2024-Lot2bis-€30m	28,500	30,000	30,000	19	Fixed	Fixed rate at 3.473%	
MEC.ORES.2024-Lot3-€30m	28,800	30,000	30,000	24	Fixed	Fixed rate at 2.883%	
MEC.ORES.2024-Lot1-€30m	30,000	—	30,000	8	Variable	Variable	
MEC.ORES.2024T4-Lot2-€20m	18,750	20,000	20,000	15	Variable	2.718 %	
MEC.ORES.2024T4-Lot3-€25m	23,438	25,000	25,000	15	Variable	2.757%	
MEC.ORES.2024T4-Lot4-€25m	23,750	25,000	25,000	19	Variable	2.737%	
MEC.ORES.2024T4-Lot5-€25m	23,750	25,000	25,000	19	Fixed	Fixed rate at 2.892%	
MEC.ORES.2024T4-Lot6-€25m	24,000	25,000	25,000	24	Fixed	Fixed rate at 2.906%	

Note 16 - Other financial liabilities (in thousands of €)

FINANCIAL LIABILITIES		NON-CURRENT 31/12/2025	NON-CURRENT 31/12/2024	CURRENT 31/12/2025	CURRENT 31/12/2024
Financial liabilities measured at fair value through profit or loss	Derivative financial instruments - swaps			1	
	Total			**1**	
Financial liabilities measured at amortized cost (excluding borrowings)	Trade payables			207,042	187,118
	Lease liabilities	11,865	11,172	3,628	3,758
	Other liabilities	2,795	2,379	191,612	128,651
	Total	**14,660**	**13,551**	**402,282**	**319,527**
TOTAL		**14,660**	**13,551**	**402,283**	**319,527**

TRADE PAYABLES

The fair value of trade payables corresponds to their carrying amount.

	31/12/2025	31/12/2024
Average credit period for trade payables (in days)	50	50

Note 17 - Other payables and other liabilities (in thousands of €)

As indicated in note 11, a reclassification to current liabilities of advance payments received relating to investment works was performed in 2025. Indeed, the Group decided to classify these advance payments as current liabilities because they are related to customer interventions that will be capitalized as investments when the work is completed. The 2024 year, whose balance was €57.7 million, was not, however, subject to restatement. These advance payments principally relate to wind farm projects, photovoltaic fields, or power capacity reservations.

Regarding the “other” line item of €34.7 million, which decreased by €16.5 million, it is largely composed of advance payments received from the Federal Government and the Walloon Region and relating to the granting of subsidies to residential customers through the DSO (prosumer tariff principally). In 2024, advance payments remained in the context of the expansion of the social tariff for an amount of €14.4 million, but all was settled in 2025.

CARRYING AMOUNT		31/12/2025	31/12/2024
Social security and other taxes		31,557	29,967
Short-term employee benefits and associated provisions		56,068	52,918
Accrued charges		49	28
Deferred revenue		78	30
Derivative instruments - swap		1	
Lease liabilities		15,493	14,931
Advance on technical intervention for customers		75,255	
Other		34,742	51,210
TOTAL		**213,242**	**149,084**
Of which	Non-current	14,660	13,550
	Current	198,582	135,534

For a more detailed explanation of provisions for pensions and short-term employee benefits which also form an integral part of this line item, refer to notes 19 and 20. For a more detailed explanation of derivative instruments, refer to note 27. Additional explanations on lease obligations are available in note 21.

Note 18 - Provisions (in thousands of €)

		31/12/2025	31/12/2024
Environmental remediation		3,619	3,619
Other		12,040	9,525
TOTAL		**15,659**	**13,144**
Of which	Current		
	Not-current	15,659	13,144

CHANGES IN PROVISIONS (EXCLUDING EMPLOYEE BENEFITS) 2025		Environmental remediation	Other	Total
At 1st January		3,619	9,525	13,144
Additional provisions recognized			4,639	4,639
Total used during financial year			(2,006)	(2,006)
Total reversed during the financial year			(119)	(119)
AT THE END OF THE YEAR		**3,619**	**12,040**	**15,659**
Of which	Current			
	Not-current	3,619	12,040	15,659

CHANGES IN PROVISIONS (EXCLUDING EMPLOYEE BENEFITS) 2024		Environmental remediation	Other	Total
At 1st January		3,619	18,706	22,325
Additional provisions recognized			257	257
Total used during financial year			(6,438)	(6,438)
Total reversed during the financial year			(3,000)	(3,000)
AT THE END OF THE YEAR		**3,619**	**9,525**	**13,144**
Of which	Current			
	Not-current	3,619	9,525	13,144

Provisions are recognized when the Group has a present obligation (legal or constructive) resulting from a past event and it is probable that the Group will be required to settle this obligation, the amount of which must be reliably estimated.

ENVIRONMENTAL REMEDIATION

The implementation of the Decree of 5th December 2008 relating to soil management (Soil Decree) may justify certain expenditures related to the remediation of certain contaminated sites. In this context, the Group takes appropriate measures regarding the prevention of soil pollution and disclosure of the existence of pollution. Provisions are accordingly recognized.

Five sites were subject to a preliminary assessment study in 2012 which demonstrated the existence of pollution exceeding the thresholds established by the Soil Decree. In application of Article 5 of this decree, the Group notified the relevant administration and municipalities of this pollution and recognized provisions based on estimates established by the independent expert in charge of the aforementioned study. Since then, two sites have been sold and three sites remain subject to provisions.

In 2025, new preliminary assessment studies were performed by the Group resulting in characterization studies to be conducted in 2026. Upon completion of these studies, the degree and extent of pollution will be determined, enabling the Executive Committee to determine the appropriate course of action in 2026.

OTHER

Given its activities, the Group is also exposed to legal risks. Provisions for litigation are accordingly regularly updated in consultation with the Group's legal department. The provisions recognized represent the best estimate of the probable outflow of resources as determined by the Group.

As a reminder, since 2015, provisions have been recognized to meet regulatory obligations. A Walloon decree requires the Group to vectorize network plans. The 2009 "impétrants Decree", amended in November 2013, and the implementation by the Walloon Region of the POWALCO platform require vectorization of the network, that is, the conversion of paper-based diagrams to digital format within a 10-year period. In 2025, a new update of the budget for this vectorization work was performed, resulting in an additional provision of €4.1 million. Work activities also intensified during the year, resulting in an additional provision utilization of €2.0 million.

A new provision of €0.5 million was recognized during the year to cover estimated fines imposed by the regulator for non-compliance with the timing of customer meter unblocking, as well as claims from energy suppliers for lost turnover related to invoicing blockages for certain customers.

Note 19 - Employee Benefits - General (in thousands of €)

A description of the employee benefits is included in the accounting policies (see section 3.A.11).

Post-employment benefits mainly include tariff benefits and healthcare benefits granted to employees after retirement.

The other long-term benefits mainly include the jubilee bonuses granted to executives and salary-scaled employees.

NON-CURRENT	31/12/2025	31/12/2024
Pension-related benefits - funded plans	(234,774)	(216,682)
Pension-related benefits - unfunded plans	2,991	2,403
Other post-employment benefits	66,399	70,155
Other long-term benefits	38,534	35,453
Total	**(126,850)**	**(108,671)**
Effect of the asset ceiling	208,804	188,430
Total	**81,954**	**79,759**

CURRENT	31/12/2025	31/12/2024
Remuneration and bonuses	**56,068**	**52,918**

TOTAL	138,022	132,677

STATEMENT OF COMPREHENSIVE INCOME	31/12/2025	31/12/2024
Salaries	229,087	214,416
Social security contributions	56,978	51,929
Pension expenses and other long-term benefits	13,070	11,195
Other social expenses	26,079	18,009
Of which included in the cost of intangible and tangible assets	(141,726)	(108,864)
Total	**183,487**	**186,685**

AVERAGE NUMBER OF PERSONNEL	31/12/2025	31/12/2024
Employees - total in full-time equivalents	3,148	3,071

Note 20 - Employee benefits - Defined benefit plans (in thousands of €)

Defined benefit pension plans covered by hedge assets (funded plans)

1. PENSIOBEL/ELGABEL

Various basic defined benefit pension plans exist within ORES. These are the Pensiobel and Elgabel pension plans, subscribed to for the benefit of salary-scaled employees hired before 1st January 2002 (Elgabel), as well as for the benefit of executive and key management employees hired before 1st May 1999 (Pensiobel), benefiting from the Gas and Electricity status. The pension capital that will be paid to workers depends largely on the number of years and months of service completed within the employment contract at the legal retirement age and the salary of the employee at retirement age. In the event of the staff member's death before retirement, a death benefit will be paid to the staff member's heirs and an annual pension to each child of the staff member under 25 years of age. These commitments are included in the "funded plans" section.

Following the publication of the law of 18th December 2015 amending the law on supplementary pensions and the prohibition of provisions that encourage early retirement, the Elgabel pension plan was amended with effect from 1st January 2022 by the CLA (Collective Labor Agreement) of 1st October 2020. The sectoral plan was transformed into a company plan on 1st January 2022, and the solidarity fund was wound up.

2. POWERBEL/ENERBEL

Two other pension plans, previously considered as defined contribution, also exist within ORES. One is for executive and key management staff hired on or after 1st May 1999 or who opted for this scheme on 1st January 2007 or 1st January 2015 (Powerbel). The other is for salary-scaled employees hired on or after 1st January 2002 (Enerbel).

Following the change to the law on supplementary pensions (L.P.C. 28/4/2003 - Art. 24) which came into force on 1st January 2016 and which now requires the same minimum rate of return to be guaranteed on employer and personal contributions (new formula based on the Belgian OLO rate with a minimum threshold set at 1.75% and a maximum threshold set at 3.75%), ORES initiated a review which led to the Powerbel and Enerbel pension plans being accounted for as defined benefit plans from 1st January 2016. These two plans, which provide retirement capital determined by the amount of premiums paid and the return attributed to them, are described below.

ENERBEL

The personal contribution payable by the employee is determined on the basis of a tiered rate. It is equal to 0.875% of the part of the remuneration below a fixed ceiling, increased by 2.625% of the part of the remuneration exceeding this ceiling. This contribution is deducted monthly from the employee's salary.

The total amount of employer pension contributions, including taxes, is:

For employees with less than 5 years of seniority:

- **2.7563%** of the part of the annual reference salary T on 1st January which does not exceed the salary ceiling T1;
- **8.2688%** of the part of this same T remuneration exceeding this ceiling.

For employees with at least 5 and less than 10 years' seniority:

- **2.8941%** of the part of the annual reference salary T on 1st January which does not exceed the salary ceiling T1;
- **8.6822%** of the part of this same T remuneration exceeding this ceiling.

For employees with at least 10 years' seniority:

- **3.0319%** of the part of the annual reference salary T on 1st January which does not exceed the salary ceiling T1;
- **9.0957%** of the part of this same T remuneration exceeding this ceiling.

POWERBEL

The personal contribution payable by the employee is determined on the basis of a tiered rate. It is equal to 0% of the part of the remuneration below a fixed ceiling, increased by 3% of the part of the remuneration exceeding this ceiling. This contribution is deducted monthly from the employee's salary. The employer's contribution is equal to 3% of the part of the remuneration below a fixed ceiling, increased by 20% of the part of the remuneration exceeding this ceiling.

Since 2016 (without retroactive effect), the "Projected Unit Credit Method" (PUC - without projection of future premiums) has been applied, as recommended by IAS 19, to account for these two pension plans. They are included under "Funded plans".

The Enerbel and Powerbel pension plans expose the employer to investment risk because, as mentioned above, since 1st January 2016, legislation has required this type of plan to guarantee the same minimum rate of return on employer and personal contributions (based on the Belgian OLO rate with a minimum threshold set at 1.75% (2.50% from 1st January 2025) and a maximum threshold set at 3.75%).

Until 30th June 2016 (Enerbel) and 30th October 2016 (Powerbel), employee contributions were paid into a group insurance scheme (Contassur S.A. - branch 21 - deferred capital without repayment). Since then, like the employers' contributions, they have been paid into a pension fund that no longer offers any guarantee of a minimum return. Following this change, the reserves accumulated in individual group insurance contracts have also been transferred to the pension fund at a guaranteed rate of 3.25%.

It should also be noted that since 1st January 2017, the insurance company Contassur S.A. has changed its guaranteed interest rate to 0% for level annual premiums and 0.5% for successive single premiums.

3. DEFINED CONTRIBUTION PLANS FINANCED UNDER BRANCH 21

Since 31st December 2021, the IAS19 valuations of ORES and Comnexio have also taken into account the defined contribution plans fully funded in branch 21 with the insurance company Contassur. These plans also benefit from the minimum guarantee by law provided for in the Supplementary Pensions Law. They are therefore also considered as defined benefit plans.

4. OVERHEADS SCHEME

This Elgabel scheme, which has been closed to new members since 1st January 1993, is designed to provide a life annuity at retirement age amounting to 75% of final salary for a full career, after deduction of the statutory parity pension. In the event of death, 60% of the annuity is reversible in favor of the surviving spouse. For orphans, the pension is set at 15% of the retirement pension or 25% for orphans of both parents (maximum three orphans). This scheme was outsourced on 1st January 2007 in the form of payments made to the OFP Elgabel; it should be noted that for employees benefiting from this scheme and still active on 1st January 2007, technical provisions have been set aside for the career after this date in the OFP Elgabel, in accordance with the law. A few years ago, the ORES Group also decided to finance, through the OFP Elgabel, commitments related to careers prior to 1st January 2007, as well as pensions currently in payment.

Following the publication of the law of 18th December 2015 amending the law on supplementary pensions and the prohibition of provisions encouraging early retirement, the overheads pension plan was amended with effect from 1st January 2022 by the CLA (Collective Labor Agreement) of 23rd December 2021 and becomes a company plan from that date.

5. CASH BALANCE PLUS PLAN IN CPTBL

This plan provides for the payment of a capital on the date of retirement corresponding to the amount in the member's individual account.

This capital consists of:

- Contributions paid into the fund, capitalized at the guaranteed rate equal to the LPC rate plus 0.25% (as of 31st December 2025, this rate totals 1.75% + 0.25% = 2%), to which supplementary investment returns may be allocated;
- Reserves transferred from group insurance contract no. 2970 with insurance company Contassur S.A., capitalized at a fixed guaranteed rate of 3.25%.

As a result of these guaranteed returns, the plan is considered to be a defined benefit plan.

Comnexio staff with executive or employee status hired on or after 1st June 2019 are affiliated to this plan from the date of their entry into service.

Staff members who transferred from N-ALLO on 1st June 2019 are also participating.

The annual contribution is payable by the employer and is set at:

- 3.50% of the part of the annual remuneration salary not exceeding the remuneration ceiling

plus

- 5.50% of the part of the same remuneration exceeding this ceiling.

At 1st January 2019, the remuneration ceiling is set at €53,949.61 and is indexed annually on 1st January in line with changes in the health index.

