



# ANNUAL REPORT

of the company  
innogy Slovensko s.r.o.  
for 2020

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## 1. FOREWORD BY THE MANAGING DIRECTORS OF THE COMPANY

Dear Ladies and Gentlemen,

The year 2020 was marked by the COVID-19 pandemic so health protection has become our priority. We focused primarily on taking safety and hygiene measures to prevent the spread of virus and protect our customers, employees and their families.

The Corona crisis and measures related to it have pushed us forward in a way. We perceived that digitization and automation had been a solution to ensure a smooth running of our company and an alternative to a full provision of customer service. We have therefore accelerated our long-term activities in this field and have, literally, undergone a digital transformation.

Communicating with customers via application programs became even more important in 2020. We continued to support customer engagement via iWATT application. We took advantage of several opportunities and spoke to our customers and professional partners at online conferences.

The wholesale commodity market also reacted to the pandemic. The price of natural gas on the stock exchange has been falling since January 2020, resp. the decline, which had begun in the previous year, continued. However, as a result of the Corona crisis, the price of natural gas fell even more. We took advantage of this price movement and immediately offered our new household customers a product with a discounted supply of natural gas.

This year, we are bringing lower prices to all our customers. In addition, we are going to introduce other new ways to reduce energy costs and consumption.

At the beginning of 2020, we actively entered the so-called HVAC market. We have become one of

the suppliers of heat and cold and have extended our supply of commodities for corporate customers.

Later, our range of HVAC products and services was extended to households. We built a new sales team, our own network of installers, and put into operation a sales & service line. Our TermoTeam can advise the customer on selection of products, ensure delivery, installation and service of equipment.

We are pleased that we maintained our market position in 2020 as well. We have been number two in the market for a long time which we owe to our customers. The reward is a reliable and secure supply of natural gas and primarily the supply of innovative products and solutions.

We are entering 2021 with the ambition of being a leader in the use of advanced technologies. We know that future is about green solutions. A strong partner on our path to digital and green transformation is our new shareholder, the German concern E.ON.

Bratislava, 26 February 2021

### Managing Directors

Miroslav Kulla  
Juraj Schmiedl  
Marián Suchý  
Radoslava Šotterová  
Lukáš Štefaník

## 2. THE SUPERVISORY BOARD'S REPORT

In 2020, the Supervisory Board supervised the performance of activities of the Board of Directors of innogy Slovensko s.r.o., business activities and management of the company as well as the observance of the Articles of Association, all in compliance with the Slovak legislation and the Articles of Association.

Several personnel changes in the composition of the Supervisory Board were made in 2020. From 23 September 2020, a new member and Vice Chairwoman of the Supervisory Board is Ing. Alena Rozsypalová, as the representative of strategic partner. From 27 October 2020, new members of the Supervisory Board are Ing., Bc. Juraj Lenhardt, MBA, M.A., who is also the Chairman of the Supervisory Board and JUDr. Marek Šedovič, member of the Supervisory Board, both being representatives of the state and nominees of the Slovak Republic.

In 2020, two regular meetings and three per rollam votings of the Supervisory Board took place.

The regular agenda of ordinary meetings of the Supervisory Board included fundamental information regarding sales activities of the company, information regarding resolutions adopted by the Board of Directors in the previous periods and an overview of related party agreements. At the meeting of 8 December 2020, the Supervisory Board members discussed and took due note of the Individual Annual Business Plan of the company for 2021.

Among other things, the Supervisory Board:

- approved the draft amendment to the Articles of Association of the company, supplemented with new activities,
- appointed an auditor for the financial year of 2021

The Managing Directors informed the Supervisory Board, both orally and in writing, on the situation related to:

- financial results,
- investments and operating costs.

Based on the results of its continuous inspection activities, the Supervisory Board concludes that the Board of Directors carried out all the necessary activities to develop business and to maintain good reputation of the company.

The report of an auditor, as well as the financial statements consisting of a statement of financial position, income and loss statement, statement of changes in equity, cash flow statement, and notes to the financial statements will be discussed by the Supervisory Board members at their meeting on 25 March 2021.

The Supervisory Board will examine the financial statements as of 31 December 2020 and will recommend the General Meeting to adopt a resolution concerning its approval.

The Supervisory Board will approve a proposal made by the Managing Directors regarding the 2020 profit distribution. The Supervisory Board will recommend the General Meeting to approve the distribution of the 2020 profit in accordance with the proposal of the managing directors.

In Košice, 26 February 2021

**Ing. Juraj Lenhardt, MBA, M.A.**  
**Chairman of the Supervisory Board**

### 3. BASIC COMPANY DATA

#### FORMATION AND ESTABLISHMENT OF THE COMPANY

Company innogy Slovensko s.r.o. (hereinafter referred to as “innogy Slovensko” or “Company”, until 30 September 2016 named RWE Gas Slovensko, s.r.o.) was established as a 100% subsidiary of RWE Transgas, a.s. in June 2008. The company was registered in the Business Register of District Court Košice I on 18 July 2008, Section: Sro, Insert No.: 22182/V, as follows:

**Company name:**

RWE Gas Slovensko, s.r.o.

**Registered office:**

Mlynská 31, 042 91 Košice

**Company No.**

44 291 809

In 2013, the company changed its registered office and it was registered in the Business Register of District Court Bratislava I on 11 September 2013, Section: Sro, Insert No.: 92491/B, as follows:

**Company name:**

RWE Gas Slovensko, s.r.o.

**Registered office:**

Hviezdoslavovo námestie 13  
811 02 Bratislava

**Company No.**

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Another change was registered on 9 March 2013. RWE Česká republika a.s. with its registered office at Limuzská 12/3135, 100 98 Prague 10 - Strašnice, Czech Republic, became the sole member of RWE Gas Slovensko.

A significant change occurred in 2016. By a decision of the sole member dated 15 August 2016, RWE Gas Slovensko, s.r.o. changed its business name to **innogy Slovensko s.r.o.** with effect as of 1 October and as a result of reorganization and changes in the RWE Group that had led to creating the new “innogy” brand.

#### CURRENT DATA:

Since 4 September 2015, Východoslovenská energetika Holding a.s. with its registered office at Mlynská 31, 042 91 Košice, Slovak Republic, became the sole partner of the company.

#### At present, the company has five Managing Directors:

**Mgr. Miroslav Kulla** – from 1 Sep. 2015

**Ing. Marián Suchý** – from 1 Sep. 2015

**JUDr. Radoslava Šotterová** – from 21 Oct. 2020

**Ing. Lukáš Štefaník, FCCA** – from 27 Oct. 2020

**Ing. Juraj Schmiedl, PhD.** – from 1 Nov. 2020

#### The company has a Supervisory Board, having the following members:

**Ing. Juraj Lenhardt, MBA, M.A.** (Chairman) – from 27 Oct. 2020

**Ing. Alena Rozsypalová** (Vice Chairwoman) – from 23 Sept. 2020

**JUDr. Marek Šedovič** (Member) – from 27 Oct. 2020

#### LINE OF BUSINESS

innogy Slovensko acts in the market as a modern company with a solid background. It is part of the VSE Holding Group. innogy Slovakia supplies natural gas and other products and services to all customer segments throughout Slovakia.

**The core business** of innogy Slovensko is the supply of natural gas to corporate customers and households in the Slovak Republic.

In addition, **the activities of the company include:**

- purchase of goods for its resale to end consumers (retail);
- purchase of goods for its resale to other business operators (wholesale);
- lease of movable property;
- activity of business, organization and economic advisors;
- accounting;
- administrative services;

- intermediary service in the area of sales;
- intermediary service in the area of services;
- natural gas supply;
- preparatory works for constructions;
- execution of constructions and their changes;
- finishing construction works when executing exteriors and interiors;
- activities of a subordinate financial agent for the insurance and reinsurance sector;
- operation of chargers for electric vehicles;
- provision of a support energy service;
- engineering activities, construction pricing, designing and constructing electrical equipment;
- - Freight transport by road using vehicles with the total weight up to 3,5t, including trailer;
- business in the area of handling other than hazardous waste;
- intermediary service in the area of production;
- repairs of classified technical gas equipment
- plumbing and heating;
- assembly, renewal and maintenance of classified technical electrical equipment;
- assembly, renewal and maintenance of classified technical gas equipment;

## COMPANY MANAGEMENT

### Managing Directors

**Mgr. Miroslav Kulla, MBA:** graduated as Master of Business Administration (MBA) at Paris Business School in France. Prior to these studies, he graduated at the Faculty of Management of the Comenius University in Bratislava. In innogy Slovensko, he acts as the Managing Director responsible for natural gas sales in the SR. He is currently active as the Director of the Sales Division in Východoslovenská energetika a.s. (VSE a.s.) and is responsible for electricity purchase and sale.

**Ing. Marián Suchý:** graduated at the Faculty of Business Economy in Košice, the University of Economics in Bratislava. At the same time, he works as the Head of the Finance and Controlling Section in Východoslovenská energetika Holding

a.s.; he is a member of the Board of Directors and the Finance Division Director in VSE; he is a Managing Director of VSE Ekonergia, authorized representative of Bioplyn Rozhanovce, s.r.o. and a member of the Supervisory Board of Energotel, a.s.

**JUDr. Radoslava Šotterová:** graduated at the Faculty of Law of Pavol Jozef Šafárik University. Later, at the Faculty of Law of PJŠU, she completed her postgraduate studies and obtained the academic degree of Doctor of Laws. At the same time, she holds the position of the Head of the Legal and Compliance Management Section at Východoslovenská energetika Holding a.s.; she is a member of the Board of Directors of VSE a.s.

**Ing. Lukáš Štefaník FCCA:** graduated from the Faculty of Business at the University of Economics in Bratislava; he holds a Fellowship Diploma, Association of Chartered Certified Accountants. He is also a Vice Chairman of the Board of Directors of VSE a.s..