STATEMENT OF FINANCIAL POSITION	31/12/2025	31/12/2024
Present value of the defined benefit obligations/funded plans	308,685	304,248
Plan assets	(544,282)	(521,317)
Deficit / (surplus)	**(235,597)**	**(217,069)**
Present value of the other long-term benefits obligations	39,427	36,167
Plan assets of the other long-term benefits	(71)	(328)
Deficit / (surplus)	**39,356**	**35,839**
Present value of the defined benefit obligations / unfunded plans	**69,390**	**72,558**
Effect of the asset ceiling	208,804	188,430
Net liability arising from the defined benefits obligation	**81,953**	**79,758**
Reimbursement rights	**(297)**	**(371)**

STATEMENT OF COMPREHENSIVE INCOME		31/12/2025	31/12/2024
Cost of services	Cost of services provided for the defined services	14,720	13,695
	Cost of services provided for other long-term benefits	2,461	2,148
	TOTAL	**17,181**	**15,843**
Net interest on the defined benefit liability (asset)	Interest expense on the defined benefit obligation	12,267	11,868
	Interest income on plan assets	(16,272)	(15,262)
	Interest related to the effect of the asset ceiling	5,973	5,162
	TOTAL	**1,968**	**1,768**
Net interest on other long-term benefit liability (asset)	Interest expense of the other long-term benefits obligations	1,262	1,106
	Interest income/(cost) on plan assets for other long-term benefits	1,668	(922)
	TOTAL	**2,930**	**184**
(Income)/cost recorded in the profit or loss statement in relation to defined benefit plans and other long-term benefits		**22,080**	**17,795**

The increase in expenses recognized in the statement of profit or loss regarding defined benefit plans and other long-term benefits is primarily due to actuarial losses arising from long-term benefit obligations. The year 2025 was indeed marked by a loss mainly attributable to the actual indexation of salaries and their evolution.

REMEASUREMENT OF THE NET DEFINED BENEFITS LIABILITY (ASSET) AND OTHER LONG-TERM BENEFITS RECOGNIZED IN OTHER COMPREHENSIVE INCOME (OCI)

ACTUARIAL (GAINS)/LOSSES ON DEFINED BENEFIT OBLIGATIONS, ARISING FROM:	31/12/2025	31/12/2024
i) Changes in demographic assumptions	1,135	(1,696)
ii) Changes in financial assumptions	(10,008)	(3,126)
iii) Experience adjustments	1,893	2,669
iv) Subtotal	**(6,980)**	**(2,153)**
i) Return on plan assets excluding interest income on plan assets	(11,653)	(14,933)
iii) Change in the effect of the asset ceiling excluding associated interests	14,401	15,118
iv) Subtotal	**2,748**	**185**
(INCOME)/EXPENSES FOR DEFINED BENEFIT PLANS	**(4,232)**	**(1,968)**

The change in the effect of the asset ceiling is in line with movements in liabilities. The absolute value of actuarial gains and losses on defined benefit plans has increased this year, primarily due to the strong performance of our hedging assets and the increase in discount rates (see below).

CHANGES IN THE PRESENT VALUE OF THE DEFINED BENEFIT OBLIGATION:		31/12/2025	31/12/2024
OPENING BALANCE		**376,806**	**381,959**
Current service cost		14,720	13,695
Interest cost		12,267	11,868
Contributions from plan participants		1,472	1,387
Actuarial (gains)/ losses arising from:	i) Changes in demographic assumptions	1,135	(1,696)
	ii) Changes in financial assumptions	(10,008)	(3,126)
	iii) Experience adjustments	1,893	2,669
Benefits paid		(20,209)	(29,950)
CLOSING BALANCE		**378,075**	**376,806**

CHANGES IN THE FAIR VALUE OF PLAN ASSETS:	31/12/2025	31/12/2024
OPENING BALANCE	**521,317**	**506,307**
Interest income on plan assets	16,272	15,262
Return on plan assets excluding interest income on plan assets	15,845	18,627
Actuarial gaps	(4,192)	(3,694)
Contribution from employer	9,976	9,360
Contributions from plan participants	1,472	1,387
Benefits paid	(16,407)	(25,932)
CLOSING BALANCE	**544,282**	**521,317**

ACTUAL RETURN ON PLAN ASSETS	31/12/2025	31/12/2024
	32,117	33,889

MAIN ACTUARIAL ASSUMPTIONS USED: FOR ORES			31/12/2025	31/12/2024
Discount rate on pension plans related to old contracts			3.35 %	3.17 %
Discount rate on pension plans related to new contracts			4.12 %	3.40 %
Discount rates on tariff and healthcare benefits			3.00 %	2.93 %
Expected rate of wage increase - old conditions (excluding inflation)			0.43%-0.80%+0.275%	0.49%-0.73%+0.275%
Expected rate of wage increase - new conditions (excluding inflation)			2.68%-2.99%+0.275%	2.61%-2.72%+0.275%
Turnover rate for old contracts			0.50 %	1.00 %
Turnover rate for new contracts			1.20 %	1.50 %
Expected medical cost increase (excluding inflation)			1.00 %	1.00 %
Increase in the average cost related to tariff reductions			2.00 %	2.00 %
Inflation rate			2.00 %	2.00 %
Average retirement age for old conditions			63 years	63 years
Average retirement age for new conditions			65 years	65 years
Mortality table used for active employees			IA/BE prospective table	IA/BE prospective table
Mortality table used for non-active employees			IA/BE prospective table	IA/BE prospective table
Life expectancy in years of a pensioner retiring at age 65:	For a person aged 65 at the reporting date:	• Male	20.3	20.3
		• Female	24.0	24.0
	For a person aged 65 in 20 years:	• Male	22.6	22.6
		• Female	26.1	26.1

MAIN ACTUARIAL ASSUMPTIONS USED: FOR COMNEXIO			31/12/2025	31/12/2024
Discount rate on pension plans			4.20 %	3.40 %
Expected rate of salaries increase (excluding inflation)			1.56%-2.58%	0.98%-1.41%
Expected medical cost increase (excluding inflation)			1.00 %	1.00 %
Turnover rate			5.00 %	5.00 %
Inflation rate			2.00 %	2.00 %
Average retirement age			65 years	65 years
Mortality table used for active employees			IA/BE prospective table	
Life expectancy in years for an employee retiring at age 65:	For a person aged 65 at the reporting date:	• Male	20.3	20.3
		• Female	24.0	24.0
	For a person aged 65 in 20 years:	• Male	22.6	22.6
		• Female	26.1	26.1

BREAKDOWN OF DEFINED BENEFITS OBLIGATIONS BY TYPE OF BENEFIT	Defined benefits obligation 31/12/2025	31/12/2024
Retirement or death benefits	311,676	306,651
Other employee benefits (medical and tariff discounts)	66,399	70,155
TOTAL	**378,075**	**376,806**

MAJOR CATEGORIES OF PLAN ASSETS:	Fair value of plan assets 31/12/2025	31/12/2024
Having a market price listed in an active market	**497,107**	**483,038**
Shares (Eurozone)	48,142	64,295
Shares (outside the Eurozone)	52,948	72,878
Government bonds (Eurozone)	86,572	16,221
Other bonds (Eurozone)	115,420	170,550
Other bonds (outside the Eurozone)	194,025	159,094
Without a market price listed in an active market	**47,246**	**38,606**
Cash and cash equivalent	34,607	3,527
Real property		10,021
Other	12,639	25,058
TOTAL	**544,352**	**521,644**

SENSITIVITY ANALYSIS FOR EACH OF THE SIGNIFICANT ACTUARIAL ASSUMPTIONS UNDERLYING ON DEFINED BENEFIT OBLIGATION	Impact on defined benefits obligation 31/12/2025	31/12/2024
Discount rate plus 0.25%	(6,605)	(7,285)
Salary increased of 0.1%	2,134	2,201
Medical costs increased plus 1%	41	45
Increase of average cost of tariff reductions increased by 0.50%	3,792	3,460
Inflation rate increased by 0.25%	6,478	6,751
One-year correction applied to mortality tables	3,924	4,355

	31/12/2025	31/12/2024
Weighted average duration of the defined benefit obligation related to old contracts and other long-term benefits	6	7
Weighted average duration of the defined benefit obligation related to new contracts	20	20
Weighted average duration of the defined benefit obligation related to other long-term benefits and other post-employment benefits	12	13

Expected contributions during the next period for defined benefit plans related to old contracts	1,367	1,624
Expected contributions during the next period for defined benefit plans related to new contracts	7,385	6,579

Each year, the discount rate used to calculate the pension obligations with regard to the minimum funding requirements is aligned with the rate defined by the IFRS standard based on high quality corporate bonds, depending on the duration commitments.

Most beneficiaries contribute to the funding of pension plans by paying a personal contribution (progressive rate formula (a%t1 + b%t2)) deducted monthly from their remuneration.

Defined benefit pension plans are also financed by the employer via a recurring allowance expressed as a percentage of the total remuneration of affiliates. This percentage is defined using the aggregate cost method and is reviewed annually.

This method involves spreading future costs over the remaining period of the plan. The costs are estimated on the basis of projections taking into account, in particular, the evolution of wages and inflation. The assumptions relating to salary increase, inflation, staff turnover and retirement age are defined on the basis of statistics available to the company in order to provide a good estimate of the long-term future. The discount rate is defined with regard to the company's investment strategy. All these assumptions are regularly reviewed.

It should also be noted that the effect of the asset ceiling has increased this year, resulting in a decrease in the net liability arising from the defined benefit obligation.

Certain exceptional events, such as the modification of a plan, a change in assumptions, too low a level of cover, etc. may give rise to exceptional payments by the sponsor, which is not the case in 2025.

DESCRIPTION OF THE RISKS FACED BY DEFINED BENEFIT PLANS

Defined pension plans expose the company to actuarial risks such as investment, interest rate, longevity and salary risk.

INVESTMENT RISK

The current value of a defined benefit plan's liabilities is calculated using a discount rate determined by referring to companies' high-yield bonds. If the rate of return for the plan assets is lower than the discount rate, this will result in a plan deficit. As far as we are concerned, investments are well diversified and well balanced (see table below).

Due to the long-term nature of the plan's liabilities, the pension fund's Board of Directors considers it appropriate that some of the plan assets should be invested in shares in order to generate leverage and improve the fund's performance.

INTEREST RATE RISK

A decrease in bond interest rates will lead to an increase in the plan's liabilities. However, this will be partially offset by an increase in the return on the plan's bond investments.

LONGEVITY RISK

The present value of liabilities in defined benefit plans is calculated based on the best estimate of member mortality, both during their employment and after retirement. An increase in the life expectancy of plan members results in an increase in the plan's liabilities.

Since 2015, the Group has been using the new prospective mortality tables established by the Institute of Actuaries in Belgium ("Institut des Actuaires en Belgique" IA/BE).

SALARY RISK

The present value of the defined benefit plan's liabilities is calculated based on the future earnings of the plan's members. An increase in these earnings will result in an increase in the plan's liabilities.

Note 21 - Lease contracts (lessee) (in thousands of €)

LEASE LIABILITIES	Buildings	Optical fibers	Vehicles	Total
Opening balance 2024	**2,449**	**4,404**	**5,088**	**11,941**
Interest expense on lease contracts	55	97	268	420
Lease payments	(403)	(740)	(2,254)	(3,397)
New contracts/exercise of options	309		3,581	3,890
Termination of contracts	753	1,406	-83	2,076
Closing balance 2024	**3,163**	**5,167**	**6,600**	**14,930**
Interest expense on lease contracts	53	98	349	500
Lease payments	(1,218)	(740)	(2,908)	(4,866)
New contracts/exercise of options	516		4,413	4,929
Termination of contracts				
Closing balance 2025	**2,514**	**4,525**	**8,454**	**15,493**

The lease obligation principally relates to the following assets:

- Lease of administrative buildings;
- Lease of vehicles for key management and executive personnel;
- Fees paid for the use of fiber optic infrastructure.

The corresponding assets (rights-of-use) are detailed in note 09.

IFRS 16 - Leases specifies the definition of a lease contract and provides certain options. Consequently, the lease obligation does not include:

- The fees paid for IT licenses or services that fall outside the scope of the standard;
- The lease fees for low-value assets and short-term contracts that ORES has elected to exclude as permitted by the standard, principally concerning IT contracts (equipment such as laptops, printers, etc.).

1. DISCOUNTED AMOUNTS, AS RECORDED IN THE STATEMENT OF FINANCIAL POSITION		Buildings	Optical fibers	Vehicles	Total
31/12/2025	Within the year	360	654	2,615	3,629
	>2 and <5 years	1,688	2,743	5,840	10,271
	>5 years	466	1,128		1,594
	TOTAL	**2,514**	**4,525**	**8,455**	**15,493**
31/12/2024	Within the year	1,132	642	1,984	3,758
	>2 and <5 years	1,480	2,692	4,617	8,789
	>5 years	550	1,833		2,383
	TOTAL	**3,162**	**5,167**	**6,601**	**14,930**

2. FUTURE CASH OUTFLOWS - LEASE PAYMENTS MATURITY (INCLUDING INTEREST)		Buildings	Optical fibers	Vehicles	Total
31/12/2025	Within the year	403	740	2,903	4,045
	>2 and <5 years	1,761	2,960	6,151	10,872
	>5 years	779	1,175		1,954
	TOTAL	**2,943**	**4,875**	**9,054**	**16,871**
31/12/2024	Within the year	1,182	740	2,220	4,142
	>2 and <5 years	1,566	2,960	4,885	9,411
	>5 years	873	1,915		2,788
	TOTAL	**3,621**	**5,615**	**7,105**	**16,341**

Options present in contracts that were exercised by ORES during the fiscal year have been recognized as an increase in the lease obligation (and a corresponding increase in right-of-use assets).

Expenses recorded for contracts that do not fall within the scope of the standard and that are recognized directly in the income statement (and not as lease obligations) are detailed in note 04.

Note 22 - Current taxes (in thousands of €)

1. TAX EXPENSES RECORDED IN THE STATEMENT OF PROFIT OR LOSS	31/12/2025	31/12/2024
Current income tax expense in respect of the period	44,574	34,362
Adjustments recognized in the current period in relation to the current tax of prior years	(284)	(266)
Taxes payables on interest received	8	48
Current tax expense (income)	**44,297**	**34,144**
Deferred tax expense (income) related to the recognition or reversal of temporary differences	(7,766)	(7,593)
Deferred tax expense (income)	**(7,766)**	**(7,593)**
TOTAL TAX EXPENSE RECOGNIZED IN PROFIT OR (LOSS)	**36,531**	**26,551**

2. RECONCILIATION OF THE ACTUAL TAX RATE WITH THE THEORETICAL TAX RATE		31/12/2025	31/12/2024
Profit (loss) before taxes		133,236	93,441
Tax rates applicable in Belgium		25 %	25 %
Theoretical tax liability		**33,309**	**23,360**
Adjustments	Tax on non-deductible expenses	3,537	3,448
	(Income) arising from the deduction of investment	(39)	(39)
	Tax payables on interest received	8	48
	Total	**3,506**	**3,457**
Taxes related to the previous period		**(284)**	**(266)**
TOTAL TAX DURING THE PERIOD		**36,531**	**26,551**
Average effective rate		27.42 %	28.41 %

3. TAX EXPENSE RECORDED IN OTHER COMPREHENSIVE INCOME	31/12/2025	31/12/2024
Deferred tax expense (income) on fair value of hedging instruments entered into for cash flow hedges	(181)	(557)
Deferred tax expense (income) on defined benefit pension plans	1,058	492
Deferred tax expense (income) related to the withdrawal of the municipality of Couvin following the transfer of the electricity distribution activity		(610)
TOTAL TAX EXPENSE IN OTHER COMPREHENSIVE INCOME	**877**	**(675)**

The increase in current income tax expense of €10.2 million compared to 2024 is principally attributable to higher profit before tax in 2025 of €133.2 million compared to €93.4 million in 2024.

Regarding deferred income taxes, the income recognized results primarily from additional depreciation on tangible assets, revaluation gains, and unfavorable actuarial differences in 2025, resulting in deferred tax income recognition, while other deferred tax income and expenses related to other balance sheet items substantially offset each other (see note 23).

As a reminder, deferred taxes arising from temporary differences on assets or liabilities whose movements are recognized in "other comprehensive income" have also been recorded in this line item, as required by IAS 12 - Income Taxes.

Note 23 - Deferred taxes (in thousands of €)

1. OVERVIEW OF DEFERRED TAX ASSETS AND LIABILITIES BY NATURE OF TIME DIFFERENCE	ASSETS 31/12/2025	ASSETS 31/12/2024	LIABILITIES 31/12/2025	LIABILITIES 31/12/2024
Intangible assets			(9,272)	(9,288)
Tangible assets			(71,575)	(69,118)
Tangible assets - revaluation			(165,367)	(170,540)
Tangible assets – lease				(3,445)
Other non-current assets			(629)	(707)
Trade and other receivables	980	1,815		
Other current assets	735	1,262		
Cash				
Borrowings			(212)	(224)
Provisions for employee benefits	20,488	19,940		
Other provisions				
Other non-current liabilities	2,966	2,555		
Other current liabilities	907		(232)	(349)
Total of temporal differences	**26,076**	**25,572**	**(247,287)**	**(253,672)**
Deferred tax assets (liabilities)	**26,076**	**25,572**	**(247,287)**	**(253,672)**
Offsetting	(26,076)	(25,572)	26,076	25,572
NET TOTAL			**(221,211)**	**(228,100)**

2. TRANSACTIONS RECORDED IN DEFERRED TAX ACCOUNTS		Opening balance	Recorded in the statement of profit or loss	Recorded under other comprehensive income	Closing balance
Temporary differences	Temporary differences	(9,288)	16		(9,272)
	Intangible assets	(69,117)	1,221		(67,896)
	Tangible assets	(170,540)	5,173		(165,367)
	Tangible assets - revaluation	(3,442)	(233)		(3,675)
	Tangible assets – lease	(707)	79		(628)
	Other non-current assets	1,815	(835)		980
	Trade and other receivables	1,261	(527)		734
	Borrowings	(224)	11		(213)
	Provisions for employee benefits	19,940	1,607	(1,058)	20,489
	Other non-current liabilities	2,555	231	181	2,966
	Other current liabilities	(349)	1,023		674
TOTAL		**(228,096)**	**7,766**	**(877)**	**(221,211)**

3. DEFERRED TAXES RECORDED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31/12/2025	31/12/2024
DEFERRED TAX LIABILITIES	**(221,211)**	**(228,096)**

Note 24 - Subsidiaries

In 2013, at the creation of ORES Assets, the seven former intermunicipal companies each transferred one share of ORES to the pure financing intermunicipal companies (IPF) and one share to RESA (formerly Tecteo). This resulted in the recognition of a non-controlling interest of €31 thousand in the IFRS consolidated financial statements.

In 2017, following RESA's complete assumption of network management activities for the Liège city center, the share held by RESA was sold to ORES Assets, thus decreasing non-controlling interests by €4 thousand.

In 2019, ORES Assets created the company Comnexio in partnership with the IPF. Seven of the one hundred shares in Comnexio are held by seven IPF entities, resulting in the recognition of a non-controlling interest of €53 thousand in the IFRS consolidated financial statements.

In 2019, ORES Assets created the company Comnexio, in partnership with the IPF. Seven of the one hundred shares of Comnexio are held by seven IPFs, which resulted in the recognition of a non-controlling interest of €53k in the consolidated IFRS accounts.

No entities exist for which more than 50% of voting rights are held but which are not consolidated.

No entities exist for which less than 50% of voting rights are held but which are consolidated.

There are no significant restrictions on the ability of subsidiaries to transfer funds to the parent company in the form of cash dividends or repayment of loans and advances.

SUMMARY OF SUBSIDIARIES	Country of incorporation	Percentage of capital held	Percentage of voting rights held	Reporting date	Main activity
ORES	Belgium	99.72%	99.72%	December	Energies networks operator
Comnexio	Belgium	93.00%	93.00%	December	Contract center

ORES'S SHAREHOLDING IS MADE UP AS FOLLOWS	% Holdings 2025	Number of shares 2025	% Holdings 2024	Number of shares 2024
ORES Assets	99.72%	2,453	99.72%	2,453
IPF IDEFIN	0.04%	1	0.04%	1
IPF CENEO	0.04%	1	0.04%	1
IPF FINEST	0.04%	1	0.04%	1
IPF SOFILUX	0.04%	1	0.04%	1
IPF FINIMO	0.04%	1	0.04%	1
IPF IPFBW	0.04%	1	0.04%	1
IPF IEG	0.04%	1	0.04%	1
TOTAL	**100%**	**2,460**	**100.00%**	**2,460**

COMNEXIO'S SHAREHOLDING IS MADE UP AS FOLLOWS	% Holdings 2025	Number of shares 2025	% Holdings 2024	Number of shares 2024
ORES Assets	93.00%	93	93.00%	93
IPF IDEFIN	1.00%	1	1.00%	1
IPF CENEO	1.00%	1	1.00%	1
IPF FINEST	1.00%	1	1.00%	1
IPF SOFILUX	1.00%	1	1.00%	1
IPF FINIMO	1.00%	1	1.00%	1
IPFBW	1.00%	1	1.00%	1
IPF IEG	1.00%	1	1.00%	1
TOTAL	**100.00%**	**100**	**100.00%**	**100**

Note 25 - Investments in associates (in thousands of €)

	Country of incorporation	Percentage of capital held	Percentage of voting rights held	Fair value of the investments in associates	Main activity
Atrias	Belgium	16.67%	16.67%	N / A	IT support relating to meters readings for the Group, the FLUVIUS economic group, as well as the other DSOs in Belgium (Sibelga, RESA,...)

CHANGES IN INVESTMENTS IN ASSOCIATES	31/12/2025	31/12/2024
Balance at 1st January	3	3
Balance at 31st December	3	3

ATRIAS, SUMMARY FINANCIAL INFORMATION	31/12/2025	31/12/2024
Sales and other operating income	62,234	76,149
Profit (loss) before interest and taxes	758	1,217
Financial profit (loss)	(691)	(1,159)
Profit (loss) before taxes	67	59
Taxation	(67)	(59)
PROFIT (LOSS) FOR THE YEAR		

Non-current assets	36,400	30,668
Current assets	23,771	25,982
Total assets	**60,171**	**56,650**
Non-current liabilities	41,800	41,800
Current liabilities	18,353	14,831
Total liabilities	**60,153**	**56,631**
Net assets	**18**	**19**
Group share of net assets in associates	3	3
LOANS MADE BY GROUP COMPANIES TO ASSOCIATES	**8,230**	**8,230**

Note 26 - Fair value of financial instruments (in thousands of €)

31/12/2025		Category	Carrying amount	Fair value	Level
	Interest rate caps	2	2,515	2,515	Level 2
	Trade receivables	1	65,335	65,335	Level 2
	Unlisted equity instruments	1	17	17	Level 3
	Other receivables	1	162,450	162,450	Level 2
	Other financial assets	2	3,345	3,345	Level 2
	TOTAL FINANCIAL ASSETS		**233,662**	**233,662**	
Financial liabilities	Interest rate swaps	3	(1)	(1)	Level 2
	Unsecured loans - Non-current	1	(2,486,834)	(2,439,937)	Level 2
	Unsecured loans - Current	1	(228,712)	(228,712)	Level 2
	Trade payables	1	(207,042)	(207,042)	Level 2
	Other payables	1	(191,612)	(191,612)	Level 2
	TOTAL FINANCIAL LIABILITIES		**(3,114,201)**	**(3,067,304)**	

31/12/2024		Category	Carrying amount	Fair value	Level
Financial assets	Interest rate caps	2	3,783	3,783	Level 2
	Interest rate swaps	3	952	952	Level 2
	Trade receivables	1	38,215	38,215	Level 2
	Unlisted equity instruments	1	17	17	Level 2
	Other receivables	1	91,917	91,917	Level 2
	Other financial assets	2	3,645	3,645	Level 2
	TOTAL FINANCIAL ASSETS		**138,528**	**138,528**	
Financial liabilities	Unsecured loans - Non-current	1	(2,142,409)	(2,210,620)	Level 2
	Unsecured loans - Current	1	(330,207)	(330,207)	Level 2
	Trade payables	1	(187,118)	(187,118)	Level 2
	Other payables	1	(128,651)	(128,651)	Level 2
	TOTAL FINANCIAL LIABILITIES		**(2,788,385)**	**(2,856,596)**	

- Category 1: financial assets or liabilities measured at amortized cost;
- Category 2: financial assets or liabilities measured at fair value through profit and loss;
- Category 3: financial assets measured at fair value through other comprehensive income (hedge accounting).

The hierarchy used to determine the fair value of financial instruments by valuation technique is as follows:

- Level 1 - listed price (unadjusted) on active markets for identical assets or liabilities;
- Level 2 - inputs other than the listed prices mentioned in level 1, which are observables for the relevant asset or liability, either directly (namely the prices) or indirectly (namely input derived from prices);
- Level 3 - inputs relating to the asset or liability that are not based on observable market data (unobservable input).

DESCRIPTION OF THE METHODS USED FOR FAIR VALUE ASSESSMENT

For derivative financial instruments:

- Fair value is determined based on future cash flows estimated according to interest rate curves.

For trade receivables and payables, as well as other receivables and payables:

- Fair value is presumed to be equal to their carrying amounts given their short-term maturity.

For loans (secured and unsecured):

- Fixed-rate financing: at the reporting date, the sum of discounted future cash flows including principal and interest calculated on the basis of the market rate at the reporting date (i.e. including bond loans).
- Adjustable fixed-rate financing: at the reporting date, sum of discounted future cash flows including principal and interest calculated on the basis of the market rate at the reporting date.
- Variable-rate financing: the fair value is assumed to be equal to the carrying amount at the reporting date.
- Short-term commercial paper: the fair value is equal to the carrying amount at the reporting date.

For an explanation of the variation in the fair value of interest rate caps, see note 5 on financial income.

Note 27 - Derivative instruments (in thousands of €)

SUMMARY OF DERIVATIVE FINANCIAL INSTRUMENTS (POSITIVE FAIR VALUES)			**31/12/2025**	**31/12/2024**
Derivative instruments designated in a cash flow hedge relationship	**INTEREST RATE SWAPS**		**(1)**	**953**
	Of which	Non-current	(1)	953
		Current		
Derivative instruments not designated in a cash flow hedge relationship	**INTEREST RATE CAPS**		**2,515**	**3,783**
	Of which	Non-current	2,514	3,773
		Current		10

The table below summarizes the interest rate swap contracts designated in a hedging relationship as of 31st December 2025.

	Interest rate at the closing date		**Notional principal amount**		**Fair value (FV) of the instrument**		**Variation in the FV used to calculate the hedge ineffectiveness**	**Maturity**	**Variable rate item (hedged)**
	31/12 2025	**31/12 2024**	**31/12 2025**	**31/12 2024**	**31/12 2025**	**31/12 2024**	**31/12 2025**		**BORROWINGS**
Swap	0.40%	0.40%		30,000		952	(952)	31/12/2025	MP ORES 2016 - Lot 3
Swap 2006	2.20%	2.20%	1,063	2,126	(1)		(1)	31/12/2026	IGH_2006
			1,063	**32,126**	**(1)**	**952**	**(953)**		

DESCRIPTION OF THE HEDGING POLICY WITHIN THE GROUP

To manage interest rate risk, the Group may utilize derivative financial instruments including interest rate swaps (converting variable to fixed rates), interest rate caps, or collars (combinations of caps and floors). Debt management and market data are monitored closely within the Group. No derivative instruments are used for speculative purposes.

Given the material proportion of variable rate borrowings in the portfolio (see note 15), the Group has entered into multiple interest rate caps to hedge against rising interest rates. These caps have a fair value of €2.5 million at 31st December 2025 and are classified in other non-current financial assets. Following analysis, the Group determined not to apply hedge accounting; accordingly, fair value changes are recognized in the income statement.

As described above, the Group has also entered into interest rate swaps documented as hedging instruments subject to hedge accounting. One swap contract remains outstanding at 31st December 2025, expiring in 2026. The negative fair value change of the swap that expired in 2025 was partially recognized in the income statement at €231 thousand.

4 Other notes to the consolidated financial statements

Note 28 - Related parties (in thousands of €)

The related parties whose transactions are disclosed below (excluding those with consolidated related parties) comprise:

1. Majority shareholders and all entities controlled directly or indirectly by them;
2. Shareholders exercising significant influence;
3. Entities with which there is a participation relationship and joint ventures;
4. Key personnel of the Group;
5. Other significant related parties.

		TYPE OF RELATIONSHIP	AMOUNT RECEIVABLES		AMOUNT PAYABLES	STATEMENT OF COMPREHENSIVE INCOME		
			MORE THAN ONE YEAR	WITHIN ONE YEAR	WITHIN ONE YEAR	OTHER OPERATING INCOME	OTHER OPERATING EXPENSES	FINANCIAL INCOME
Related parties at 31/12/2025	Atrias	Shareholder funding	8,230					219
	Atrias – customer	Accounting		80		197		
	Atrias – supplier	IT services - projects			(317)		(13,384)	
	TOTAL		**8,230**	**80**	**(317)**	**197**	**(13,384)**	**219**
Related parties at 31/12/2024	Atrias	Shareholder funding	8,230					350
	Atrias – customer	Accounting		51		170		
	Atrias – supplier	IT services - projects			302		(15,457)	
	TOTAL		**8,230**	**51**	**302**	**170**	**(15,457)**	**350**

Regarding bank borrowings, the Walloon municipalities and the former private partner have guaranteed certain borrowings totaling €173.2 million, representing 6.38% of total bank debt at 31st December 2025 (compared to 8.87% at 31st December 2024, totaling €219.4 million). The private partner will be released from its guarantees (following its exit from ORES Assets' capital on 31st December 2016) pursuant to a schedule to be determined.

As all Group subsidiaries operate on a cost-recovery basis without profit margin, in accordance with their articles of association, all related party transactions are conducted at cost price and are not outside arm's length conditions.

EMPLOYEE BENEFITS FOR KEY MANAGEMENT PERSONNEL		31/12/2025	31/12/2024
Short-term benefits		2,294	2,286
Post-employment benefits	Present value of the pension liability (defined benefit plan)	5,303	5,301
	Net cost pension obligation for the period	420	380
Termination benefits		300	0
Other long-term benefits	Present value of the pension obligation (defined benefit plan)	129	90
	Net cost pension obligation for the period	6	5
TOTAL		**8,452**	**8,062**

Key management personnel consist of the members of the Board of Directors of ORES and the members of the Executive Committee of ORES.