**Ing. Juraj Schmiedl, PhD.:** graduated from the Technical University of Košice, Faculty of Metallurgy, Department of Thermal Power Engineering, Department of Gas Engineering. His professional career is devoted to Slovenský plynárenský priemysel a.s. He is also a member of the Board of Directors of VSE a.s.

### Supervisory Board

**Ing. Juraj Lenhardt, MBA, M.A.:** graduated from the Technical University of Košice, Faculty of Electrical Engineering and Mechanical Engineering, Economics and Management of Mechanical Engineering. He also studied at the Technical University of Delft, the Netherlands, where he completed the study program Management and Marketing, later completed his education at SMA academy, Vienna, where he obtained an MBA, and at the Banking Institute of Banská Bystrica University, where he studied legal administration in business, and also at the Hochschule Fresenius Banská Bystrica, where he studied Management, Media and Business. At the University of Security Management, he improved in the field of Security Systems Management. He currently works as the Head of the Audit and Controlling Department in the City of Košice, where he oversees audit,

controlling, economics and management. He is also Chairman of the Supervisory Board of VSE a.s.

**Ing. Alena Rozsypalová:** graduated from Mendel University of Agriculture and Forestry in Brno, Faculty of Economics, study program: manager – economist, qualification: engineer in the field of economics. At the same time, she is the Financial Director of Východoslovenská energetika Holding a.s. and a member of the Board of Directors; in addition, she is also member of the management of innogy South East Europe; and Vice Chairwoman of the Supervisory Board of VSE a.s.

**JUDr. Marek Šedovič**

He graduated from the Faculty of Law of Pavol Jozef Šafárik University in Košice and obtained the degree of JUDr. He has extensive work experience in the field of enforcement law, claims settlement and property and legal settlement of movable and immovable property. He was elected a member of the Supervisory Board by the General Meeting with effect from 27 October 2020.

## 4. RETAIL

### SALES ACTIVITIES

During 2020, we have focused intensively on improving the new service specialized in comprehensive heat care, resp. cold in customers' homes. Thanks to this, we can provide customers with advice on their selection of heating and cooling equipment, its purchase, installation and service. The service is another one in a series of solutions that make household care assistance available. At the end of the year, the company introduced the service to its customers.

In 2020, the company worked closely with its sister company Východoslovenská energetika a.s. as well as with innogy Solutions s.r.o.

### SOLUTIONS FOR HOUSEHOLD CUSTOMERS

The range of solutions has also been extended with air purifiers and new insurance policy to increase the protection of households against unexpected events.

In the area of improvement and service, the company focused on extending online customer services and their promotion. As a result, more customers using electronic invoicing, an online service center, chat services, as well as traditional e-mail were added during the year.

### SERVICES FOR CORPORATE CUSTOMERS

For corporate customers, we have prepared a solution providing UV-C sterilization of air and premises, in order to support increasing the quality and safety of their operations.

The most valuable addition to the offer of online services for corporate customers in 2020 was the introduction of electronic signing of contracts and documents.

### WE LISTEN TO OUR CUSTOMER

The basic value of our company is customer satisfaction and loyalty. The company fulfills it via solutions that make it easier for customers to take care of the home, as well as via quality care and service associated with the use of products and services.

Tools are established in the company's processes, thanks to which the customer is involved in creating and testing of new solutions and services. A specialized team of employees continuously monitors the opinions of customers, coordinates solution of selected problematic issues and the implementation of improvement measures.

Customer statements show that a major impact on their satisfaction or dissatisfaction with the service has the behavior and reactions of employees. Therefore, in 2020, the company focused on tuning the approach of employees in contact with customers. Continuous measurement of satisfaction after each contact with our company was introduced in 2020 for the segment of corporate customers and the company enjoys a high level of customer involvement in expressing feedback

### CUSTOMER ASSESSMENT IN 2020

Systematic monitoring and management of customer satisfaction was also reflected in the results of measuring overall satisfaction, where 80% of customers rate the approach of employees with the highest mark.

In the long run, there is a gradual decline in the share of dissatisfied customers and, conversely, an increasing number of extremely satisfied customers who are willing to recommend our company based on their own positive experience.



## COMMUNICATION WITH CUSTOMERS

The extraordinary society-wide situation changed the forms of communication with customers.

In 2020, for security reasons, traditional events for corporate customers were canceled: the popular professional Energy Seminars, as well as the autumn Business Club event, which is primarily a source of social experiences.

Therefore, we have intensified communication in the online environment, for example in the form of regular electronic newsletters or contributions to the professional social network LinkedIn.

We have also prepared several electronic newsletters for households about news in society and events in the energy market that affect energy prices.

We actively informed our customers about temporary changes in the operation that resulted from security measures to prevent the spread of a pandemic. The aim was to reassure customers and, through the supply of practical information, alleviate their potential uncertainty associated with the provision of services.

At the same time, we continued to actively cooperate with the media, helping customers to obtain useful information in this way as well.

As part of communication, we also placed emphasis on customer education.

One level was the prevention of unfair practices. The second is the sharing of knowledge related to home care, namely tips for reducing household expenses, improving its safety and comfort.

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## 5. NATURAL GAS PURCHASE AND SALES

At the beginning of the year, growing supply pushed down gas prices in Europe, favoring spot purchases over forwards. The foundations for the longer term were influenced by German energy policy, which assumes a growing share of gas in the country's energy mix (shutdown of coal-fired power plants, etc.).

The Coronavirus epidemic in Europe has shed information on the transit agreement between Russia and Poland, which ended in mid-May. Although Russia did not rule out the use of the Jamal gas pipeline, which transports gas through Belarus and Poland to Germany, even after the termination of the long-term transit agreement on short-term capacity purchases without a proper transit agreement, it will be more expensive and therefore potentially less used. Less use of Polish infrastructure could increase the volume transported through Ukraine, Slovakia and the Czech Republic. In addition, dwindling European storage facilities have raised interest in high-capacity storage facilities on the Ukrainian border, where record-breaking cheap gas should travel in the summer months. In the winter, Ukrainian reservoirs would then be mined and the commodity would travel through the Brotherhood gas pipeline to the west. As a result, an increase in the volume of gas transported to Germany through the territory of the Slovak Republic was expected. Gas prices pushed down its market surplus. In the autumn of 2019, gas storage facilities were pushed to record levels as it was not clear whether Russia would agree with Ukraine to continue after termination of the transit agreement at the end of December. An agreement was finally reached. However, due to the warm winter, these stocks were not even half depleted followed by a decrease in consumption due to Coronavirus.

Among summer topics with the potential to influence developments in European gas markets was (in addition to difficult-to-predict impact of COVID-19 on energy consumption) the production of electricity in French nuclear power plants.

The lack of electricity from nuclear units was replaced mainly by the production of gas and coal-fired power plants, which then defined the demand for both fossil fuels and emission permits.

The supply of gas in Europe was significantly affected by the summer Norwegian shutdowns and by the reverse flows of Russian gas on the Slovak-Ukrainian border. As for flexible US supplies of LNG to Europe, imports were expected to start in mid-autumn. In August, the combination of above-average external temperatures, Norwegian outages and reverse Russian gas flows back east sharply raised price levels in European gas markets. Gas prices followed oil prices and fell with relatively warm weather, low spot prices and also due to the high share of renewable energy sources, especially winds in Germany. Gas storage tanks in Europe began to be drawn from lower filling levels than last year. This year, their fulfillment broke at 95%, while in 2019 it was almost 98% of the fulfillment. Thus, concerns about future demand had a dominant effect on the price at the end of the year; LNG supply in global markets is expected to increase in the first quarter of 2021, with current demand developments in Asia suggesting that markets there will not be able to absorb these increases in full, while part of LNG supply will go to Europe, where it will further increase supply over demand, slightly pushing down commodity prices.

**Tab.: Structure of natural gas sales to end customers per segments**

GWh	2019	2020
<b>Households</b>	2,194	2,322
<b>Corporate customers</b>	6,829	4,142
<b>TOTAL</b>	<b>9,023</b>	<b>6,464</b>

## 6. ECONOMIC SITUATION ANALYSIS

Economic data	UoM	2019	2020
<b>Total revenues</b>	ths. EUR	277,235	210,596
<b>Total costs</b>	ths. EUR	-267,612	-196,962
<b>Profit before tax</b>	ths. EUR	9,623	13,634
<b>Profit after tax</b>	ths. EUR	7,562	10,717
<b>Total assets</b>	ths. EUR	53,589	49,752
<b>Equity</b>	ths. EUR	5,156	11,104
<b>Registered capital</b>	ths. EUR	299	299

**Total revenues** decreased by EUR 66,639 year-on-year (by 24.0%) mainly due to a decrease in supply by 2,687 GWh (by 39.3%) to corporate customers.

**Total costs** decreased by EUR 70,650 year-on-year (by 26.4%) as a result of at least two opposing trends: a decrease in the volume of supply to customers and an increase in the commodity price.

In 2020, innogy Slovensko was employing 2 employees.

**Profit after tax** reflects the trend of the profit before tax, the current and deferred tax (special levy on business is included in the item Total costs); tax burden is about 21.4 %

The 2019 profit was fully paid out to the sole shareholder of the company.

As of the date of preparation of the annual report, the meeting of the Company's Managing Directors did not propose a distribution of **2020 profit**.

Headcount structure	UoM	2020
<b>Status as of 31 Dec</b>	Number	2
<b>Average headcount</b>	Number	2

## 7. ADDITIONAL INFORMATION

Last year, the company did not invest in research and development activities.

The Company did not acquire any of its own shares, interim certificates, shares or interim certificates and shares of the parent entity.

The company management is currently not aware of any risks that would significantly influence the company economic results in the future.

The company has no organization unit established abroad.

The company applies a complex environmental protection system in all its activities.

## 8. ACTUALITIES THAT OCCURRED AFTER THE BALANCE SHEET DAY

There have been no events after 31 December 2020 that would require disclosure or presentation in the financial statements and annual report for 2020.

## 9. BUSINESS OUTLOOK 2021

The beginning of 2021 will also be affected by the deteriorating pandemic situation in the country, so we will focus on protecting the health of our employees and customers.