Note 29 - Events after the reporting date (in thousands of €)

ESTIMATED FINANCIAL IMPACT		Statement of financial position	Comprehensive income
Nature	Dividends proposed at the ORES Assets Annual General Meeting to be held in 2026	74,078	

Approved by ORES Assets shareholders at the December 2025 General Meeting, the transfer of the municipality of Brunehaut to AIEG for electricity distribution network management became effective 1st January 2026. From this date, ORES Assets ceased to be the distribution system operator for electricity in this municipality (see note 31).

In mid-February, a material failure in a gas network substation caused a supply interruption affecting approximately 12,000 households and businesses in Mons. As a precautionary measure, all affected meters had to be closed, requiring progressive individual reconnection by ORES technical teams with assistance from other DSOs. This resulted in no material financial impact on the 2025 financial statements.

The Group has not identified any other significant post-reporting date events that would have an impact on the financial statements for the year ended 31st December 2025.

Note 30 - Managing financial risks (in thousands of €)

1. Credit risk

GENERAL DESCRIPTION OF HOW CREDIT RISK IS MANAGED

Credit risk is the risk that the debtor will not meet their initial obligation to repay a "credit." Its components are counterparty risk, liquidity risk, risk related to the borrower's activity or structure, sector risk, financial risk, and political risk.

DETAIL OF THE MAXIMUM CREDIT RISK	31/12/2025	31/12/2024
Derivative financial assets	2,415	4,735
Trade receivables and other receivables	227,786	130,132
Unlisted equity instruments	17	17
Cash and cash equivalents	103,302	68,865
TOTAL FINANCIAL ASSETS	**333,520**	**203,749**

The Group manages credit risk in multiple ways. In terms of cash and investments, the Group's excess cash is placed in a money market fund or with financial institutions, or in the form of commercial papers, or in a highly diversified manner with banks or companies meeting strict selection criteria.

With regard to trade receivables, a distinction must be made:

- Receivables related to distribution fees for which the Group obtains bank guarantees or performs balance sheet analyses before determining the payment terms granted;
- Receivables related to public service obligations (energy supply) and work for which the Group performs non-recourse receivables sales.

2. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

Liquidity risk is related to the Group's need to obtain the external financing required, among other things, to execute its investment program and refinance existing financial debt.

The Group's financing policy is based on covering its financing needs for the current year and maintaining a cash surplus. These measures and the diversification of financing sources enable the Group to limit liquidity risk.

The Group has short-term financing capacity through its commercial paper program of €550 million and a short-term credit line of €50 million with a term of 3 years. As part of its financing strategy to support its industrial plan, ORES plans to establish an additional Revolving Credit Facility of at least €300 million. With these available and forthcoming tools, liquidity risk can be considered to be under control. Cash management helps to limit market, asset structure, and liquidity risks.

Management has implemented a prudent investment policy based on diversification and the use of products with limited credit and interest rate risk.

With respect to the maintenance of available funds, the Group's cash and cash equivalents totaled €103.3 million at 31st December 2025 (compared to €68.9 million at 31st December 2024) - refer to note 13. Details of borrowings entered into by the Group are presented in note 15.

31/12/2025	Amount recorded	< 1 year	>1 and <3 years	>3 and <5 years	>5 and <15 years	>15 years	No maturity date	Total
Derivative financial assets	2,415		2,415					2,415
Trade receivables and other receivables	227,786	227,786						227,786
Financial assets held for sale	17						17	17
Cash and cash equivalents	103,302	103,302						103,302
Total assets	**333,520**	**331,088**	**2,415**				**17**	**333,520**
Derivative financial liabilities								
Borrowings	2,715,546	276,164	571,850	460,805	1,539,801	483,797		3,332,417
Trade payables and other payables	398,654	398,654						398,654
Total liabilities	**3,114,200**	**674,818**	**571,850**	**460,805**	**1,539,801**	**483,797**		**3,731,071**
TOTAL LIQUIDITY RISK	**(2,780,680)**	**(343,730)**	**(569,435)**	**(460,805)**	**(1,539,801)**	**(483,797)**	**17**	**(3,397,551)**

31/12/2024	Amount recorded	< 1 year	>1 and <3 years	>3 and <5 years	>5 and <15 years	>15 years	No maturity date	Total
Derivative financial assets	4,735	962	3,773					4,735
Trade receivables and other receivables	130,132	130,132						130,132
Financial assets held for sale	17						17	17
Cash and cash equivalents	68,865	68,865						68,865
Total assets	**203,749**	**199,959**	**3,773**				**17**	**203,749**
Derivative financial liabilities								
Borrowings	2,472,616	233,296	498,108	502,606	1,082,862	449,225		2,766,097
Trade payables and other payables	315,769	315,769						315,769
Total liabilities	**2,788,385**	**549,065**	**498,108**	**502,606**	**1,082,862**	**449,225**		**3,081,866**
TOTAL LIQUIDITY RISK	**(2,584,636)**	**(349,106)**	**(494,335)**	**(502,606)**	**(1,082,862)**	**(449,225)**	**17**	**(2,878,117)**

3. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument fluctuate due to changes in market prices. Market risk comprises three types of risk:

- Exchange rate risk (currency risk) - not applicable to the Group;
- Market interest rate risk (interest rate risk);
- Market price risk (e.g. share prices, commodity prices) - not applicable to the Group.

The Group's activities expose it primarily to the financial risks associated with interest rate fluctuations.

INTEREST RATE RISK

The Group has implemented an interest rate risk management policy based on balancing fixed-rate and variable-rate debt. To mitigate interest rate volatility risk, the Group uses derivative instruments (interest rate swaps, caps, collars, or other interest rate derivatives) depending on market conditions. The value of these instruments is primarily sensitive to interest rate fluctuations. The portfolio is managed centrally at Group level, and all positions are monitored regularly.

SENSITIVITY ANALYSIS

DESCRIPTION OF THE METHOD AND ASSUMPTIONS USED TO PERFORM THE SENSITIVITY TEST

The interest rate to be used before margin variations will be calculated as follows:

The latest rates recorded on the last business day of the period concerned (31st December) are used as the reference base, the averages for Euribor (Euribor 1, 3, 6 and 12 months) and for swap rates (with maturities of 1 to 30 years) are calculated. At 31st December 2025, the average Euribor rate is 2.08% (2.65% at end-2024) and the average swap rate is 2.78% (2.28% at end-2024).

On the basis of these averages, the financial flows at 01/01/N+1 are calculated.

We then simulate the impact of a 50-basis point increase in the rate calculated below. We do the same by simulating the impact of a 50-basis point fall in the yield curve calculated below.

The impact in each column is measured at two levels (in thousands of €):

1. On profit before tax (for all products): this column represents the difference between the simulated financial charges compared to the financial charges calculated at the reporting date using the average rate (positive = gain; negative = loss).
2. On equity: this column represents the difference between the carrying amount calculated at the reporting date on the basis of the average rate compared to the simulated carrying amount (outstanding principal or market value) (positive = gain; negative = loss).

A 50-basis point increase in interest rates would decrease our profit before tax by €2.5 million but would increase our equity by €0.9 million, while a 50-basis point decrease in interest rates would increase our profit before tax by €1.5 million but would decrease our equity by €0.9 million.

		+ 50 BASE POINTS		- 50 BASE POINTS	
		Impact on profit before tax profit	Impact on equity	Impact on profit before tax profit	Impact on equity
31/12 2025	Loan	(2,826)		1,932	
	Cap	477	867	(503)	(842)
	Swap	(114)	3	48	(3)
	TOTAL	**(2,463)**	**870**	**1,477**	**(845)**
31/12 2024	Loan	(2,114)		2,812	
	Cap	654	1,380	(787)	(1,302)
	Swap	86	79	(339)	(80)
	TOTAL	**(1,374)**	**1,459**	**1,686**	**(1,382)**

CAPITAL RISK MANAGEMENT

The Group's capital represents the contributions of the shareholders in ORES Assets. In 2012, it was represented by the eight Walloon mixed intermunicipal companies IDEG, I.E.H., I.G.H., Interest, Interlux, Intermosane, Sedilec and Simogel, which merged on 31st December 2013, giving rise to ORES Assets. This merger was effective from an accounting point of view with retroactive effect to 1st January 2013.

The capital of ORES Assets comprises contributions, which themselves comprise a non-distributable portion (€153.9 million) and a distributable portion (€863.9 million). The contributions are fully subscribed and paid-in. Any distribution of contributions to shareholders that would result in contributions being reduced to an amount less than the non-distributable portion can only be decided by the General Meeting acting under the conditions required for amendment of the articles of association. The portion of contributions exceeding this amount may be distributed to shareholders by a decision taken, as the case may be, by the General Meeting acting under ordinary conditions or by the Board of Directors in cases where the law or the articles of association permit.

In order to maintain sufficient funds for the protection of creditors, the Code of Companies and Associations requires cooperative companies such as ORES Assets to conduct an analysis prior to any distribution of contributions to shareholders. This analysis consists of a dual distribution test comprising liquidity and solvency tests. The liquidity test examines whether, following the distribution, the company will be able to continue to meet its debts falling due for a period of at least twelve months from the distribution. It is the responsibility of the Board of Directors. The solvency test consists of prohibiting a distribution if the company's net assets is negative or would become negative following such a distribution. It is the responsibility of the auditor to carry out the solvency test.

There is only one type of share in ORES Assets. Each shareholder must subscribe to at least one share.

The creation and offering for subscription of new shares is decided by the Board of Directors.

Shares include voting and dividend rights.

According to the articles of association of ORES Assets, shares may only be transferred to shareholders and with the consent of the Board of Directors. They may be transferred between an associated intermunicipal financing company(ies) and one or more associated municipalities by agreement between them.

An intermunicipal company must have at least two municipalities among its shareholders; there are 199 in ORES Assets. Any other legal entity under public law as well as legal entities under private law may also be associated with an intermunicipal company.

ORES Assets was a so-called "mixed" intermunicipal company until 31st December 2016, as its capital was held partly by municipalities (located in Wallonia) directly or indirectly through an intermunicipal pure financing company (seven in number until the end of 2019: Idefin, CENEO, IEG, IPFBW, Finimo, Finest and Sofilux) and the remainder by a private partner (Engie/Electrabel).

Following the withdrawal of the latter on 31st December 2016, the capital shares are held 100% by the municipalities and the seven intermunicipal pure financing companies.

As of 1st January 2020, an eighth intermunicipal pure financing company has been associated with ORES Assets: IFIGA.

The regulatory environment in which the Group operates is described in section 3.A.15 of the accounting policies. The percentage of authorized return determined by the regulations takes into account a normative ratio of 47.5% equity and 52.5% debt. The articles of association of ORES Assets state that a ratio of 30% equity to total assets must be maintained (calculated on the basis of the statutory accounts prepared in accordance with Belgian accounting standards). It is also important to note that, in the context of the above-mentioned capital optimization exercise, annual capital increases are waived as long as the ratio of equity to equity plus financial liabilities exceeds 40%. The latter ratio was incorporated into a shareholders' agreement in 2020 and reviewed in 2025.

Note 31 - Assets held for sale (in thousands of €)

By Decree of the Walloon Government dated 8th September 2022, AIEG was designated as the sole distribution system operator for the entire territory of the City of Brunehaut, subject to the suspensive condition of acquiring a real right of use or ownership of the network located on the territory.

To satisfy this suspensive condition, ORES Assets, ORES and AIEG agreed to organize the transfer to AIEG of the ownership and operation of the network located on the territory through a Partial Spin-Off.

As detailed in note 29, approved by the shareholders of ORES Assets at the General Meeting in December 2025, the transfer of the municipality of Brunehaut to AIEG for electricity distribution network management became effective on 1st January 2026. From this date, ORES Assets ceased to be the distribution system operator for electricity in this municipality.

Pursuant to the operational agreement executed between ORES Assets and AIEG relating to this transfer, the General Meeting in May 2026 will be required to approve the exact number of shares and the amount of contributions subject to the spin-off.

ASSETS, IN THOUSANDS OF €	31/12/2025
Non-current assets	**12,481**
Tangible assets	12,481
Current assets	**107**
Trade receivables	65
Other current assets	42
Total assets excluding regulatory assets	**12,588**
Regulatory assets	530
ASSETS HELD FOR SALE	**13,117**

Assets transferred to AIEG include:

- land and installations valued at €4.2 million;
- trade receivables, current assets and regulatory balance tariffs valued at €0.6 million.

Based on the situation as of 1st January 2025, an amount of €2.6 million is due to ORES Assets from AIEG.

No impairment allowance was recognized on the total assets to be transferred to AIEG in the financial statements at 31st December 2025 as a result of this activity transfer.

Assets held for sale also include the network of the municipality of Gesves, valued at €8.2 million at 31st December 2025. This network will be sold to AIEG on 1st July 2026 at its net book value.

Chapter 3

Accounting policies

Ⓐ Main accounting policies

The main accounting policies used by the Group in preparing its consolidated financial statements are described below.

A.1. Basis of preparation

DECLARATION OF COMPLIANCE

The consolidated accounts include the consolidated financial statements of the Group for the year ended 31st December 2025. The consolidated financial statements of the Group have been prepared, on a voluntary basis, in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union.

The consolidated financial statements have been prepared following the historical cost convention, with the exception of derivative financial instruments which are valued at their fair value.

FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are denominated in thousands of euros; the euro is the functional currency (currency of the economic environment in which the Group operates) used within the Group.

A.2. New, revised and amended standards and interpretations

The Group applied the standards and interpretations applicable to the period ending 31st December 2025.

NEW STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON OR AFTER 1ST JANUARY 2025

- Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*

The application of these standards has not had a significant impact on the Group's financial statements.

STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON OR AFTER 1ST JANUARY 2025

- IFRS 18 *Presentation and Disclosure in Financial Statements* (applicable for annual periods beginning on or after 1st January 2027);
- IFRS 19 *Subsidiaries without Public Accountability – Disclosures* (applicable for annual periods beginning on or after 1st January 2027, but not yet endorsed in the EU);
- Amendments to IFRS 9 and IFRS 7 *Classification and Measurement of Financial Instruments* (applicable for annual periods beginning on or after 1st January 2026);
- Annual Improvements – *Volume 11* (applicable for annual periods beginning on or after 1st January 2026);
- Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* (applicable for annual periods beginning on or after 1st January 2026);
- Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency* (applicable for annual periods beginning on or after 1st January 2027, but not yet endorsed in the EU);

The Group has not anticipated the application of any new standards or interpretations published but not yet effective and, with the exception of IFRS 18, for which an analysis is underway, the Group does not expect any significant impact from the application of these new standards or interpretations.

A.3. Consolidation principles

The eight Walloon mixed intermunicipal companies merged on 31st December 2013 with retroactive effect from 1st January 2013, giving rise to ORES Assets (hereinafter referred to as "DSO" or ORES Assets). ORES Assets is therefore an electricity and gas distribution system operator (hereinafter referred to as a "DSO") in Wallonia which, as of 31st December 2025, holds, on the one hand (in addition to the few shares held by the IPFs) exclusive control of its subsidiaries ORES and Comnexio, and which, on the other hand, has significant influence over its subsidiary Atrias. For the preparation of the Group's consolidated financial statements, ORES Assets has therefore fully consolidated the first two subsidiaries, while the third is consolidated using the equity method.