In 2021, we will continue to fulfill our vision and provide customers with a reliable and secure energy supply; bring products and solutions that help save money and reduce energy consumption; take care of their households and provide companies with comprehensive energy solutions

**The positive news for our customers is the reduction in natural gas prices for 2021.**

In 2021, we will observe all legal regulations and quality standards on the supply of electricity and natural gas to the end customers, to rank again among the group of companies that run their business transparently and responsibly.

### MARKET ENVIRONMENT

In 2021, we expect several legislative changes aimed at supporting the use of RES, but we assume that natural gas will still have a significant position in the Slovak energy mix.

We will also be influenced by the actions of ÚRSO, we will primarily monitor activities in the matter of easing deregulation in the field of energy supply.

## 10. APPENDIX - CONTACT DETAILS

### **innogy Slovensko s.r.o.**

#### **Correspondence address:**

Mlynská 31, 042 91 Košice

E-mail: [info@innogy.sk](mailto:info@innogy.sk)

[www.innogy.sk](http://www.innogy.sk)

#### **Households**

**innogy Customer Hotline:** No. 0850/123 998

**Emergency Hotline:** 0850 111 727

**Safe Sales Hotline:** 0800 123 532

#### **Corporate customers**

**Business Hotline:** No. 0850/123 999

**Make an appointment in  
one of our offices online  
at [www.innogy.sk](http://www.innogy.sk)**

#### **Customer Service Centres**

##### **Bardejov**

Radničné námestie 9

##### **Humenné**

Námestie slobody 61

##### **Košice**

Hollého 3

##### **Michalovce**

Štefánikova 2

##### **Poprad**

Nám. sv. Egídia 97/42

##### **Prešov**

Levočská 3

##### **Rožňava**

Šafárikova 2

##### **Spišská Nová Ves**

Zimná 34

##### **Trebišov**

M. R. Štefánika 1515

Current business representation of innogy in Central and Western Slovakia can be found at [www.innogy.sk](http://www.innogy.sk)

## 5. NATURAL GAS PURCHASE AND SALES

At the beginning of the year, growing supply pushed down gas prices in Europe, favoring spot purchases over forwards. The foundations for the longer term were influenced by German energy policy, which assumes a growing share of gas in the country's energy mix (shutdown of coal-fired power plants, etc.).

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### MARKET ENVIRONMENT

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We will also be influenced by the actions of ÚRSO, we will primarily monitor activities in the matter of easing deregulation in the field of energy supply.

## 10. APPENDIX - CONTACT DETAILS

### **innogy Slovensko s.r.o.**

#### **Correspondence address:**

Mlynská 31, 042 91 Košice

E-mail: [info@innogy.sk](mailto:info@innogy.sk)

[www.innogy.sk](http://www.innogy.sk)

#### **Households**

**innogy Customer Hotline:** No. 0850/123 998

**Emergency Hotline:** 0850 111 727

**Safe Sales Hotline:** 0800 123 532

#### **Corporate customers**

**Business Hotline:** No. 0850/123 999

**Make an appointment in  
one of our offices online  
at [www.innogy.sk](http://www.innogy.sk)**

#### **Customer Service Centres**

##### **Bardejov**

Radničné námestie 9

##### **Humenné**

Námestie slobody 61

##### **Košice**

Hollého 3

##### **Michalovce**

Štefánikova 2

##### **Poprad**

Nám. sv. Egídia 97/42

##### **Prešov**

Levočská 3

##### **Rožňava**

Šafárikova 2

##### **Spišská Nová Ves**

Zimná 34

##### **Trebišov**

M. R. Štefánika 1515

Current business representation of innogy in Central and Western Slovakia can be found at [www.innogy.sk](http://www.innogy.sk)

**innogy Slovensko s. r. o.**

**Financial Statements and Annual Report  
for the year ended 31 December 2020  
and Independent Auditor' s Report**

**February 2021**



## Independent Auditor's Report

To the Shareholder and Executives of innogy Slovensko s. r. o.:

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### Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of innogy Slovensko s. r. o. (the "Company") as at 31 December 2020, and the Company's financial performance for the year then ended in accordance with the Slovak Act on Accounting No. 431/2002, as amended (the "Accounting Act").

### What we have audited

The Company's financial statements comprise:

- the balance sheet as at 31 December 2020;
- the income statement for the year then ended;
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

### Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (Code of Ethics) and the ethical requirements of the Slovak Act on Statutory Audit No. 423/2015 and on amendments and supplements to Slovak Act on Accounting No. 431/2002, as amended (hereafter the "Act on Statutory audit") that are relevant to our audit of the financial statements in the Slovak Republic. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the ethical requirements of Act on Statutory audit.

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### Reporting on other information including the Annual Report

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



With respect to the Annual Report, we considered whether it includes the disclosures required by the Accounting Act.

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Annual Report has been prepared in accordance with the Accounting Act.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Annual Report. We have nothing to report in this regard.

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### Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Act, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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### Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

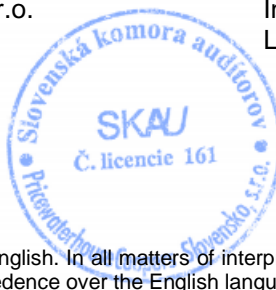
*PricewaterhouseCoopers Slovensko, s.r.o.*

PricewaterhouseCoopers Slovensko, s.r.o.  
Licence SKAU No. 161

*Havald*

Ing. Peter Havald, FCCA  
Licence UDVA No. 1071

26 February 2021  
Bratislava, Slovak Republic



Note

Our report has been prepared in Slovak and in English. In all matters of interpretation of information, views or opinions, the Slovak language version of our report takes precedence over the English language version.





## FINANCIAL STATEMENTS

of entrepreneurs maintaining accounts under the system of double entry bookkeeping

at 3 1 . 1 2 . 2 0 2 0 (in whole euros)

Tax identification number (DIČ) <b>2 0 2 2 6 4 6 5 4 9</b> Identification number (IČO) <b>4 4 2 9 1 8 0 9</b> SK NACE <b>3 5 . 2 3 . 0</b>	Financial statements	Accounting entity	Month	Year
	<input checked="" type="checkbox"/> ordinary	small	For the period from	<b>1 2 0 2 0</b>
	<input type="checkbox"/> extraordinary	<input checked="" type="checkbox"/> large	to	<b>1 2 2 0 2 0</b>
	<input type="checkbox"/> interim	(vyznačí sa x)	Preceding period from	<b>1 2 0 1 9</b>
			to	<b>1 2 2 0 1 9</b>

## Attached parts of the financial statements

☒ Balance Sheet (Úč POD 1-01) ☒ Income Statement (Úč POD 2-01) ☒ Notes to the Financial Statements (Úč POD 3-01)  
(in whole euros) (in whole euros) (in whole euros or eurocents)

## Legal name (designation) of the accounting entity

innogy Slovensko s . r . o .

## Registered office of the accounting entity

Street **Hviezdoslavovo námestie** Number **13**  
Zip code **81102** Municipality **Bratislava**  
Designation of the Commercial Register and company registration number  
**Okresný súd Bratislava I**  
**Oddiel: Sro, Vložka číslo: 92491/B**  
Telephone Fax  
Email

## Prepared on:

**26.02.2021**

## Approved on:

**. . 2021**

Signature of the accounting entity's statutory body or  
a member of the accounting entity's statutory body or  
the signature of a sole trader who is the accounting entity:

Tu zadajte text

This form in any foreign language cannot be submitted to the Tax office and it is only for the purpose of helping.

Designation a	ASSETS b	Line No. c	Current accounting period		Preceding accounting period
			1	Gross - part 1	
				Correction - part 2	Net 2
					Net 3
	<b>TOTAL ASSETS line 02 + line 33 + line 74</b>	<b>01</b>			
<b>A.</b>	<b>Non-current assets line 03 + line 11 + line 21</b>	<b>02</b>			
<b>A.I.</b>	<b>Non-current intangible assets total (lines 04 to 10)</b>	<b>03</b>			
A.I.1.	Capitalized development costs (012) - /072, 091A/	04			
2.	Software (013) - /073, 091A/	05			
3.	Valuable rights (014) - /074, 091A/	06			
4.	Goodwill (015) - /075, 091A/	07			
5.	Other non-current intangible assets (019, 01X) - /079, 07X, 091A/	08			
6.	Acquisition of non- current intangible assets (041) - /093/	09			
7.	Advance payments made for non- current intangible assets (051) - /095A/	10			
<b>A.II.</b>	<b>Property, plant and equipment total (lines 12 to 20)</b>	<b>11</b>			
A.II.1.	Land (031) - /092A/	12			
2.	Structures (021) - /081, 092A/	13			
3.	Individual movable assets and sets of movable assets (022) - /082, 092A/	14			

Designation a	ASSETS b	Line No. c	Current accounting period		Preceding accounting period
			1	Gross - part 1	
				Correction - part 2	Net 2
					Net 3
4.	Perennial crops (025) - /085, 092A/	15			
5.	Livestock (026) - /086, 092A/	16			
6.	Other property, plant and equipment (029, 02X, 032) - /089, 08X, 092A/	17			
7.	Acquisition of property, plant and equipment (042) - /094/	18			
8.	Advance payments made for property, plant and equipment (052) - /095A/	19			
9.	Value adjustment to acquired assets (+/- 097) +/- 098	20			
<b>A.III.</b>	<b>Non-current financial assets total (lines 22 to 32)</b>	<b>21</b>			
A.III.1.	Shares and ownership interests in affiliated accounting entities (061A, 062A, 063A) - /096A/	22			
2.	Shares and ownership interests with participating interest, except for affiliated accounting entities (062A) - /096A/	23			
3.	Other available-for-sale securities and ownership interests (063A) - /096A/	24			
4.	Loans to affiliated accounting entities (066A) - /096A/	25			
5.	Loans within participating interest, except for affiliated accounting entities (066A) - /096A/	26			
6.	Other loans (067A) - /096A/	27			
7.	Debt securities and other non-current financial assets (065A, 069A, 06XA) - /096A/	28			