The Group's consolidated financial statements include all of the financial statements for the entities that it controls (its subsidiaries). According to IFRS 10, three cumulative conditions need to be fulfilled in order to have control over an entity:

- The Group has power over the entity in question;
- It is exposed, or has rights, to variable returns from its involvement with the entity;
- It has the capacity to use its power over the entity to allocate the entity's total returns.

The type of control is evaluated on a case-by-case basis in accordance with IFRS 10, IFRS 11, IFRS 12 and IAS 28.

Subsidiaries are entities controlled by the Group and are fully consolidated from the moment that the existence of control has been established and until this control comes to an end.

Associates are companies over which the Group exercises significant influence, but that it does not control. They are consolidated according to the equity method from the date on which the significant influence is established and until this significant influence ends.

A joint venture is a separate entity over which the parties that have joint control over the entity have rights to the entity's net asset. They are consolidated according to the equity method from the date on which the joint control is established and until this joint control ends.

Intragroup balances and transactions, as well as any profits resulting from intragroup transactions, are totally eliminated during the consolidation process for preparing consolidated financial statements.

A.4. Business combinations and goodwill

When the Group acquires control of an integrated set of operations and assets meeting the definition of a business under IFRS 3 – Business Combinations, the assets, liabilities, and contingent liabilities of the acquired business are recognized at their fair value at the acquisition date. The goodwill represents the difference between the acquisition cost plus any minority interests and the fair value of the net assets acquired. The goodwill is allocated to cash-generating units and is not amortized but is subject to an impairment test at each reporting date.

A.5. Intangible assets

Intangible assets are recognized if and only if it is probable that future economic benefits attributable to the asset will flow to the Group and if the cost of that asset can be reliably measured.

Intangible assets are initially measured at their cost. The cost of an internally generated intangible asset is equal to the sum of expenses incurred from the date on which the intangible asset meets the recognition criteria under IAS 38. It includes all directly attributable costs necessary to create, produce, and prepare the asset for use in the manner intended by management. If an intangible asset is acquired in a business combination in accordance with IFRS 3, the cost of that intangible asset is its fair value at the acquisition date.

After their initial recognition, intangible assets are recorded at their cost less accumulated depreciation and accumulated impairment losses. Intangible assets are amortized using the straight-line method over their estimated useful life.

The amortization of an intangible asset begins when the asset is operational in the manner intended by management.

USEFUL LIFE

- Computer software: 10 years for computer software acquired from 1st January, 2019 and 5 years for others.
- Development: 5 years.

COMPUTER SOFTWARE

Software licenses acquired by the Group are recorded at their acquisition cost, less accumulated depreciation and accumulated impairment losses. Internally developed software is recorded at its cost plus development costs if it meets the criteria required by IAS 38. The useful life was extended from 5 years to 10 years in 2019, but only for software acquired on or after 1st January 2019, given the scale of new IT projects and their expected lifespan.

RESEARCH AND DEVELOPMENT COSTS

Research costs, if incurred, would be recognized as expenses in the period in which they are incurred. Development costs are recognized as assets once the criteria for recognizing an intangible asset as defined by IAS 38 are met. The intangible asset resulting from development activities is then amortized on a straight-line basis over its useful life, less any impairment losses.

A.6. Tangible assets

As a general rule, the Group owns the tangible assets, which include network installations, buildings, land, vehicles (fleet), furniture and equipment.

Tangible assets are initially recognized as assets at their acquisition or production cost if and only if it is probable that the future economic benefits associated with the asset will accrue to the Group and that the cost of the asset can be reliably measured. The cost of a tangible asset includes its purchase or production price, any costs directly attributable to the transfer of the asset to its place of operation and its being put into operational condition, as well as the initial estimate of the costs related to dismantling and removing the asset and restoring the site on which it is located, if applicable.

Technical interventions for customers related to network connections are deducted from the value of the tangible assets to which they pertain and are not recognized as assets. Their recognition would immediately lead to an impairment loss.

Therefore, they do not meet the initial recognition criteria, as they do not generate future economic benefits. They are no longer included in turnover under IFRS 15 as of 1st January 2019.

After their initial recognition at historical cost, the Group's tangible assets are depreciated using the straight-line method and are recorded on the balance sheet at their cost less accumulated depreciation and impairment losses. Depreciation of a tangible asset begins when the asset is in the location and condition necessary to be used in the manner intended by management. Components of a tangible asset with significant costs and different useful lives are accounted for separately. Land is not depreciated.

At each reporting date, the Group decommissions tangible assets that are no longer in use. The carrying amount of the decommissioned tangible assets is then removed from the accounts.

Since 2003, intermunicipal companies active in the electricity and natural gas markets have seen their activities refocus, in line with the liberalization of these markets, essentially on the function of managing electricity and gas distribution networks, a monopolistic activity for which there is a regulatory framework composed in particular of tariff methodologies.

Electricity and gas distribution system operators (which became ORES Assets in 2013), possessing a technical inventory that substantiates the value of their tangible assets, were able to establish the initial value of the regulated asset as of 31st December 2002, based on the economic value of this inventory. These initial values were formally approved by the competent regulator and then confirmed in 2007 based on the values as of 31st December 2005, for electricity and 31st December 2006, for natural gas. The capital gain recognized is the difference between the value of the initial regulated asset (iRAB) as approved by the regulator and the carrying amount of the tangible assets on those same dates.

The value of the regulated asset is a determining factor in calculating the equitable margin allocated to the DSO for a given financial year, and consequently, the tariffs applicable to a given regulatory period. A full description of the regulatory mechanism is provided in section A.15 below.

The depreciation rates used by the Group are those defined by ORES Assets (the Group's parent company). These rates reflect a sound estimate of the useful life of tangible assets for the sector in which the Group operates. The residual value is always assumed to be zero at the end of the useful life of a tangible asset.

The following table details the depreciation rates:

TANGIBLE ASSETS	Depreciation rate
Land	0%
Industrial buildings	3% (33 years)
Administrative buildings	2% (50 years)
Gas pipes	2% (50 years)
Cables	2% (50 years)
Lines	2% (50 years)
Optical fiber cable sheath signaling network	5% (20 years)
Primary substations and substations (electricity and gas)	3% (33 years)
Connections – transformers	3% (33 years)
Connections – lines and cables	2% (50 years)
Metering equipment	3% (33 years)
Electronic meters, prepayment meters, automatic meters	10% (10 years)
Low-voltage smart electric meters	6.67% (15 years)
Low pressure smart gas meters	6.67% (15 years)
Signaling network (Smart equipment)	10% (10 years)
Remote control, lab equipment and dispatching	10% (10 years)
Teletransmission	10% (10 years)
Optical fibers	5% (20 years)
Furniture and tools	10% (10 years)
Vehicles (passenger and freight transport)	20% (5 years)
Mobile equipment	10% (10 years)
Administrative equipment (IT hardware)	33% (3 years)

A.7. Asset impairment

At each reporting date, the Group assesses whether there is any indication that an asset may have suffered an impairment loss. If such indications exist, the Group then estimates the asset's recoverable value. An asset is impaired when its carrying amount exceeds its recoverable value. The recoverable amount of an asset or a cash-generating unit (CGU) is the higher of its fair value less costs to sell and its value in use. If it is not possible to estimate the recoverable amount of the asset individually, the Group assesses the recoverable amount at the CGU level to which the asset belongs.

Cash-generating units are defined as groups of assets that generate cash flows largely independent of other asset groups. Given that the Group is organized into operating segment corresponding to the electricity and gas activities, along with a non-regulated activity (other activities), the Group has defined these cash-generating units as the assets and liabilities of an operating segment for a given activity (electricity or gas).

At each reporting date, the Group assesses whether there is any indication that an impairment loss recognized in prior periods for an asset other than a goodwill is likely to have ceased to exist or to have decreased. If such an indication exists, the Group estimates the recoverable value of the asset. The new carrying amount of this asset, increased due to the reversal of an impairment loss, cannot exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized for this asset in prior periods. Impairment losses recognized on goodwill are never reversed.

A.8. Lease contracts

A contract is or contains a lease contract if it confers the right to control the use of an identified asset for a specified period in exchange for payment of consideration.

To determine whether a lease contract confers this right, the Group must assess whether, throughout the useful life, it holds the following two rights:

A. The right to obtain almost all the economic benefits from the use of the specified asset; and

B. The right to decide how to use the specified asset.

For the determination of the term of the lease contracts, any renewal or termination options were considered in accordance with IFRS 16 - Leases, taking into account the probability of the lessee and the lessor exercising the extension or termination options.

A. THE GROUP AS LESSEE

At the date a contract is entered into, it is analyzed to determine whether it is or contains a lease. The Group recognizes a right-of-use asset and a corresponding lease liability for all leases in which it is the lessee, except for short-term leases (defined as leases with a term of 12 months or less) and leases of low-value underlying assets for which the Group has established a materiality threshold. For these types of contracts, the Group recognizes lease payments as operating expenses using the straight-line method over the lease term unless another systematic method is more representative of how the economic benefits of the leased assets are spread over time.

The lease liability is initially valued at the present value of the lease payments not yet paid at the start date of the contract, calculated using the implicit interest rate of the lease agreement. If this rate cannot be reliably determined, the Group uses its marginal borrowing rate.

Lease payments taken into account in the assessment of lease debt include:

A. Fixed lease payments, including in substance, less any rental incentives received or to be received (freebies, etc.);

B. Variable lease payments that are based on an index or rate, initially assessed using the index or rate in effect on the start date;

C. The amount that the Group expects to have to pay the lessor as residual value guarantees;

D. The exercise price of the call options that the Group is reasonably certain to exercise;

E. The penalties required in the event of termination of the lease if the lease contract term reflects the exercise of the option to terminate the lease.

For the sake of simplification, IFRS 16 offers the lessee the option of not separating lease components from non-lease components, but rather of accounting for each lease component and its related non-lease components as a single lease component. When a contract contains a lease component and one or more other lease or non-lease components, the Group allocates the consideration under the contract among all the lease components based on their respective separate prices and the separate prices of all the non-leased components.

Variable lease payments that are not based on an index or rate are not taken into account in the assessment of lease debt and right of use.

These payments are recorded as expenses in the period in which they are incurred.

The lease liability is presented among other non-current/current liabilities in the consolidated statement of financial position.

Subsequently, the lease liability is valued at amortized cost, increasing its carrying amount by the interest on the debt less the payments of the year.

When necessary, the Group reassesses the lease liability against the right-of-use, particularly when:

A. There is a change in the term of the lease or there is a change in the valuation regarding the exercise of a purchase option resulting from a significant event or change in circumstances, in which case the debt is revalued by discounting the revised lease payments using a revised discount rate;

B. Lease payments change due to a change in an index or rate or a change in the amounts expected to be paid under the residual value guarantee, in which case the lease liability is revalued by discounting the revised lease payments using an unchanged discount rate (unless the change in lease payments results from a fluctuation in a variable interest rate, in which case a revised discount rate is applied);

C. A lease is amended and the amendment is not accounted for as a separate lease, in which case the liability is revalued on the basis of the term of the amended lease by discounting the value of the revised lease payments using a discount rate revised to the effective date of the amendment.

At the initial recognition date, the right-of-use asset includes the initial amount of the lease liability calculated as explained above, plus the initial direct costs incurred by the Group under the lease contracts (improvements, etc.).

When the Group incurs an obligation relating to the costs of dismantling and removing a leased asset, restoring the site on which it is located or returning the underlying asset to the condition required by the terms of the lease contract, a provision is established and accounted for in accordance with the requirements of IAS 37.

Right-of-use assets are amortized over the shorter of the lease term and the useful life of the underlying asset. If the lease transfers ownership of the underlying asset, or if the right-of-use asset cost includes the Group's anticipated exercise of a purchase option, the related right-of-use asset must be amortized over the useful life of the underlying asset from the lease commencement date.

Right-of-use assets are presented among the tangible assets in the consolidated statement of financial position.

The Group recognizes potential impairment losses on right-of-use assets using the same model described for other tangible assets (see A.7).

B. THE GROUP AS LESSOR

When the Group acts as lessor in lease contracts, the leases are classified as finance leases or operating leases. Leases are classified as finance leases if they transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Group acts as an intermediate lessor, the primary lease and the sublease are classified and accounted for separately. The sublease is classified as a finance lease or an operating lease in relation to the right-of-use asset under the primary lease. The lease liability under the primary lease continues to be measured according to the rules set out above.

Rental income from operating leases is recognized on a straight-line basis over the lease term. The initial direct costs incurred in negotiating and drafting an operating lease are added to the carrying amount of the leased asset and are recognized on a straight-line basis over the lease term.

Amounts receivable from lessees under finance leases are recognized as receivables, at the amount corresponding to the Group's net investment in the lease. Income from finance leases is allocated over the periods to reflect a constant periodic rate of return on the outstanding balance of the Group's net investment in the lease.

When a contract contains lease components and non-leased components, the Group applies the provisions of IFRS 15 to allocate the consideration provided for in the contract to each component.

A.9. Inventories

Inventories are valued at the lower of cost and net realizable value. The cost of inventories includes all acquisition costs, processing costs, and other costs incurred to bring the inventories to their current location and condition. Net realizable value is the estimated selling price in the normal course of business, less the estimated costs to complete the sale and the estimated costs required to realize it. The value of inventories is generally determined by applying the weighted average price method.

Additional lump sum write-downs are recorded to adjust the carrying amount, taking into account different age categories, inventory turnover, and potential market trends. Reduction rates can vary from 0% to 100%.

A.10. Financial instruments

The financial instruments held by the Group are accounted for and valued in accordance with IFRS 9 – Financial Instruments.

The Group does not hold any financial instruments for speculative purposes. Indeed, the Group only engages in derivative financial instruments for economic hedging purposes.

A.10.1. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash available at banks, cash on hand, investments in short-term money market funds (SICAV), and deposits initially with a maturity of three months or less.

All cash balances are considered to have low credit risk at each reporting date, as they are held with reputable national or international banking institutions. Therefore, no impairment is recorded on these financial assets.

A.10.2. FINANCIAL ASSETS AT AMORTIZED COST

These are financial assets with fixed or determinable payments that are not listed on an active market and are initially recorded at their fair value, which in most cases corresponds to their nominal value plus transaction costs. After their initial recognition, these financial assets are measured at their amortized cost using the effective interest rate method, less any reductions for expected impairment losses.

The Group recognizes expected credit losses and changes in these losses at each reporting date in order to reflect changes in credit risk since the initial recognition of financial assets.

More specifically, this method was applied to receivables related to distribution, public service obligations, fraud, and works. Expected credit losses are estimated using a provision matrix established based on the nature of the receivable, past experience with debtor defaults, and an analysis of their current situation. Following this analysis, an expected credit loss rate is estimated and applied to each tranche defined by the Group. Beyond 730 days of arrears, receivables are written off by 100% because past experience shows that these receivables are not usually recoverable. The results of this analysis are presented in Note 11.