Designation a	ASSETS b	Line No. c	Current accounting period		Preceding accounting period
			1	Gross - part 1	
				Net 2	
				Correction - part 2	Net 3
8.	Loans and other non-current financial assets with remaining maturity of up to one year (066A, 067A, 069A, 06XA) - /096A/	29			
9.	Bank accounts with notice period exceeding one year (22XA)	30			
10.	Acquisition of non-current financial assets (043) - /096A/	31			
11.	Advance payments made for non-current financial assets (053) - /095A/	32			
<b>B.</b>	<b>Current assets line 34 + line 41 + line 53 + line 66 + line 71</b>	<b>33</b>			
<b>B.I.</b>	<b>Inventory total (lines 35 to 40)</b>	<b>34</b>			
B.I.1.	Raw material (112, 119, 11X) - /191, 19X/	35			
2.	Work in progress and semi-finished products (121, 122, 12X) - /192, 193, 19X/	36			
3.	Finished goods (123) - /194/	37			
4.	Animals (124) - /195/	38			
5.	Merchandise (132, 133, 13X, 139) - /196, 19X/	39			
6.	Advance payments made for inventory (314A) - /391A/	40			
<b>B.II.</b>	<b>Non-current receivables total (line 42 + lines 46 to 52)</b>	<b>41</b>			
<b>B.II.1.</b>	<b>Trade receivables total (lines 43 to 45)</b>	<b>42</b>			

Designation a	ASSETS b	Line No. c	Current accounting period		Preceding accounting period
			1	Gross - part 1	
				Correction - part 2	Net 2
					Net 3
1.a.	Trade receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	43			
1.b.	Trade receivables within participating interest, except for receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	44			
1.c.	Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	45			
2.	Net value of contract (316A)	46			
3.	Other receivables from affiliated accounting entities (351A) - /391A/	47			
4.	Other receivables within participating interest, except for receivables from affiliated accounting entities (351A) - /391A/	48			
5.	Receivables from participants, members and association (354A, 355A, 358A, 35XA) - /391A/	49			
6.	Receivables related to derivative transactions (373A, 376A)	50			
7.	Other receivables (335A, 336A, 33XA, 371A, 374A, 375A, 378A) - /391A/	51			
8.	Deferred tax asset (481A)	52			
<b>B.III.</b>	<b>Current receivables total (line 54 + lines 58 to 65)</b>	<b>53</b>			
<b>B.III.1.</b>	<b>Trade receivables total (lines 55 to 57)</b>	<b>54</b>			
1.a.	Trade receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	55			
1.b.	Trade receivables within participating interest, except for receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	56			

Designation a	ASSETS b	Line No. c	Current accounting period		Preceding accounting period
			1	Gross - part 1	
				Net 2	
				Correction - part 2	Net 3
1.c.	Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	57			
2.	Net value of contract (316A)	58			
3.	Other receivables from affiliated accounting entities (351A) - /391A/	59			
4.	Other receivables within participating interest, except for receivables from affiliated accounting entities (351A) - /391A/	60			
5.	Receivables from participants, members and association (354A, 355A, 358A, 35XA, 398A) - /391A/	61			
6.	Social security (336A) - /391A/	62			
7.	Tax assets and subsidies (341, 342, 343, 345, 346, 347) - /391A/	63			
8.	Receivables related to derivative transactions (373A, 376A)	64			
9.	Other receivables (335A, 33XA, 371A, 374A, 375A, 378A) - /391A/	65			
<b>B.IV.</b>	<b>Current financial assets total (lines 67 to 70)</b>	<b>66</b>			
B.IV.1.	Current financial assets in affiliated accounting entities (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	67			
2.	Current financial assets, not including current financial assets in affiliated accounting entities (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	68			
3.	Own shares and own ownership interests (252)	69			
4.	Acquisition of current financial assets (259, 314A) - /291A/	70			

Designation a	ASSETS b	Line No. c	Current accounting period		Preceding accounting period
			1	Gross - part 1	
				Net 2	
				Correction - part 2	Net 3
<b>B.V.</b>	<b>Financial accounts line 72 + line 73</b>	<b>71</b>			
B.V.1.	Cash (211, 213, 21X)	72			
2.	Bank accounts (221A, 22X, +/- 261)	73			
<b>C.</b>	<b>Accruals/deferrals total (lines 75 to 78)</b>	<b>74</b>			
C.1.	Prepaid expenses - long-term (381A, 382A)	75			
2.	Prepaid expenses - short-term (381A, 382A)	76			
3.	Accrued income - long-term (385A)	77			
4.	Accrued income - short-term (385A)	78			

Designation a	EQUITY AND LIABILITIES b	Line No. c	Current accounting period 4	Preceding accounting period 5
	<b>TOTAL EQUITY AND LIABILITIES line 80 + line 101 + line 141</b>	<b>79</b>		
<b>A.</b>	<b>Equity line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 100</b>	<b>80</b>		
<b>A.I.</b>	<b>Share capital total (lines 82 to 84)</b>	<b>81</b>		
A.I.1.	Share capital (411 alebo +/- 491)	82		
2.	Change in share capital +/- 419	83		
3.	Unpaid share capital (/-/353)	84		
<b>A.II.</b>	<b>Share premium (412)</b>	<b>85</b>		
<b>A.III.</b>	<b>Other capital funds (413)</b>	<b>86</b>		
<b>A.IV.</b>	<b>Legal reserve funds line 88 + line 89</b>	<b>87</b>		
A.IV.1.	Legal reserve fund and non-distributable fund (417A, 418, 421A, 422)	88		
2.	Reserve fund for own shares and own ownership interests (417A, 421A)	89		



Designation a	EQUITY AND LIABILITIES b	Line No. c	Current accounting period 4	Preceding accounting period 5
<b>A.V.</b>	<b>Other funds created from profit line 91 + line 92</b>	<b>90</b>		
A.V.1.	Statutory funds (423, 42X)	91		
2.	Other funds (427, 42X)	92		
<b>A.VI.</b>	<b>Differences from revaluation total (lines 94 to 96)</b>	<b>93</b>		
A.VI.1.	Differences from revaluation of assets and liabilities (+/- 414)	94		
2.	Investment revaluation reserves (+/- 415)	95		
3.	Differences from revaluation in the event of a merger, amalgamation into a separate accounting entity or demerger (+/- 416)	96		
<b>A.VII.</b>	<b>Net profit/loss of previous years line 98 + line 99</b>	<b>97</b>		
A.VII.1.	Retained earnings from previous years (428)	98		
2.	Accumulated losses from previous years (-/429)	99		
<b>A.VIII.</b>	<b>Net profit/loss for the accounting period after tax +/- line 01 - (I. 81 + I. 85 + I. 86 + I. 87 + I. 90 + I. 93 + I. 97 + I. 101 + I. 141)</b>	<b>100</b>		
<b>B.</b>	<b>Liabilities line 102 + line 118 + line 121 + line 122 + line 136 + line 139 + line 140</b>	<b>101</b>		
<b>B.I.</b>	<b>Non-current liabilities total (line 103 + lines 107 to 117)</b>	<b>102</b>		
<b>B.I.1.</b>	<b>Non-current trade liabilities total (lines 104 to 106)</b>	<b>103</b>		
1.a.	Trade liabilities to affiliated accounting entities (321A, 475A, 476A)	104		
1.b.	Trade liabilities within participating interest, except for liabilities to affiliated accounting entities (321A, 475A, 476A)	105		
1.c.	Other trade liabilities (321A, 475A, 476A)	106		
2.	Net value of contract (316A)	107		
3.	Other liabilities to affiliated accounting entities (471A, 47XA)	108		
4.	Other liabilities within participating interest, except for liabilities to affiliated accounting entities (471A, 47XA)	109		
5.	Other non-current liabilities (479A, 47XA)	110		
6.	Long-term advance payments received (475A)	111		
7.	Long-term bills of exchange to be paid (478A)	112		
8.	Bonds issued (473A/-/255A)	113		
9.	Liabilities related to social fund (472)	114		
10.	Other non-current liabilities (336A, 372A, 474A, 47XA)	115		
11.	Non-current liabilities related to derivative transactions (373A, 377A)	116		
12.	Deferred tax liability (481A)	117		

Designation a	EQUITY AND LIABILITIES b	Line No. c	Current accounting period 4	Preceding accounting period 5
<b>B.II.</b>	<b>Long-term provisions line 119 + line 120</b>	<b>118</b>		
B.II.1.	Legal provisions (451A)	119		
2.	Other provisions (459A, 45XA)	120		
<b>B.III.</b>	<b>Long-term bank loans (461A, 46XA)</b>	<b>121</b>		
<b>B.IV.</b>	<b>Current liabilities total (line 123 + lines 127 to 135)</b>	<b>122</b>		
<b>B.IV.1.</b>	<b>Trade liabilities total (lines 124 to 126)</b>	<b>123</b>		
1.a.	Trade liabilities to affiliated accounting entities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	124		
1.b.	Trade liabilities within participating interest, except for liabilities to affiliated accounting entities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	125		
1.c.	Other trade liabilities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	126		
2.	Net value of contract (316A)	127		
3.	Other liabilities to affiliated accounting entities (361A, 36XA, 471A, 47XA)	128		
4.	Other liabilities within participating interest, except for liabilities to affiliated accounting entities (361A, 36XA, 471A, 47XA)	129		
5.	Liabilities to partners and association (364, 365, 366, 367, 368, 398A, 478A, 479A)	130		
6.	Liabilities to employees (331, 333, 33X, 479A)	131		
7.	Liabilities related to social security (336A)	132		
8.	Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X)	133		
9.	Liabilities related to derivative transactions (373A, 377A)	134		
10.	Other liabilities (372A, 379A, 474A, 475A, 479A, 47XA)	135		
<b>B.V.</b>	<b>Short-term provisions line 137 + line 138</b>	<b>136</b>		
B.V.1.	Legal provisions (323A, 451A)	137		
2.	Other provisions (323A, 32X, 459A, 45XA)	138		
<b>B.VI.</b>	<b>Current bank loans (221A, 231, 232, 23X, 461A, 46XA)</b>	<b>139</b>		
<b>B.VII.</b>	<b>Short-term financial assistance (241, 249, 24X, 473A, /-255A)</b>	<b>140</b>		
<b>C.</b>	<b>Accruals/deferrals total (lines 142 to 145)</b>	<b>141</b>		
C.1.	Accrued expenses - long-term (383A)	142		
2.	Accrued expenses - short-term (383A)	143		
3.	Deferred income - long-term (384A)	144		
4.	Deferred income - short-term (384A)	145		

Výkaz ziskov a strát  
Úč POD 2 - 01

DIČ

IČO

Designation a	Text b	Line No. c	Actual data	
			Current accounting period 1	Preceding accounting period 2
*	<b>Net turnover (part of account class 6 according to the Act)</b>	<b>01</b>		
**	<b>Operating income total (lines 03 to 09)</b>	<b>02</b>		
I.	Revenue from the sale of merchandise (604, 607)	03		
II.	Revenue from the sale of own products (601)	04		
III.	Revenue from the sale of services (602, 606)	05		
IV.	Changes in internal inventory (+/-) (account group 61)	06		
V.	Own work capitalized (account group 62)	07		
VI.	Revenue from the sale of non-current intangible assets, property, plant and equipment, and raw materials (641, 642)	08		
VII.	Other operating income (644, 645, 646, 648, 655, 657)	09		
**	<b>Operating expenses total line 11 + line 12 + line 13 + line 14 + line 15 + line 20 + line 21 + line 24 + line 25 + line 26</b>	<b>10</b>		
A.	Cost of merchandise sold (504, 507)	11		
B.	Consumed raw materials, energy consumption, and consumption of other non-inventory supplies (501, 502, 503)	12		
C.	Value adjustments to inventory (+/-) (505)	13		
D.	Services (account group 51)	14		
E.	Personnel expenses total (lines 16 to 19)	15		
E.1.	Wages and salaries (521, 522)	16		
2.	Remuneration of board members of company or cooperative (523)	17		
3.	Social security expenses (524, 525, 526)	18		
4.	Social expenses (527, 528)	19		
F.	Taxes and fees (account group 53)	20		
G.	Amortization and value adjustments to non-current intangible assets and depreciation and value adjustments to property, plant and equipment (line 22 + line 23)	21		
G.1.	Amortization of non-current intangible assets and depreciation of property, plant and equipment (551)	22		
2.	Value adjustments to non-current intangible assets and property, plant and equipment (+/-) (553)	23		
H.	Carrying value of non-current assets sold and raw materials sold (541, 542)	24		
I.	Value adjustments to receivables (+/-) (547)	25		
J.	Other operating expenses (543, 544, 545, 546, 548, 549, 555, 557)	26		
***	<b>Profit/loss from operations (+/-) (line 02 - line 10)</b>	<b>27</b>		

Designation a	Text b	Line No. c	Actual data	
			Current accounting period 1	Preceding accounting period 2
*	<b>Added value (line 03 + line 04 + line 05 + line 06 + line 07) - (line 11 + line 12 + line 13 + line 14)</b>	<b>28</b>		
**	<b>Income from financial activities - total line 30 + line 31 + line 35 + line 39 + line 42 + line 43 + line 44</b>	<b>29</b>		
VIII.	Revenue from the sale of securities and shares (661)	30		
IX.	Income from non-current financial assets total (lines 32 to 34)	31		
IX.1.	Income from securities and ownership interests in affiliated accounting entities (665A)	32		
2.	Income from securities and ownership interests within participating interest, except for income of affiliated accounting entities (665A)	33		
3.	Other income from securities and ownership interests (665A)	34		
X.	Income from current financial assets total (lines 36 to 38)	35		
X.1.	Income from current financial assets in affiliated accounting entities (666A)	36		
2.	Income from current financial assets within participating interest, except for income of affiliated accounting entities (666A)	37		
3.	Other income from current financial assets (666A)	38		
XI.	Interest income (line 40 + line 41)	39		
XI.1.	Interest income from affiliated accounting entities (662A)	40		
2.	Other interest income (662A)	41		
XII.	Exchange rate gains (663)	42		
XIII.	Gains on revaluation of securities and income from derivative transactions (664, 667)	43		
XIV.	Other income from financial activities (668)	44		
**	<b>Expenses related to financial activities - total line 46 + line 47 + line 48 + line 49 + line 52 + line 53 + line 54</b>	<b>45</b>		
K.	Securities and shares sold (561)	46		
L.	Expenses related to current financial assets (566)	47		
M.	Value adjustments to financial assets (+/-) (565)	48		
N.	Interest expense (line 50 + line 51)	49		
N.1.	Interest expenses related to affiliated accounting entities (562A)	50		
2.	Other interest expenses (562A)	51		
O.	Exchange rate losses (563)	52		
P.	Loss on revaluation of securities and expenses related to derivative transactions (564, 567)	53		
Q.	Other expenses related to financial activities (568, 569)	54		

Designation a	Text b	Line No. c	Actual data	
			Current accounting period 1	Preceding accounting period 2
***	Profit/loss from financial activities (+/-) (line 29 - line 45)	55		
****	Profit/loss for the accounting period before tax (+/-) (line 27 + line 55)	56		
R.	Income tax (line 58 + line 59)	57		
R.1.	Income tax - current (591, 595)	58		
2.	Income tax - deferred (+/-) (592)	59		
S.	Transfer of net profit/net loss shares to partners (+/- 596)	60		
****	Profit/loss for the accounting period after tax (+/-) (line 56 - line 57 - line 60)	61		

## **Notes to financial statements**

### **Prepared at 31 December 2020**

#### **I. GENERAL**

##### **1. Name and seat**

innogy Slovensko s. r. o.  
Hviezdoslavovo námestie 13  
811 02 Bratislava

The company innogy Slovensko s. r. o. (the „Company“) was established on 30 June 2008 and incorporated in the Commercial Register on 18 July 2008 (Commercial Register of the District Court Bratislava I, Section Sro, Insert No.: 92491/B).

By the decision of sole shareholder dated 15 August 2016 the business name of the Company has changed from RWE Gas Slovensko, s.r.o. to innogy Slovensko s. r. o. This change was registered in Commercial Register on 1 October 2016.

##### ***Description of the Company's activities***

Core business activity of the Company is the sale and supply of natural gas to companies and households in the Slovak Republic.

Other activities of the Company include:

- purchase of goods for further resale to end customers (retail);
- purchase of goods for further resale other trade operators (wholesale);
- renting of tangible assets,
- advisory and organization services;
- bookkeeping services;
- administration services;
- mediation activities in trade;
- mediation activities in services;
- preparation works to realisation of constructions;
- realisation of constructions and their changes;
- finalisation of construction works within realisation of exteriors and interiors;
- subordinate financial agent in area of insurance;
- operation of charging stations for electric vehicles;
- providing a supportive energy service;
- engineering activities, construction pricing, design and construction of electrical equipment (since 23 September 2020);
- road freight transport performed by vehicles with a total weight up to 3.5 t, including a trailer (since 23 September 2020);
- business in the field of non-hazardous waste management (since 23 September 2020);
- intermediary activity in the field of production (since 23 September 2020);
- repairs of dedicated technical gas equipment (since 23 September 2020);
- plumbing and heating (since 23 September 2020);
- installation, reconstruction and maintenance of dedicated technical electrical equipment (since 23 September 2020);
- installation, reconstruction and maintenance of dedicated technical gas equipment (since 23 September 2020).

## 2. Unlimited liability

The Company is not a shareholder with unlimited liability in other legal entities.

## 3. Date of approval of the financial statements for the previous accounting period

The General Meeting approved the Company's financial statements for the previous accounting period on 24 April 2020.

## 4. Legal reason for preparing the financial statements

The financial statements of the Company at 31 December 2020 have been prepared as ordinary financial statements in accordance with § 17 Sec. 6 of Act No. 431/2002 Coll. on Accounting as amended („Accounting Act“) for the accounting period from 1 January 2020 to 31 December 2020.

## 5. The consolidated group

On 20 August 2019, the General Meeting of Východoslovenská energetika Holding a.s. approved the transfer of 49% of the shares of Východoslovenská energetika Holding a.s. from innogy International Participations NV with its seat in the Netherlands, 5211AK 's-Hertogenbosch, Willemsplein 4 to RWE Slovak Holding BV with its seat in The Netherlands, 4931NC Geertruidenberg, Amerweg 1. The effects of the transfer occurred by entry in the Register of Securities of the Slovak Republic on 22 August 2019.

On 14 August 2020, the General Meeting of Východoslovenská energetika Holding a.s. approved the transfer of 49% of the shares of Východoslovenská energetika Holding a.s. from RWE Slovak Holding BV with its seat in the Netherlands, 4931NC Geertruidenberg, Amerweg 1 to E.ON First Future Energy Holding BV with its seat in the Netherlands, 3068AX Rotterdam, Capelseweg 400. The effects of the transfer occurred by the entry in the Central Depository of Securities of the Slovak Republic on 24 August 2020.

The consolidated financial statements for the smallest group of which the Company is part is prepared by Východoslovenská energetika Holding a.s. with its seat at Mlynská 31, Košice. A copy of the consolidated financial statements will be made available upon request at the seat of the above stated company.

The consolidated financial statements for the largest group of which the Company is a subsidiary, is prepared by E.ON SE with its seat at Brüsseler Platz 1, 45131 Essen, Germany. A copy of the consolidated financial statements will be made available upon request at the seat of the above stated company.

## 6. Number of staff

The Company has 2 employees as of 31 December 2020 (31 December 2019: 0).

Item	31 December 2020	31 December 2019
Average number of staff	2	0
Number of staff at balance sheet date of which:	2	0
<i>Management</i>	0	0

## 7. Date of approval of the Company's auditor

On 25 June 2020, the General Meeting approved PricewaterhouseCoopers Slovensko, s.r.o. as auditor of the Company's financial statements for the year ended 31 December 2020.