For other financial assets, the Group considered that the credit risk had not increased significantly since their initial recognition; therefore, it recognizes the expected credit losses for the next twelve months for these assets.

Expected credit losses on “other receivables” are considered insignificant. Similarly, there is no credit risk on receivables from municipalities, since the Group deducts any outstanding balances from dividends payable.

Profits or losses are recognized in the statement of profit or loss when a financial asset recorded at amortized cost is derecognized or impaired.

A.10.3. EFFECTIVE INTEREST RATE METHOD

The effective interest rate method is a method for calculating the amortized cost of a financial asset or liability and for allocating financial income or expenses over the period under consideration. The effective interest rate is the rate that accurately discounts future cash outflows or inflows over the expected life of the financial instrument or, where applicable, over a shorter period, in order to obtain the net book value of the financial asset or liability.

A.10.4. BORROWINGS

The Group finances itself through conventional bank loans, the issuance of commercial paper, or private placement bonds. The Group’s borrowings constitute financial liabilities that are initially measured at fair value, less transaction costs. These financial liabilities are subsequently measured at amortized cost, calculated using the effective interest rate method and reduced by capital repayments. Interest expense is recognized at the effective interest rate. Costs related to the issuance of commercial paper or bonds are recognized as a deduction from the debt at the issuance date and are taken into account in the calculation of the effective interest rate to reconstruct the debt.

A.10.5. DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments, such as interest rate swaps, collars or interest rate caps, to hedge its exposure to interest rate risk arising from its operational, financing and investment activities.

The accounting treatment of derivative financial instruments depends on whether or not they qualify as hedging instruments and the type of hedging. Initially, derivatives are recognized at their fair value on the date the derivative contract is entered into, and subsequently measured at fair value on the reporting date. Profits or losses arising from the application of fair value are recognized immediately in profit or loss, unless the derivative is designated as a hedging instrument and meets the eligibility criteria for hedge accounting.

Derivative financial instruments are recorded as financial assets if their value is positive, and as financial liabilities if their value is negative. Derivatives with a maturity of more than 12 months are generally recorded in the non-current items of the balance sheet, while other derivatives are recorded in the current items of the balance sheet.

A.10.6. HEDGE ACCOUNTING

The Group uses cash flow hedging to cover its exposure to cash flow changes attributable to a specific risk related to a recognized asset or liability, a firm commitment, or a highly probable planned transaction that could affect the statement of profit or loss. Certain derivative financial instruments are designated as cash flow hedging instruments. Hedge accounting for variations in the fair value has not been applied in this case.

The Group applies hedge accounting to interest rate swaps, while interest rate collars and caps are not designated as hedging instruments in a hedge accounting relationship.

The hedge relationship must be formally designated and documented. The documentation must in particular indicate the link between the hedge relationship and the entity’s strategy for managing financial risks, the expected relationship between the risk and the hedging instrument, the hedged item, the nature of the risk being hedged, and the technique used to assess the effectiveness of the hedge. The hedge relationship satisfies all hedge effectiveness requirements if (i) there is an economic link between the hedged item and the hedging instrument, (ii) credit risk does not have a dominant effect on the variations in value resulting from this economic link, and (iii) the hedge ratio of the hedge relationship equals the ratio between the quantity of the hedged item that is actually hedged by the Group and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of the hedged item.

In the case of a cash flow hedge, the change in the value of the hedging instrument is recognized directly in other comprehensive income (equity) for the effective portion of the hedge. The ineffective portion of the hedge is recognized immediately in the statement of profit of loss.

Hedge accounting ends when the Group terminates the hedging relationship, or when the hedging instrument matures or is sold, terminated, or exercised, or if the hedging relationship no longer meets the hedge effectiveness requirement related to the hedge ratio. Any accumulated profit or loss in equity at that time continues to be deferred in equity and is recognized in the statement of profit and loss when the anticipated transaction is recognized in the profit or loss. If the anticipated transaction is no longer likely to occur, the accumulated profit or loss that had been deferred in equity is immediately recognized in profit or loss. This is a reclassification adjustment (see IAS 1).

A.10.7. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH THE NET PROFIT AND LOSS (FORMERLY AVAILABLE FOR SALE)

Financial assets measured at fair value through the net profit and loss statement (formerly available for sale) include investments in companies that are neither consolidated nor accounted for using the equity method. These financial assets are measured at fair value, and any resulting changes are recognized immediately in the net profit and loss statement. If the fair value of a financial asset measured at fair value cannot be reliably determined, measurement at cost may be used. This latter option is the one used by the Group for all its financial assets.

A.11. Employee benefits

The Group offers its employees various short- and long-term benefits, as well as post-employment benefits, in accordance with applicable Belgian legislation.

A.11.1. SHORT-TERM BENEFITS

When an employee has rendered services to the Group during an accounting period, the Group recognizes the undiscounted amount of short-term benefits in consideration of the services as a liability, after deducting the amount already paid (if any), and as an expense (unless another IFRS standard requires or permits the incorporation of the benefits into the cost of an asset).

A.11.2. POST-EMPLOYMENT BENEFITS

Post-employment benefits are divided into two categories: defined benefit plans and defined contribution plans.

Contributions paid under defined contribution pension plans are recorded as an expense when employees have provided the services entitling them to those contributions.

Defined contribution plans subject to minimum rates of return are treated as defined benefit pension plans (among other things, application of the projected credit unit method, without taking into account future contributions).

With respect to defined benefit pension plans, the amount recorded as a net defined benefit liability (asset) is the difference between the present value of the obligation and the fair value of the plan's assets.

If the valuation of the net obligation results in a surplus for the Group, the asset recognized for this surplus is limited to the present value of available reimbursements or reductions of future contributions paid to the plan.

The cost of defined services includes the following components: the cost of services and net interest on the net liability (asset), recorded in net income (respectively in personnel costs for the cost of services, and in financial expenses (or income) for net interest), as well as revaluations of the net liability (asset), recorded in other comprehensive income.

The present value of the obligation and the cost of services are determined using the projected credit unit method and actuarial valuations are performed at the end of each financial reporting period.

The actuarial calculation method involves the use and formulation by the Group of actuarial assumptions such as the discount rate, salary and medical cost increases, staff turnover, and mortality tables. These actuarial assumptions are the best estimates of the variables that will determine the final cost of post-employment benefits. The discount rate reflects the rates of return on high-quality corporate bonds with a maturity that matches the estimated duration of the post-employment benefits obligations.

A.11.3. OTHER LONG-TERM BENEFITS

The accounting treatment of other long-term benefits is similar to that of post-employment benefits except that revaluations of net liabilities (assets) are recognized in statement of profit and loss instead of other comprehensive income.

The actuarial calculations of post-employment obligations and other long-term benefits are performed by independent actuaries.

A.12. Provisions

A provision is recognized when the Group has a current obligation (legal or implied) at the reporting date, arising from past events or transactions, when it is probable that this obligation will result in an outflow of resources, and when the amount of the obligation can be reliably estimated. The amount recognized as a provision corresponds to the best estimate of the amount needed to settle the obligation. Provisions with a maturity of more than 12 months are discounted when the effect of discounting is significant. The provisions taken by the Group mainly relate to provisions for litigation and provisions related to the risks of remediation of contaminated sites.

ENVIRONMENTAL LIABILITIES

The Group regularly reviews all of its environmental risks and the corresponding provisions. The main environmental risks are related to sites with a certain level of pollution. The amounts of provisions set aside to cover these risks are based on the best estimate of the remaining costs to be incurred, both in terms of studies and remediation of the sites concerned, using valuations carried out by independent experts. The Group assesses these provisions to the best of its knowledge of the applicable laws and regulations, taking into account the extent of the pollution and the environmental impact assessments still to be completed.

A.13. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset (an asset requiring a lengthy preparation period before it can be used) are included in the cost of that asset. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

A.14. Financial expenses and income

Financial expenses include interest payable on loans and financial debts calculated using the effective interest rate method, as well as the increase in provisions following their depreciation due to their evolution over time.

Financial income includes interest income on investments, accounted for using the effective interest rate method, as well as dividends, which are recognized when the Group's right to receive payment is established.

Changes in fair value of derivative financial instruments held by the Group that are not defined within the framework of a hedge accounting relationship are presented as financial expenses or income.

A.15. Revenue recognition

A.15.1. REGULATORY CONTEXT

Following the entry into force of the 2025-2029 tariff methodology and the implementation of new tariffs for this regulatory period, the regulatory context has been modified compared to 2024.

TARIFFS APPLICABLE FOR 2025

As explained in the 2024 IFRS Consolidated Accounts of ORES Assets, to allow a quality consultation process, the start of the new five-year tariff period was postponed by one year. The year 2024 served as a transitional period, based on the 2019-2023 tariff methodology. The year 2025 marks the first year of the 2025-2029 regulatory period, governed by the new 2025-2029 tariff methodology adopted by the CWaPE on 31st April 2023 (hereinafter "the CWaPE 2025-2029 tariff methodology").

The year 2024 and the beginning of 2025 were primarily devoted to various works relating to the 2025-2029 regulatory period. The tariff methodology provides for DSO tariff approval in two stages: first, the approval of authorized revenues; second, the transposition of these authorized revenues into tariffs. The ORES Assets' 2025-2029 authorized revenue for electricity and gas were approved by the CWaPE on 28th March 2024. On 29th November, the regulator approved the electricity tariffs for 2025 and gas tariffs for 2025-2029 of ORES Assets. Based on the CWaPE guidelines of 27th June 2024 relating to a new tariff structure for low-voltage electricity distribution network users, the electricity tariffs for 2026-2029 of ORES Assets were approved on 26th June 2025. These electricity tariffs of 26th June 2025 also reflect two modifications of the authorized electricity revenues of ORES Assets approved by the CWaPE: first, the modification allowing the full roll out of smart meters by 31st December 2029 (see below), and second, the modification reflecting the revised allocation of subsidies obtained under the RepowerEU Plan. The non-periodic electricity and gas tariffs for 2025-2029 were approved by the CWaPE on 19th December 2024. The electricity transport cost re-invoicing tariffs for 2025, approved on 29th November 2024, were modified on 13th February 2025 to incorporate the Elia's PSOs and surcharges tariffs, approved by the CREG on 28th November 2024. The 2025 tariffs represent an increase compared to the 2024 tariffs.

Following the adoption by the Walloon Parliament on 25th April 2024 of a modification to the electricity decree establishing, in particular, the full roll out of electricity smart meters before 2030, the CWaPE aligned its 2025-2029 tariff methodology on 6th June 2024. This alignment enabled DSOs to submit proposals for modification of electricity authorized revenues to account for this full roll out.

DETERMINATION OF AUTHORIZED REVENUE ELEMENTS IN THE 2025-2029 METHODOLOGY

As with previous regulatory periods, the tariff methodology provides for dual control of authorized revenues and tariff application. The regulator approves ex-ante the authorized revenues and tariffs of the DSOs for the five-year regulatory period (2025-2029). Subsequently, the regulator exercises annual ex-post control of the DSO's actual costs to monitor bonus/malus amounts on controllable costs and determine regulatory balance amounts on non-controllable costs.

The regulation model is a hybrid model combining controllable charges subject to revenue-cap regulation and non-controllable charges subject to cost-plus regulation. Controllable charges are determined ex-ante based on historical charges and evolution rules and parameters (inflation and efficiency factor) established in the tariff methodology. Ex-post, if actual controllable charges are lower (respectively, higher) than the ex-ante authorized level, the DSO's result is increased (respectively, decreased) accordingly. This is referred to as bonus/malus on the company's result, depending on whether the company's result is higher or lower. Consequently, these differences are added to or deducted from the profits of the DSOs and their associates and do not impact tariffs, either during the regulatory period or subsequently.

Since 2024, the tariff methodologies also include a mechanism for ex-post revision of controllable cost budgets based on the actual health index for these years. This mechanism protects against unpredictable and uncontrollable inflation increases. For consistency, this indexation revision mechanism operates bidirectionally: if the actual health index is lower than the budgeted health index, the ex-post controllable cost budget will be lower than the ex-ante budget. This difference is integrated into future tariffs through regulatory balances.

Non-controllable charges (see definition below) and volumes[7] are budgeted by the DSOs based on best-estimates. During annual ex-post control, the regulator determines the regulatory balance amounts that can be integrated into future tariffs. Regarding non-controllable charges, a positive/negative difference between budgeted and actual charges is referred to as a regulatory deficit/surplus or regulatory asset/liability. A regulatory surplus/liability indicates that budgeted charges exceeded actual charges, and part of these charges must be returned to network users through downward tariff revision, within the current or following regulatory period. Regarding volumes, reference quantities (kW, kWh, number of network users/number of EAN, etc.) are predetermined by the DSOs based on planned sales volumes. If actual volumes exceed or fall short of planned volumes, they generate regulatory surplus/liability or regulatory deficit/asset. Differences in non-controllable charges and volumes are recorded annually by the DSOs on a separate asset or liability account pending final allocation during the current or subsequent tariff periods, either as a tariff receivable (regulatory deficit/asset) or tariff debt (regulatory surplus/liability). The 2025-2029 volumes were estimated based on the latest available data and account for new uses, particularly electric vehicles, expected on the network.

The authorized revenue of the DSO comprises the following principal elements:

- Net operating charges:
  - Net controllable charges (including, among others, additional transition charges, a new element)
  - Net non-controllable charges
- Fair profit margin
- Net charges relating to smart meter roll out
- Share of approved and allocated regulatory balances
- "Quality" term – a financial incentive calculated ex-post that does not directly enter into the determination of ex-ante authorized revenue (see below)

7 Applied to the approved tariffs, these volumes will determine the turnover that covers the authorized revenue of the DSO.

NET CONTROLLABLE AND NON-CONTROLLABLE OPERATING CHARGES

Net operating charges for 2025-2029 are determined as follows:

Net[8] controllable charges:

- Net controllable charges are of three types: those relating to public service obligations, those relating to fixed assets (depreciation), and others.
- For 2025, net controllable charges are determined:
  - From the average of actual net controllable charges of ORES Assets from 2019 to 2022, indexed to 2025;
  - With application of an efficiency improvement factor:
    - This is an individualized factor by DSO and by energy source designed by the CWaPE to financially encourage DSOs to achieve efficient cost levels
    - This factor does not apply to charges related to public service obligations and investments (depreciation)
    - For ORES Assets, the factor is 1.430% per year for electricity and 0.632% per year for gas
    - For 2026 to 2029, controllable charges are determined by:

      - Indexing the net controllable charges from the previous year (using the forecast health index as published by the Federal Planning Bureau at the time of establishing authorized revenue) and

      - Applying the efficiency improvement factor to charges other than those related to public service obligations and investments (depreciation)
- Additional transition costs:
  - Additional transition costs represent a new category of net controllable charges. They comprise supplementary budgets granted by the CWaPE to address DSO needs for managing energy transition challenges, including partial network extension and low-voltage peak load evolution.
  - Maximum authorized amounts are established annually in the 2025-2029 tariff methodology. For ORES Assets electricity, these amounts are €1,000,286 in 2025, increasing annually to €5,060,213 in 2029.

Net non-controllable charges: Non-controllable charges are determined based on cost budgeting by ORES. The 2025-2029 non-controllable charges are exhaustively listed in Article 12 of the 2025-2029 tariff methodology. Examples include road fees, transport fees, and tax charges actually due for the DSO's regulated activity, after deduction where applicable of tax on bonus.