## 8. The Company's bodies and shareholders

### *The Company's bodies*

	31 December 2020	31 December 2019
Executives:	<p>Mgr. Miroslav Kulla</p> <p>Ing. Marián Suchý</p> <p>JUDr. Radoslava Šotterová (since 21 October 2020) -</p> <p>Ing. Lukáš Štefaník, FCCA (since 27 October 2020) -</p> <p>Ing. Juraj Schmiedl, PhD. (since 1 November 2020) -</p> <p>Dipl.-Volksw. Thomas Jan Hejzman (until 20 October 2020)</p> <p>JUDr. Martin Petruško (until 26 October 2020)</p> <p>Ing. Štefan Kapusta (until 26 October 2020)</p> <p>-</p>	<p>Mgr. Miroslav Kulla</p> <p>Ing. Marián Suchý</p> <p>-</p> <p>-</p> <p>-</p> <p>Dipl.-Volksw. Thomas Jan Hejzman</p> <p>JUDr. Martin Petruško (since 13 February 2019)</p> <p>Ing. Štefan Kapusta (since 13 February 2019)</p> <p>Ing. Ján Mihálik (since 12 February 2019)</p>

	31 December 2020	31 December 2019
Supervisory Board:		
Chairman	<p>JUDr. Marek Šedovič (until 26 October 2020)</p> <p>Ing., Bc., Juraj Lenhardt, MBA, M.A. (since 27 October 2020)</p>	<p>JUDr. Marek Šedovič</p> <p>-</p>
Vice Chairman	<p>Ing. Alena Rozsypalová (since 23 September 2020) -</p> <p>Andreas Gehrmann (until 22 September 2020)</p> <p>-</p>	<p>-</p> <p>Andreas Gehrmann (since 31 December 2019)</p> <p>JUDr. Jitka Adámková (until 31 August 2019)</p>
Member	<p>JUDr. Marek Šedovič since 27 October 2020)</p> <p>Ing. Róbert Gold, CA (until 26 October 2020)</p>	<p>-</p> <p>Ing. Róbert Gold, CA</p>

### *The Company's associates*

The structure of the Company's associates at 31 December 2020 and at 31 December 2019:

Associate/Shareholder	Share of the registered capital Absolute	in %	Percentage of voting rights	Other share in equity items other than registered capital %	Amount of contribution to Capital reserves funds from \contributions
Východoslovenská energetika Holding a.s.	299,000	100	100	100	0
<b>Total</b>	<b>299,000</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>0</b>

## II. ACCOUNTING METHODS APPLIED

### a) Basis of preparation

The Company's financial statements have been prepared in accordance with the Slovak Accounting Act and related accounting procedures, on a going concern basis.

The Company keeps its books on the accrual basis of accounting which means that all revenues and costs are recognized when generated or incurred (and not when cash is received or paid), and they are recorded in the books and reported in the financial statements of the periods to which they relate.

All monetary amounts in the financial statements are stated in whole euros, unless stated otherwise.

The Company consistently applied the accounting methods and the general accounting principles.



**b) Non-current intangible and tangible assets**

Acquired non-current assets are stated at cost, which includes the acquisition price and the related acquisition costs (such as customs duty, transport, assembly, and insurance).

The depreciation plan for non-current tangible assets has been prepared on the basis of their expected economic useful lives relating to the recovery of future economic benefits from these assets. Depreciation begins as of the first day of the month following the month in which the asset was first put into use. Non-current tangible assets with an acquisition cost (or their own cost) not exceeding EUR 1,700 are recorded on the balance sheet and are expensed immediately when put into use.

The expected economic useful life, the depreciation method and the annual depreciation rate for non-current tangible assets are presented in the following table:

	Expected economic useful life in years	Depreciation method	Annual depreciation rate in %
Separate movable assets			
<i>Equipment</i>	2	Linear	50

If, during a stock-count, temporary decrease in value-in-use of a non-current asset was identified that is significantly lower than its carrying amount (after deducting the accumulated depreciation), a valuation allowance is set up to reflect the asset's lower value-in-use.

**c) Inventories**

Acquired inventories are stated at cost, which includes the acquisition price and the related acquisition costs (such as customs duty, transport, insurance and commission) less discounts. A discount granted to inventories already sold or used is accounted for as the reduction of costs of inventories sold or used. The Company used method A for the accounting treatment of inventories. For stock withdrawal, the weighted arithmetical average from acquisition costs method is used.

If the acquisition or production cost of inventories is higher than their net realizable value at the balance sheet date, a valuation allowance for inventories is set up in the amount of the difference between their book value and their net realizable value. Net realizable value is the estimated sales price of inventories less the estimated costs for their completion and costs related to their sale.

**d) Receivables**

When initially recognized, receivables are stated at their nominal value. A valuation allowance is set up for bad and doubtful debts, for which a default risk exists.

If the remaining period to maturity of a receivable is longer than one year, a valuation allowance representing the difference between its nominal and present value is set up. The present value of a receivable is calculated as the sum of future discounted cash receipts

**e) Financial accounts**

Financial accounts consist of cash and bank account balances, where the risk of changes in the value of these assets is negligibly low.

**f) Prepaid expenses and accrued income**

Prepaid expenses and accrued income are recognized at an amount reflecting the accrual principle (matching income and expense in the same accounting period).

**g) Valuation allowances**

Valuation allowances are recorded based on the accounting principle of prudence if it can be justifiably assumed that the value of an asset has been impaired when compared to its value in the books. A valuation allowance is recognized in the amount of a justified assumption for an impairment of an asset when compared to its value in the books.

#### **h) Provisions**

Provisions are liabilities representing the Company's present obligation resulting from past events, if it is probable that its settlement will reduce the Company's resources in the future. Provisions are liabilities of uncertain timing or amount, and are stated at the expected amount of the existing liability at the balance-sheet date.

The set-up of a provision is posted to the respective expense account or asset account to which the liability relates. The use of a provision is debited to the respective provision account, with a corresponding credit to the respective liability account. The release of an unnecessary provision, or a part thereof, is accounted for using an accounting entry inverse to the recognition of the set-up of the provision.

The Company set up provisions for unbilled supplies, audit, unused vacations and annual bonuses.

#### **i) Liabilities**

When initially recognized, liabilities are stated at their nominal value. If reconciliation procedures reveal that the actual amount of liabilities differs from the amount stated in the books, these liabilities are stated in the books and financial statements at this actual amount.

#### **j) Income tax due**

Corporate income tax is expensed in the period when the tax liability arises. In the accompanying income statement, the tax expense is calculated on the basis of the profit/(loss) before taxes adjusted for tax-deductible and tax non-deductible items due to permanent and temporary adjustments to the tax base and any tax losses carried forward. The tax liability is stated net of corporate income tax advances that the Company paid during the year. If corporate income tax advances paid during the year exceed the tax liability for the period, the Company records an income tax receivable.

#### **k) Deferred income tax**

Deferred income tax arises from:

- a) temporary differences between the carrying amount of assets and liabilities presented in the balance sheet and their tax base;
- b) the possibility to carry forward a tax loss to future periods, i.e. the possibility to deduct the tax loss from the tax base in the future; and
- c) the possibility to transfer unused tax deductions and other tax claims to future periods.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

To determine deferred income tax, tax rates expected to apply at the date on which the deferred tax is settled are used.

#### **l) Deferred revenues and accrued expenses**

Deferred revenues and accrued expenses are stated at their nominal value and are stated at an amount reflecting the accrual principle (matching income and expenses in the same accounting period).

#### **m) Financial derivatives**

Financial derivatives are stated at their acquisition price when acquired and at their fair value at the balance sheet date.

Fair value adjustments to hedging derivatives are recorded directly to equity as *Valuation adjustments from the revaluation of assets and liabilities*. The derecognition of hedging derivatives is accounted for as expenses of derivative transactions or income from derivative transactions.

**n) Foreign currency**

Assets and liabilities in foreign currency (with the exception of prepayments received and granted) are converted to euros using the reference exchange rate set and published by the European Central Bank or the National Bank of Slovakia on the day preceding the day of the accounting event, or on the balance-sheet date. The resulting foreign exchange differences are recorded to the income statement.

**o) Revenue recognition**

Sales revenues are stated net of VAT, discounts and deductions (such as rebates, bonuses and credit notes). Interest income is recognized using the effective interest method.

The Company's revenues primarily include revenues from the sale of gas and sale of the following services:

*Revenues from rent of non-commodity products and services provided to households*

The Company rents out the following goods – LED bulbs, shower heads, energy conserving sockets, alarms and water filters. The Company has a separate pricelist for leasing out these goods. The contracts with customers are rolling month-to-month and there is no minimum contract duration. The stand-alone selling price is equal to the transaction price and there are no bundles except for the offering discussed in the paragraph below.

The Company offers its customers rent of the goods mentioned above also in bundles with discounts for one or more elements included in the bundle. Contract duration is typically 24 months, but the customer can terminate the contract without penalty and there is no enforceable right of the Company beyond one-month period.

The Company also leases out water heaters, washing machines and air purifiers. These customer contracts have a lease term of 36 or 60 months with pre-agreed right of customer to purchase the equipment at the end of the lease term for an agreed price. In case the contract is terminated by a customer, the customer must pay a fine equal to outstanding payments.

The Company also offers its customers the supply and installation of gas boilers, air conditioners and heating in the form of direct sales with a one-time payment after handing over and taking over the work or with a distributed payment for five years. The delivery also includes regular annual service inspections for a period of five years, which the Company accounts for as deferred income and recognizes them in income in the period when the inspection is carried out. The services are provided through the Company's own employees and external partners.

*Revenues from customer loyalty programmes provided to households*

The Loyalty Card is a customer loyalty programme where a customer pays a monthly fee depending on the level of services. In this scheme, customers receive benefits such as year-round discounts in stores. In addition, customers can choose from or combine the following levels of services:

- assistance services
- warranty service for electrical appliances
- guarantee services for gas appliances
- family doctor services.