2. FAIR PROFIT MARGIN

The fair profit margin represents the remuneration of capital invested in the regulated asset base (RAB) of the DSO. The invested capital comprises both equity (capital invested by shareholders - REMCI) and external financing of the DSO (cost of loans taken out or issued). The fair profit margin is calculated by applying the authorized return percentage to the regulated asset base.

A. THE REGULATED ASSET

The value of the regulated asset base evolves annually based on new investments, depreciation, third-party interventions, subsidies, and asset retirements.

The 2025-2029 tariff methodology distinguishes within the regulated asset between:

- The revaluation gain related to tangible assets; and
- The net book values of the following items, provided they form part of the DSO's regulated activity and are approved by the CWaPE:
  - Tangible assets
  - Intangible assets related to IT projects as approved by the auditor, separated from hardware, acquired or created for managing regulated activities from 1st January 2014 onwards
  - Assets under construction

B. THE RETURN PERCENTAGE

The authorized return percentage is determined by using the weighted average cost of capital (WACC) formula.

For the 2025-2029 regulatory period, the CWaPE set the rate at 4.027% (for the revaluation gain, this rate decreases annually to reach 2.416% in 2029).

These rates result from weighting the cost of equity and cost of debt using a distribution key of 47.5% equity and 52.5% debt:

- Cost of Equity: the 2024 tariff methodology established a remuneration rate of 5.502%. The 2025-2029 tariff methodology sets this rate at 5.07%.
- Cost of External Debt: the 2024 tariff methodology established the rate at 2.743%. The 2025-2029 tariff methodology sets this rate at 3.08%. If actual financial charges exceed this ceiling, the DSO bears the excess. Conversely, if actual financial charges are below this ceiling, the difference constitutes an additional REMCI amount for the DSO.

8 The term 'net' refers to the deduction of any income; therefore, these are expenses net of income.

For the 2025-2029 regulatory period, the formula components and parameter values are as follows:

$$\text{WaCC}_{\text{after tax}} = \frac{E}{E+D} \times k_e + \frac{D}{E+D} \times k_D$$

IN WHICH:

E = equity capital

D = financial debt

E/(E+D) = ratio of equity capital = 47.5%

D/(E+D) = debt ratio = 52.5%

k_e = cost of equity capital = $r_f + \beta_e\ (k_m - r_f)$ = 5.502%

WITH:

r_f = nominal risk-free rate = 1.64%

β_e = equity beta = 0.73

$k_m - r_f$ = market risk premium = 4.70%

k_D = cost of debt = $k_{nd} * r_n + k_{ad} * (1 - r_n) + f_t$ = 3.08%

IN WHICH:

k_{nd} = cost of the new debt = 4.03%

r_n = ratio of new debt / total debt = 55%

k_{ad} = cost of the old debt = 1.70%

f_t = transaction fee = 0.10%

WaCC = 4.027%

The authorised return percentage applicable to the revaluation gain is as follows (decreasing by one-tenth annually):

- 2025 : **4,027%**
- 2026 : **3,624%**
- 2027 : **3,222%**
- 2028 : **2,819%**
- 2029 : **2,416%**

The WACC thus calculated is an after-tax rate, with corporation tax on the profit margin treated as a non-controllable cost and corporation tax on the bonus treated as a controllable cost.

3. NET CHARGES RELATING TO THE ROLL OUT OF SMART METERS

The net charges relating to electricity smart meter roll out are budgeted based on ORES's electricity smart meter roll out plan, established in compliance with the legal framework.

These charges comprise net operating charges, net charges for additional tangible assets, and net charges for additional intangible assets. They are determined by completing, using ORES-specific assumptions, the business case model established by the CWaPE.

4. SHARE OF APPROVED AND ALLOCATED REGULATORY BALANCES

The tariff methodologies provide that balances relating to non-controllable charges are fully reflected in tariffs and therefore charged to or benefit network users.

To date, the CWaPE has made all decisions on regulatory balances establishing the level of balances through 2024 (inclusive). These balances are progressively integrated into tariffs from 2026 onwards and will be fully recovered by 2029 according to the allocation rules approved by the CWaPE.

<table>
<tr><th colspan="2">REGULATORY BALANCES (DISTRIBUTION)</th><th>Approval decision</th><th>Allocation decision</th><th>Allocation</th></tr>
<tr><td rowspan="13">ELECTRICITY</td><td>Remaining balance 2015 Gaselwest</td><td>29/04/2021</td><td rowspan="12">26/06/2025</td><td rowspan="12">25% – from 2026 to 2029</td></tr>
<tr><td>Remaining balances 2015 and 2016 PBE</td><td>29/04/2021</td></tr>
<tr><td>Remaining balances 2017 and 2018</td><td>13/01/2021</td></tr>
<tr><td>Balances 2017 and 2018 (decisions 2022)</td><td>25/04/2024</td></tr>
<tr><td>Remaining balance 2019</td><td>29/04/2021</td></tr>
<tr><td>Balances 2019 to 2023 relating to the smart meters project</td><td>28/10/2021</td></tr>
<tr><td>Balance 2020</td><td>25/11/2021</td></tr>
<tr><td>Balance 2021</td><td>15/11/2022</td></tr>
<tr><td>Balance 2022</td><td>30/01/2024</td></tr>
<tr><td>Balance 2023</td><td>20/05/2025</td></tr>
<tr><td>Balance revision of AR 2025 dated 20/02/2025</td><td>20/02/2025</td></tr>
<tr><td>Balance revision of AR 2025 dated 03/04/2025</td><td>03/04/2025</td></tr>
<tr><td>Balance 2024</td><td>18/12/2025</td><td>18/12/2025</td><td>The allocation of the remaining balance for low-voltage systems will take place in 2026 and 2027. The allocation of the remaining balance for other voltage levels will be carried out at a rate of 20% in 2026, 25% in 2027 and 2028, and 30% in 2029</td></tr>
<tr><td rowspan="6">GAS</td><td>Balances 2017 and 2018 (decisions 2022)</td><td>25/04/2024</td><td rowspan="4">29/11/2024</td><td rowspan="5">20% per year – from 2025 to 2029</td></tr>
<tr><td>Balance 2020</td><td>25/11/2021</td></tr>
<tr><td>Balance 2021</td><td>15/12/2022</td></tr>
<tr><td>Balance 2022</td><td>30/01/2024</td></tr>
<tr><td>Balance 2023</td><td>15/05/2025</td><td>15/05/2025</td></tr>
<tr><td>Balance 2024</td><td>16/10/2025</td><td>16/10/2025</td><td>50% – in 2026 and 2027</td></tr>
</table>

Thus, in the accounts as at 31st December 2025, a cumulative amount of regulatory balances of €251.6 million is included.

5. QUALITY SERVICE INCENTIVE

In order to prevent the control of net charges from being achieved at the expense of the quality and reliability of distribution networks as well as at the expense of the quality of services provided, the CWaPE introduced in the determination of authorized revenue since 2019 a financial incentive reflecting the level of performance of the DSO: the Q factor.

DETERMINATION OF REVENUE ELEMENTS AND TARIFFS: 2024 TARIFF METHODOLOGY (FOR REFERENCE)

The 2024 tariff methodology is very much in line with the 2019-2023 tariff methodology.

The rules for determining ex-ante budgeted electricity and gas authorized revenues for the year 2024 were greatly simplified since these authorized revenues for 2024 correspond, with few exceptions, to the electricity and gas authorized revenues for 2023 approved by the CWaPE in 2018. Among the differences mentioned are the non-application of the efficiency factor or the adaptation of tariffs for regulatory balances. Furthermore, an ex-post correction of the inflation factor was integrated into the tariff methodology.

A.15.2. TURNOVER

The Group applies IFRS 15 which introduces a five-step method for recognizing revenue from ordinary activities.

Revenue from ordinary activities derived from the sale of goods must be recognized when all of the following conditions are met:

A. The parties to the contract have approved it and have committed to fulfilling their obligations;

B. The Group can identify the rights of each party with respect to the goods or services to be provided;

C. The Group can identify the payment terms planned for the goods or services to be provided;

D. The contract has commercial substance;

E. It is likely that the Group will recover the consideration to which it is entitled in exchange for the goods or services provided to the customer.

Revenue from ordinary activities is valued based on the consideration the Group expects to receive under a contract with a customer, excluding amounts received on behalf of third parties. The Group recognizes revenue as soon as it has transferred control of the good or service to the customer.

The Group's turnover, corresponding to revenue from ordinary activities according to IFRS 15, essentially comprises income related to the following activities:

A. Distribution fees;

B. Energy sales within the framework of public service obligations;

C. Construction contracts.

1. DISTRIBUTION FEES

The Group's turnover is primarily based on income and expenses related to distribution fees for the electricity and gas distribution network. On behalf of energy suppliers, the Group distributes electricity and gas to homes and businesses connected to the network. For electricity, the distribution fee also includes the transport fee (re-invoicing of the costs of using the transmission network, of which Elia is the sole operator). This fee is invoiced by Elia to the Group and recorded as a cost of sales (cascade principle), resulting, in principle, in a neutral impact on the statement of profit or loss.

The income and expenses related to distribution fees are recognized once electricity or gas has been supplied and transported to consumers connected to the network during the corresponding period. The amounts recognized as income are based on meter readings and estimates for the non-metered portion of network usage (metered or estimated volumes multiplied by the applicable tariff approved by the CWaPE).

These estimates are adjusted at the reporting date using the non-metered distribution fee ("redevance de transit non relevée", RTNR), which is calculated based on the total volumes that have transited on the network. The RTNR has been treated as a contract asset as defined by IFRS 15.

2. ENERGY SALES WITHIN THE FRAMEWORK OF PUBLIC SERVICE OBLIGATIONS

The Walloon Government imposes clearly defined, transparent, and non-discriminatory public service obligations (PSOs) on the distribution system operators (DSOs), compliance with which is monitored by regulators (primarily the CWaPE, but also the CREG for supply to protected customers). These obligations include, among other things, ensuring the supply of electricity and gas at the social tariff to protected customers as defined by law and temporarily ensuring the supply of electricity and gas to end customers who are temporarily without a supply contract or whose supply contract has been suspended (so-called "sub-supplier X" customers).

Income and expenses related to energy sales are recognized once electricity or gas has been supplied and transported to consumers connected to the network during the corresponding period. The amounts recognized as income are based on meter readings and estimates for the non-metered portion of network usage (metered or estimated volumes multiplied by the applicable tariff approved by the CWaPE).

Regarding sales to protected customers, a reduced social tariff is in effect, based on the lowest commercial tariff, and the difference between this tariff and the market tariff is recovered partly by the DSO from the regulator (fund managed by the latter) and partly through tariffs according to the type of protected customer, which ensures neutral impact on the profit or loss.

3. CONSTRUCTION CONTRACTS

The Group's turnover includes income from construction contracts for various projects, such as public lighting installations or network maintenance. Since the completion date of a construction contract can be reliably estimated, the income and expenses related to that contract are recognized in the profit and loss statement based on the contract's progress.

The Group recognizes a contract asset for work performed, and advance payments received are recognized as contract liabilities. If the payment exceeds revenue recognized using the cost-accrued method, the Group recognizes the excess as a contract liability. Any amount previously recognized as a contract asset is reclassified as accounts receivable when it is invoiced to the customer.

Advance payments received in connection with customer interventions (investment work) are recorded as "other liabilities".

The Group considers that there is no significant "financing" component in construction contracts concluded with customers because the period between the recognition of income using the incurred cost method and the payment is generally less than one year.

TECHNICAL INTERVENTIONS FROM CUSTOMERS

Technical intervention from customers in connection with the construction or extension of the network connections are no longer recognized in revenues as of 1st January, 2019, as the related asset cannot be recognized (see section A.6 above on tangible assets).

The tariffs for these services are approved by the regulator (so-called non-periodic tariffs).

A.15.3. REGULATORY BALANCES

The authorized revenue under the applicable tariff methodology is based, firstly, on all the costs necessary for the DSO to perform its tasks and, secondly, on the fair profit margin intended, in particular, to remunerate the capital invested in the network. The tariff balance is determined by comparing the non-controllable costs of the authorized revenue with the recognized turnover amounts, as well as the actual and projected distribution volumes. These annual balances (assets or liabilities) must be reflected in the tariffs for the current tariff period or subsequent tariff periods. The annual balances and their impact on future tariffs are subject to an approval process by the regulator (see section A.15.1 above for further details).

A.16. Taxes

Income tax expense represents the sum of current tax payable and deferred tax.

A.16.1. CURRENT TAX

The current tax payable is based on the taxable profit for the financial year. Taxable profit differs from the "profit before tax" recorded in the consolidated statement of profit or loss or in other comprehensive income, due to items of income and expenses that are taxable or deductible in other financial years, as well as items that are never taxable or deductible.

The Group's current tax liability is calculated using the tax rates that have been adopted or substantially enacted at the end of the reporting period.

A.16.2. DEFERRED TAX

Deferred tax is determined and accounted for using the variable carry-forward method based on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax values used in calculating taxable profit.

Generally, deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that taxable profit, against which these deductible temporary differences can be offset, is probable to become available. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities related to a transaction (other than a business combination) that has no effect on either taxable or accounting profit.

Deferred tax liabilities are recognized for all taxable temporary differences related to investments in subsidiaries, associates and joint ventures, unless the Group is able to control the date on which the temporary difference will reverse and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences generated by such investments are recognized only if it is probable that taxable profit will be sufficient to allow the benefits of the temporary difference to be utilized and that the temporary difference will be absorbed in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each financial reporting period and is reduced if it is no longer probable that sufficient taxable profit will be available to allow the recovery of all or part of the asset.

Deferred tax liabilities and assets are measured at the tax rates expected to apply in the period in which the asset will be realized or the liability settled, based on the tax rates (and tax laws) that are adopted or nearly adopted at the end of the reporting period.

The valuation of deferred tax liabilities and assets reflects the tax consequences that would result from how the Group expects, at the end of the financial reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and if they relate to income tax levied by the same tax authority, either on the same taxable entity or on different taxable entities, but which intend to settle the current tax assets and liabilities on the basis of their net amount or to realize the assets and settle the tax liabilities simultaneously.

A.16.3. CURRENT TAX AND DEFERRED TAX FOR THE FINANCIAL YEAR

Current tax and deferred tax are recognized in the consolidated statement of profit or loss unless they relate to items that have been recognized in other comprehensive income or directly in equity, in which case current tax and deferred tax are also recognized respectively in other comprehensive income or directly in equity.

If current tax or deferred tax arises from the initial accounting of a business combination, the tax impact is included in the accounting for the business combination.

A.17. Non-current assets held for sale

Non-current assets and items held for sale are classified as held for sale if it is anticipated that their carrying amount will be recovered primarily through a sale transaction rather than through continuing use. This condition is met only when the asset (or item held for sale) is available for immediate sale in its current condition, subject only to the conditions that are customary and customary for the sale of such an asset (or item held for sale), and its sale is highly probable. Management must have committed to the sale, and the sale is expected to qualify for recognition as a completed sale within one year of the classification date.

When the Group is committed to a sale plan involving the loss of control of a subsidiary, it must classify all assets and liabilities of that subsidiary as held for sale when the criteria set out above are met, whether or not the Group retains a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving the disposal of an interest, or part of an interest, in an associate or joint venture, the interest or part of the interest to be disposed of is classified as held for sale when the afore-mentioned criteria are met. The Group then ceases to use the equity method for that portion, which is classified as held for sale. Any retained portion of an interest in an associate or joint venture that has not been classified as held for sale continues to be accounted for using the equity method.

The Group ceases to use the equity method at the time of disposal when this disposal results in the Group losing significant influence over the associated company or joint venture.

After the disposal, the Group must account for retained interests in the associate or joint venture in accordance with IFRS 9, unless the retained interests continue to constitute an investment in an associate or joint venture, in which case the Group applies the equity method (see the accounting method for investments in associates or joint ventures above).

Non-current assets (and holdings for sale) classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. Any gain or loss on the revaluation of a non-current asset (or holding for sale) held for sale, excluding discontinued operations, is recognized directly when it is realized and is included in the profit or loss of continuing operations.

A.18. Government grants

The Group applies IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance for the recognition of government grants related to capital investments.

Government grants are recognized when it is reasonably assumed that the Group will receive these subsidies and that all underlying conditions will be met.

Government grants related to capital investments are deducted from the carrying amount of the asset concerned in accordance with IAS 20 and will be recognized in the statement of profit or loss, as a reduction of the depreciation expense, on a systematic basis throughout the expected useful life of the asset in question.

Any portion of the grant received in advance is recorded as a liability until the corresponding asset is acquired or the expense is incurred.

Grants related to expenditure items are recognized in the statement of profit or loss during the same period as the expenditure for which the grant was received.

B Main judgements exercised and main estimates used when preparing the consolidated financial statements

The preparation of consolidated financial statements in accordance with IFRS requires the use of accounting estimates and also compels management to exercise a degree of judgment in applying the Group's accounting policies. Key assumptions regarding the future and other principal sources of uncertainty relating to the estimates at the end of the period of presentation of the Group's consolidated financial statements are outlined below.

B.1. Significant estimates applied to accounting policies

B.1.1. ACTUARIAL OBLIGATIONS UNDER PENSION PLANS, OTHER POST-EMPLOYMENT BENEFITS AND OTHER LONG-TERM BENEFITS

The Group's pension plan liabilities are assessed annually by independent actuaries. Management establishes the actuarial assumptions used to assess these liabilities. The Group considers the assumptions used to be appropriate and justified.

The actuarial assumptions used by the Group relate to the following:

- Discount rate;
- Expected salary growth rate;
- Average inflation rate;
- Staff turnover rate;
- Mortality table;
- Tariff benefits;
- Outpatient and medical expenses.

B.1.2. FAIR VALUE OF DERIVATIVE INSTRUMENTS

The fair value of the derivative instruments held by the Group is calculated on the basis of market values by an external valuation company with regard to swaps and directly by the Group, via financial institutions, with regard to caps and collars.

B.1.3. VALUATION OF PROVISIONS

Significant legal disputes are regularly analyzed by the Group's legal department, with the assistance of external advisors if necessary, and in consultation with the Group's Finance department. These analyses determine whether it is necessary to record provisions or adjust existing provisions. Provisions for litigation are based on the value of the claims or the estimated amount of risk exposure.

In environmental matters, the assessment of provisions to be recorded or provisions to be adjusted is based on studies carried out by independent experts which include an estimate of future costs related to soil remediation.

In all cases, the amount recorded by the Group as a provision corresponds to the best estimate of the expenditure required to extinguish the current obligation at the balance sheet date.

B.1.4. VOLUMES DISTRIBUTED

The amounts recognized as income are based on meter readings and estimates for the non-metered portion of network usage. These estimates are adjusted at the reporting date with the non-metered distribution charge ("redevance de transit non relevée", RTNR) , which is calculated based on the total volumes that have transited the network.

B.2. Significant judgments applied to accounting policies

B.2.1. MEASURING THE TURNOVER - TRANSPORT FEES

Regarding the electricity transport fee charged by Elia to the DSO and passed on by the DSO to energy suppliers (cascade principle), the Group considered the transport service to be inseparable from the electricity distribution service and therefore, a single performance obligation could not be attached to the distribution fee charged by the Group to its customers. The transport fee is thus an integral part of the distribution fee and is recognized as such in turnover.

B.2.2. REGULATORY BALANCES

Currently, there is no specific IFRS standard that addresses the accounting treatment of regulatory balances in a regulated environment. The IASB is engaged in discussions to develop a new standard on regulatory assets and liabilities that would clarify the accounting position companies should adopt.

In this context, the IASB published a transitional standard (IFRS 14 – Regulatory Deferral Accounts) in January 2014, applicable only to first-time IFRS adopters. This standard explicitly permits the recognition of regulatory assets and liabilities within the statement of financial position, provided they are clearly identified. Similarly, ongoing IASB discussions and the "Regulatory Assets and Regulatory Liabilities" draft standard published in January 2021 are expected to result in the recognition of such assets and liabilities, as well as additional revenue beyond that recognized under IFRS 15. The Group has assumed that these regulatory balances will be recovered in the future and has therefore recognized them as assets or liabilities. Should the Group's accounting treatment no longer align with the finalized standard, future results and equity would require adjustment.

B.2.3. DEBT/EQUITY CLASSIFICATION

The Group considers all relevant facts and circumstances to determine whether an instrument constitutes a debt instrument or an equity instrument in accordance with IAS 32 – Financial Instruments: Presentation. The Group has determined that the shares representing capital (see note 14 to the financial statements) are equity instruments.

B.2.4. EXISTENCE OF AN OBLIGATION UNDER IAS 37

The Group determines on a case-by-case basis whether any obligation exists that could negatively impact its financial position. Specifically, the Group regularly reviews ongoing litigation and assesses whether settling the obligation is likely to require capital outflows. In such cases, provisions are made up to the best estimate of the consideration needed to settle the obligation, as the outcome of the proceedings cannot be predicted with certainty.

B.2.5. CLASSIFICATION OF BRUNEHAUT-RELATED ACTIVITIES AS ASSETS HELD FOR DISTRIBUTION BASED ON IFRS 5 AND NON-APPLICATION OF IFRIC 17 INTERPRETATION AT THE TIME OF TRANSACTION CLOSING

In accordance with IFRS 5, the classification criteria in the balance sheet are met when the distribution is highly probable, actions to complete the distribution have been initiated and the relevant activities are expected to be sold within one year of the classification date, which is indeed the case for Brunehaut's activities.

Furthermore, IFRIC 17 interpretation applies at the transaction closing date only to distributions in which all holders of the same class of equity instruments are treated equally. In this case, only the municipality of Brunehaut benefits from the distribution. As ORES Assets does not make distributions to all municipalities, IFRIC 17 interpretation cannot be applied to the transaction.

Furthermore, there is no classification as "discontinued operations" in the statement of profit or loss. Indeed, to be classified as such in the statement of profit or loss, IFRS 5 requires not only that the above criteria be met for a separate classification in the balance sheet, but also that these activities constitute a component of the entity that "represents a separate major line of business or geographical area of operations," which is not the case for Brunehaut's operations.

B.2.6. SWAP CONTRACT LINKED TO A LOAN, NOT RECOGNIZED IN 2025

Loan contracted in 2025 in the amount of €250 million with the following characteristics:

- Transaction date: 15th April 2025
- Issuer: ORES with the guarantee of ORES Assets
- Amount: €250 million
- Allocation and maturities:
  - €75 million / 7 years
  - €65 million / 10 years
  - €70 million / 10 years
  - €40 million / 15 years
- Principal repayment at maturity (Bullet)
- Currency: Euro (via cross currency swaps USD/EUR & CAD/EUR)

COMMENTS ON THE TRANSACTION:

- Is part of the financing strategy ORES has implemented since the end of 2024 to address significant investments and cash requirements identified in its industrial plan, which aims to accelerate the energy transition in Wallonia. The strategy is based on diversifying financing sources, enabling ORES to mobilize sufficient resources to support its entire financing program.
- Respects ORES financing principles:
  - Derivative products concluded by ORES are used for hedging purposes, not speculation,
  - Financial debt is denominated in euros. For this transaction, investors agreed to assume exchange rate risk and concluded currency swaps (CCIRS) to convert the committed amounts and transaction flows into euros, thereby neutralizing the inherent currency risk. Although it is not its intention, ORES has the contractual right to repay this financial debt early, in which case any gain or loss from swap settlement would transfer to ORES,
  - As each derivative product is linked to a loan, any early repayment by ORES would trigger indemnity payments on both the loan and currency swap, increasing exit costs and reducing the economic justification for early repayment,
  - Because investors concluded the swaps, ORES lacks contract data for the derivative instruments and cannot monitor them or determine the net gain (exchange gain minus exit cost) from potential early repayment. Consequently, fair value valuation of these instruments would be extremely difficult for ORES to perform.

Given the financing requirements in coming years, it is highly unlikely that ORES will allocate resources for loan arbitrage in the near term. Current management's priority remains mobilizing financing necessary for the industrial plan and optimizing cash management, leaving limited scope for optimization operations or early repayment that would incur additional costs.

Accordingly, the derivative instrument embedded in the USPP loan is valued at a fair value of zero at both the contract signature date and the 2025 financial statement closing date.

© Changes to accounting policies, accounting errors and changes in estimates

A change to an accounting policy is applied only if the change is required by a standard or interpretation, or if it results in the Group's financial statements providing more reliable and relevant information. Early application of a standard or interpretation does not constitute a voluntary change in accounting policies under IAS 8.

A change to an accounting policy is applied retrospectively, except where it is impracticable to determine the effects of the change for the specific period or cumulatively. Additionally, a change to an accounting policy is not applied retrospectively if a transitional provision specific to the standard or interpretation applies.

Although particular care is taken in preparing the Group's financial statements, errors may occur in the recognition, measurement, presentation or disclosure of items in the financial statements. Where necessary, the Group corrects significant errors from prior periods retrospectively in the first financial statements authorized for publication after their discovery.

The uncertainties inherent in the Group's activities require the use of estimates in preparing financial statements. The use of estimates is an integral part of financial statement preparation and does not impair their reliability. An estimate is revised when there are changes in the circumstances on which it was based or when new information becomes available. The revision of an estimate does not affect prior periods and does not constitute the correction of an error.

As a reminder, in 2024, ORES Assets received capital grants totaling €146.9 million, granted under the Walloon Recovery Plan (PRW) and, in part, by European funds (RepowerEU), to finance investments related to network energy efficiency, the integration of renewable production, and managing energy transition costs. At the 2024 closing date and in the absence of sufficient clarification on the allocation modalities, these subsidies were entirely allocated to the investments made in the deployment of smart meters.

In 2025, following clarifications provided by the Minister's office regarding Decrees of the Walloon Government published in 2024, the grant allocation was revised to include investments in medium and low-voltage network reinforcement, as well as gas network work related to biomethane integration. This revision constitutes a change in the accounting estimate for grant allocation. In the annual accounts closed on 31st December 2025, this revision allowed €17.1 million of investments made in 2024 to be treated as subsidized, with no material impact on the 2025 annual result (impact of €171 thousand).

Furthermore, uncertainties remain regarding the unit price to be applied in calculating the grant for both electricity and gas. Pending clarification, management estimated a flat rate to determine this unit price. The board of directors confirms it has no doubt regarding the full receipt of the notified grant.

Chapter 4

Independent auditor's report

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ORES ASSETS SC

Statutory auditor's report
to the general meeting
for the year ended 31 December 2025
(Consolidated financial statements)

Free translation

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Free translation

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF ORES ASSETS SC FOR THE YEAR ENDED 31 DECEMBER 2025 (CONSOLIDATED FINANCIAL STATEMENTS)

In the context of the statutory audit of the consolidated financial statements of ORES ASSETS SC ('the Company') and its subsidiaries (together referred to as 'the Group'), we hereby present our statutory auditor's report. It includes our report on the audit of the consolidated financial statements and the other legal and regulatory requirements. This report is an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting of 28 November 2024, following the proposal formulated by the administrative body issued upon recommendation of the Audit Committee and upon presentation by the works council. Our statutory auditor's mandate expires on the date of the General Meeting deliberating on the financial statements closed on 31 December 2027. We have performed the statutory audit of the consolidated financial statements of the Group for 4 consecutive years.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have performed the statutory audit of the Group's consolidated financial statements, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of 5.497.429 (000) EUR and for which consolidated income statement and other comprehensive income shows a profit for the year of 99.337 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the Group's net equity and financial position as at 31 December 2025, as well as of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Our responsibilities under those standards are further described in the 'Statutory auditor's responsibilities for the audit of the consolidated financial statements' section in this report. We have complied with all the ethical requirements that are relevant to the audit of consolidated financial statements in Belgium, including those concerning independence.

BDO Bedrijfsrevisoren BV / BTW BE 0431.088.289 / RPR Brussel
BDO Réviseurs d'Entreprises SRL / TVA BE 0431.088.289 / RPM Bruxelles

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We have obtained from the administrative body and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the administrative body for the drafting of the consolidated financial statements

The administrative body is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory provisions applicable in Belgium, and for such internal control as the administrative body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

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

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

When executing our audit, we respect the legal, regulatory and normative framework applicable for the audit of the consolidated financial statements in Belgium. However, a statutory audit does not guarantee the future viability of the Group, neither the efficiency and effectiveness of the management of the Group by the administrative body. Our responsibilities with respect to the administrative body's use of the going concern basis of accounting are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the administrative body;

- Conclude on the appropriateness of the administrative body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, the supervision and the performance of the Group audit. We assume full responsibility for the auditor's opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the administrative body

The administrative body is responsible for the preparation and the contents of the director's report on the consolidated financial statements and for the other information included in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

In the context of our mandate and in accordance with the Belgian standard (version revised in 2020) which is complementary to the International Standards on Auditing (ISA) as applicable in Belgium, it is our responsibility to verify, in all material aspects, the director's report on the consolidated financial statements, as well as to report on these elements.

Aspects relating to the director's report on the consolidated financial statements

In our opinion, after having performed specific procedures in relation to the director's report, this report is consistent with the consolidated financial statements for the same financial year, and it is prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge we have obtained during the audit, whether the director's report on the consolidated financial statements contains any material misstatements, i.e. any information which is inadequately disclosed or otherwise misleading. Based on the procedures we have performed, there are no material misstatements we have to report to you.

Statement concerning independence

- Our audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated financial statements and our audit firm remained independent of the Group during the terms of our mandate.

- The fees related to additional services which are compatible with the statutory audit as referred to in article 3:65 of the Code of companies and associations were duly itemised and valued in the notes to the consolidated financial statements.

Battice, 17 April 2026

Christophe Colson (Signature)

Signé numériquement par Christophe Colson (Signature)
DN : cn=Christophe Colson (Signature), c=BE

BDO Réviseurs d'Entreprises SRL
Statutory auditor
Represented by Christophe Colson*
Auditor
*Acting for a company

Consolidated IFRS financial statements ORES Assets 2025

ORES

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MAY 2026 — DESIGN: STUDIOTOKYO.BE