All of the above services are performed by a third party contracted by the Company. The Company is a subordinate agent for the sister company Východoslovenská energetika a.s. which is a contractual agent of the insurance company in providing insurance included in the loyalty program and reports income from mediation. The revenue is recognized when the delivery is completed and/ or when the service is provided.

Innogy SuperDomov is a customer program that includes products and services that were previously and also currently sold as stand-alone products or as part of a previous Loyalty Card program. These have been grouped and are currently sold in the form of twelve packages. Differences in the content and price of packages reflect the Company's estimate of the behaviour and needs of its customers. Revenue from these programs is recognized during the period of performance.

### III. INFORMATION TO SUPPORT BALANCE SHEET ITEMS

#### ASSETS

#### 1. Non-current tangible assets

An overview of changes in non-current tangible assets for current period is presented in the table below:

Non-current tangible assets	Land	Buildings	Individual movable assets and sets of movable items	Perennial crops	Breeding & draught animals	Other non-current tangible assets	Assets under construction	Advances paid for non-current tangible assets	Total
Acquisition cost									
<b>1 January 2020</b>	-	-	<b>1,244,334</b>	-	-	-	-	-	<b>1,244,334</b>
Additions	-	-	-	-	-	-	123,672	-	123,672
Disposals	-	-	88,815	-	-	-	-	-	88,815
Transfers	-	-	123,672	-	-	-	(123,672)	-	-
<b>31 December 2020</b>	-	-	<b>1,279,191</b>	-	-	-	-	-	<b>1,279,191</b>
Accumulated depreciation									
<b>1 January 2020</b>	-	-	<b>626,069</b>	-	-	-	-	-	<b>626,069</b>
Additions	-	-	256,710	-	-	-	-	-	256,710
Disposals	-	-	83,226	-	-	-	-	-	83,226
Transfers	-	-	-	-	-	-	-	-	-
<b>31 December 2020</b>	-	-	<b>799,553</b>	-	-	-	-	-	<b>799,553</b>
Valuation allowances									
<b>1 January 2020</b>	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
<b>31 December 2020</b>	-	-	-	-	-	-	-	-	-
Net book value									
<b>1 January 2020</b>	-	-	<b>618,265</b>	-	-	-	-	-	<b>618,265</b>
<b>31 December 2020</b>	-	-	<b>479,638</b>	-	-	-	-	-	<b>479,638</b>

Non-current tangible assets are not pledged in favour of any third party and the right to handle is not restricted as at 31 December 2020.

Balance of individual movable assets and sets of movable assets as at 31 December 2020 is related mostly to electric appliances (alarms, LED bulbs, showerheads, etc.) that are offered by the Company for rent to household customers. For more details see Note II point o) Revenue recognition.

Prior period information is presented in the following table:

Non-current tangible assets	Land	Buildings	Individual movable assets and sets of movable items	Perennial crops	Breeding & draught animals	Other non-current tangible assets	Assets under construction	Advances paid for non-current tangible assets	Total
Acquisition cost									
<b>1 January 2019</b>	-	-	<b>997,964</b>	-	-	-	<b>7,661</b>	-	<b>1,005,625</b>
Additions	-	-	84,551	-	-	-	432,439	-	516,990
Disposals	-	-	278,281	-	-	-	-	-	278,281
Transfers	-	-	440,100	-	-	-	(440,100)	-	-
<b>31 December 2019</b>	-	-	<b>1,244,334</b>	-	-	-	-	-	<b>1,244,334</b>
Accumulated depreciation									
<b>1 January 2019</b>	-	-	<b>412,299</b>	-	-	-	-	-	<b>412,299</b>
Additions	-	-	310,759	-	-	-	-	-	310,759
Disposals	-	-	96,989	-	-	-	-	-	96,989
Transfers	-	-	-	-	-	-	-	-	-
<b>31 December 2019</b>	-	-	<b>626,069</b>	-	-	-	-	-	<b>626,069</b>
Valuation allowances									
<b>1 January 2019</b>	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
<b>31 December 2019</b>	-	-	-	-	-	-	-	-	-
Net book value									
<b>1 January 2019</b>	-	-	<b>585,665</b>	-	-	-	<b>7,661</b>	-	<b>593,326</b>
<b>31 December 2019</b>	-	-	<b>618,265</b>	-	-	-	-	-	<b>618,265</b>

## 2. Receivables

Movements in the valuation allowance for receivables during the accounting period are shown in the following table:

Receivables	1 January 2020	Set-up of valuation allowance	Release of valuation allowance due to cease of justification	Release of VA due to derecognition of the assets	31 December 2020
<b>Current trade receivables, of which:</b>	<b>3,412,628</b>	<b>1,100,737</b>	-	<b>250,683</b>	<b>4,262,682</b>
Other trade receivables	3,412,628	1,100,737	-	250,683	4,262,682
<b>Current receivables total</b>	<b>3,412,628</b>	<b>1,100,737</b>	-	<b>250,683</b>	<b>4,262,682</b>

Prior period information is presented in the following table:

Receivables	1 January 2019	Set-up of valuation allowance	Release of valuation allowance due to cease of justification	Release of VA due to derecognition of the assets	31 December 2019
<b>Current trade receivables, of which:</b>	<b>2,850,518</b>	<b>562,110</b>	-	-	<b>3,412,628</b>
Other trade receivables	2,850,518	562,110	-	-	3,412,628
<b>Current receivables total</b>	<b>2,850,518</b>	<b>562,110</b>	-	-	<b>3,412,628</b>

The ageing structure of receivables of the Company at 31 December 2020 is presented in the following table:

Item	Within due period	Overdue	Total receivables
<b>Current trade receivables, of which:</b>	<b>26,472,129</b>	<b>4,705,616</b>	<b>31,177,745</b>
Trade receivables from affiliated undertakings	2,841,451	-	2,841,451
Other trade receivables	23,630,678	4,705,616	28,336,294
<b>Other current receivables, of which:</b>	<b>19,185,140</b>	-	<b>19,185,140</b>
Other receivables from affiliated undertakings	19,111,801	-	19,111,801
Receivables from trading with derivatives	73,339	-	73,339
<b>Current receivables total</b>	<b>45,657,269</b>	<b>4,705,616</b>	<b>50,362,885</b>

Prior period information is presented in the following table:

Item	Within due period	Overdue	Total receivables
<b>Current trade receivables, of which:</b>	<b>33,777,441</b>	<b>4,900,469</b>	<b>38,677,910</b>
Trade receivables from affiliated undertakings	1,506,399	-	1,506,399
Other trade receivables	32,271,042	4,900,469	37,171,511
<b>Other current receivables, of which:</b>	<b>11,635,379</b>	-	<b>11,635,379</b>
Other receivables from affiliated undertakings	10,989,354	-	10,989,354
Tax assets and subsidies	646,025	-	646,025
<b>Current receivables total</b>	<b>45,412,820</b>	<b>4,900,469</b>	<b>50,313,289</b>

The balance of other receivables from affiliated undertakings is represented by the debit closing balance in the cash-pool bank account in the parent company Východoslovenská energetika Holding a.s.

As of 31 December 2020, and as of 31 December 2019, there were no receivables secured by a lien or receivables subject to a limited right to deal with.

### 3. Loans provided

Cash pooling distribution of financial resources was implemented within the consolidated group of Východoslovenská energetika Holding a.s.

An overview of loans provided is presented in the following table:

Item	Currency	Annual interest rate in %	Maturity date	Principal in EUR	
				at 31 December 2020	at 31 December 2019
<b>Short-term loans of which:</b>				<b>19,111,801</b>	<b>10,989,354</b>
Východoslovenská energetika Holding a.s. (cash-pooling)	EUR	-	on demand	19,111,801	10,989,354

The Company does not earn any interest on cash-pooling receivable. Annual interest of 1M EURIBOR + 0,55% p.a. applies to cash-pooling liability. In case of negative EURIBOR rate, EURIBOR is deemed to be zero.

### 4. Receivables from trading with derivatives

In line with the Risk management directive and with the aim to mitigate risk of unfavourable gas market price development, the Company entered into commodity index swap hedging arrangements with RWE Supply & Trading GmbH. The Company uses swap contracts to exchange variable natural gas price with fixed natural gas price.

Hedged item is variable price of future natural gas purchase related to months January – December 2021, 2022 and 2023.

Commodity index swaps have been recognized as hedging derivatives, fulfilling conditions set by the Slovak statutory accounting principles, as:

- it follows internal Risk management policy,
- has been formally documented,
- there is no indication on their inefficiency as at 31 December 2020.

Changes in fair value have therefore been recorded within equity of the company.

Realized profit or loss will be recorded within Income Statement.

Item	31 December 2020			31 December 2019		
	Carrying amount		Agreed price of underlying instrument	Carrying amount		Agreed price of underlying instrument
	Receivable	Payable		Receivable	Payable	
<b>Hedging derivatives of which:</b>	<b>73,339</b>	-	-	-	<b>3,462,393</b>	-
Commodity index swaps	73,339	-	-	-	3,462,393	-
<b>Total</b>	<b>73,339</b>	-	-	-	<b>3,462,393</b>	-

Item	31 December 2020		31 December 2019	
	Fair value change (+/-) with effect on		Fair value change (+/-) with effect on	
	Profit/loss	Equity	Profit/loss	Equity
<b>Hedging derivatives of which:</b>	-	<b>73,339</b>	-	<b>(3,462,393)</b>
Commodity index swaps	-	73,339	-	(3,462,393)

## 5. Deferred tax asset

Information about deferred tax asset calculation and other additional information relating to deferred tax asset is presented in the Notes, Part IV Note 6.

## 6. Financial accounts

Item	31 December 2020	31 December 2019
Cash and cash equivalents	-	3,549
Current bank accounts	526,761	3,540,344
Cash in transit	-	(1,369)
<b>Total</b>	<b>526,761</b>	<b>3,542,524</b>

Financial accounts are available for the Company's use in full.

Citibank issued bank guarantees for the Company in the amount of EUR 11,624 thousand (2019: bank guarantees issued by Citibank in total amount of EUR 12,233 thousand).

## EQUITY AND LIABILITIES

### 1. Equity

Movements in equity and other additional information about equity is shown in the Notes, Part IX.

### 2. Liabilities

Structure of liabilities by remaining time to maturity at 31 December 2020:

Item	Liabilities				Total liabilities
	More than five years	From one to five years	Due within one year	Overdue liabilities	
<b>Other non-current liabilities, of which:</b>	<b>628</b>	-	-	-	<b>628</b>
Social fund payables	628	-	-	-	628
<b>Non-current liabilities - total</b>	<b>628</b>	-	-	-	<b>628</b>
<b>Current trade liabilities of which:</b>	-	-	<b>35,557,461</b>	-	<b>35,557,461</b>
Trade liabilities to affiliated undertakings	-	-	654,212	-	654,212
Other trade liabilities	-	-	34,903,249	-	34,903,249
<b>Other current liabilities of which:</b>	-	-	<b>2,786,356</b>	-	<b>2,786,356</b>
Liabilities to employees	-	-	3,581	-	3,581
Liabilities from social insurance	-	-	2,091	-	2,091
Tax liabilities and subsidies	-	-	2,780,684	-	2,780,684
<b>Current liabilities - total</b>	-	-	<b>38,343,817</b>	-	<b>38,343,817</b>

Prior period information is presented in the following table:

Item	Liabilities				Total liabilities
	More than five years	From one to five years	Due within one year	Overdue liabilities	
<b>Current trade liabilities of which:</b>	-	-	<b>42,597,162</b>	-	<b>42,597,162</b>
Trade liabilities to affiliated undertakings	-	-	20,362,038	-	20,362,038
Other trade liabilities	-	-	22,235,124	-	22,235,124
<b>Other current liabilities of which:</b>	-	-	<b>5,641,442</b>	-	<b>5,641,442</b>
Tax liabilities and subsidies	-	-	2,179,049	-	2,179,049
Liabilities from derivative transactions	-	-	3,462,393	-	3,462,393
<b>Current liabilities - total</b>	-	-	<b>48,238,604</b>	-	<b>48,238,604</b>



The Company's liabilities were not secured by any pledges or any other instrument as at 31 December 2020 and 31 December 2019.

### 3. Liabilities from trading with derivatives

Information about the liabilities and receivables from trading with derivatives is presented in the Notes, Part III. ASSETS, Note 4.

### 4. Provisions

An overview of changes in provisions for 2020 is shown in the following table:

Item	1 January 2020	Set-up	Use	Release	31 December 2020
<b>Short-term provisions of which:</b>	<b>88,215</b>	<b>61,448</b>	<b>88,215</b>	<b>-</b>	<b>61,448</b>
<i>Legal short-term provisions of which:</i>	-	1,489	-	-	1,489
Unused vacations	-	1,489	-	-	1,489
<i>Other short-term provisions of which:</i>	88,215	59,959	88,215	-	59,959
Unbilled deliveries	69,495	34,340	69,495	-	34,340
Audit	18,720	1,200	18,720	-	1,200
Annual bonuses	-	24,419	-	-	24,419
<b>Total provisions</b>	<b>88,215</b>	<b>61,448</b>	<b>88,215</b>	<b>-</b>	<b>61,448</b>

Information for the prior accounting period is shown in the following table:

Item	1 January 2019	Set-up	Use	Release	31 December 2019
<b>Short-term provisions of which:</b>	<b>164,270</b>	<b>88,215</b>	<b>164,270</b>	<b>-</b>	<b>88,215</b>
<i>Other short-term provisions of which:</i>	164,270	88,215	164,270	-	88,215
Unbilled deliveries	164,270	69,495	164,270	-	69,495
Audit	-	18,720	-	-	18,720
<b>Total provisions</b>	<b>164,270</b>	<b>88,215</b>	<b>164,270</b>	<b>-</b>	<b>88,215</b>

#### IV. INFORMATION SUPPORTING THE INCOME STATEMENT ITEMS

##### 1. Net turnover

Information about the structure of net turnover of the Company is presented in the table below:

Item	2020	2019
<b>Sale of own work and goods of which:</b>	<b>210,000,467</b>	<b>276,314,228</b>
Sale of own products	207,346,279	274,425,604
Sale of services	2,638,946	1,863,188
Sale of goods	15,242	25,436
Other income relating to ordinary activities	594,334	920,705
<b>Total net turnover</b>	<b>210,594,801</b>	<b>277,234,933</b>

#### REVENUES

##### 2. Revenues from the sale of own work and goods

Revenues from the sale of own work and goods by segments, i.e. by type of good, product, service, other activities and by geographic territories are presented in the following table:

Country	Supply and sale of gas		Provision of services		Sale of merchandise		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Slovakia	207,346,279	274,425,604	2,638,946	1,863,188	15,242	25,436	210,000,467	276,314,228
<b>Total</b>	<b>207,346,279</b>	<b>274,425,604</b>	<b>2,638,946</b>	<b>1,863,188</b>	<b>15,242</b>	<b>25,436</b>	<b>210,000,467</b>	<b>276,314,228</b>

##### 3. Other income from operating activities

Information about income from the capitalisation of costs and income from operating and financing activities is presented in the table below:

Item	2020	2019
<b>Other material items of other operating income of which:</b>	<b>595,572</b>	<b>920,914</b>
Contractual fees and penalties	315,041	593,444
Dunning letters	245,008	252,270
Other	35,523	75,200
<b>Financial income of which:</b>	<b>63</b>	<b>17</b>
Foreign exchange gains	63	17

## EXPENSES

### 4. Costs of operating and financial activities

An overview of costs of operating and financial activities, except for personnel costs is presented in the table below:

Item	2020	2019
<b>Costs of services received of which:</b>	<b>6,109,329</b>	<b>5,985,037</b>
<i>From an Auditor or audit firm of which:</i>	<i>34,800</i>	<i>32,500</i>
Audit of the financial statements	34,800	32,500
Other assurance services	0	-
Related audit services	0	-
Tax consultancy	0	-
Other non-audit services	0	-
<i>Other material items of costs of services received of which:</i>	<i>6,074,529</i>	<i>5,952,537</i>
Service level agreements (SLA) (mobile sales channels, management of receivables, customer contracts administration, marketing, IT etc.)	3,055,615	3,191,384
External call centre services	698,594	583,122
Commission fees	508,744	330,873
Advertising costs	506,409	819,875
Non-commodity	468,802	239,392
Post service fees	333,212	251,546
Cash collection costs	331,005	305,990
Other distribution services	51,905	83,849
Use of external database	27,240	15,724
Courier services	21,358	14,377
Debt collection	9,697	12,741
Other	61,948	103,664
<b>Other material items of income from operations of which:</b>	<b>1,322,375</b>	<b>1,019,274</b>
Set-up and use/release of valuation allowance for receivables	850,053	562,111
Receivables write-off	250,683	170,187
Insurance of receivables	56,113	58,886
Cashback	77,805	41,000
Damages and shortages on inventory	18,215	110,739
Insurance	14,148	29,498
Contractual fines and penalties	2,151	18,541
Other	53,207	28,312
<b>Financing costs of which:</b>	<b>5,018,825</b>	<b>5,872,220</b>
<i>Foreign exchange losses of which:</i>	<i>294</i>	<i>209</i>
Foreign exchange losses at balance sheet date	0	0
<i>Other material items of financial expenses of which:</i>	<i>5,018,531</i>	<i>5,872,011</i>
Costs of operations with derivatives	4,917,465	5,770,777
Interest paid	6,785	8,023
Bank guarantee	35,396	55,217
Bank fees	47,294	32,569
Other	11,591	5,425

### 5. Personnel costs

Information about personnel costs of the Company is presented in the table below:

Item	2020	2019
<b>Personnel costs, of which:</b>	<b>341,296</b>	<b>0</b>
Personnel leasing	163,431	0
Wages and salaries	97,436	0
Social security expenses	71,178	0
Social expenses	9,251	0

## 6. Taxes

Information about temporary differences and the calculation of deferred tax:

Item	31 December 2019	Recognised in equity	Recorded as expense of income	31 December 2020
Receivables	1,584,945	-	683,966	2,268,911
Provisions	88,215	-	(28,256)	59,959
Tax loss carried forward	-	-	-	-
Change in fair value of derivatives	3,462,393	(3,535,732)	-	(73,339)
Other	58,233	-	(2,120)	56,113
<b>Total</b>	<b>5,193,786</b>	<b>(3,535,732)</b>	<b>653,590</b>	<b>2,311,644</b>
Tax rate (in %)	21%	21%	21%	21%
<b>Deferred tax asset (+) / Deferred tax liability (-) calculated</b>	<b>1,090,695</b>	<b>(742,504)</b>	<b>137,254</b>	<b>485,445</b>
<b>Deferred tax asset recognized</b>	<b>1,090,695</b>	<b>(742,504)</b>	<b>137,254</b>	<b>485,445</b>

Reconciliation of income tax due and deferred tax, and profit/loss before tax is presented in the following table:

Item	2020			2019		
	Tax base	Tax	Tax in %	Tax base	Tax	Tax in %
<b>Profit/(loss) before taxes of which:</b>	<b>13,634,463</b>			<b>9,623,153</b>		
Expected tax		2,863,237	21		2,020,862	21
Tax non-deductible expenses	258,067	54,194		189,937	39,887	
<b>Total</b>		<b>2,917,431</b>	<b>21</b>		<b>2,060,749</b>	<b>21</b>
Current income tax		3,054,685	22		2,118,912	22
Deferred income tax		(137,254)	-1		(58,163)	-1
<b>Total income tax</b>		<b>2,917,431</b>	<b>21</b>		<b>2,060,749</b>	<b>21</b>

## V. OTHER ASSETS AND OTHER LIABILITIES

Many areas of Slovak tax law (such as transfer-pricing regulations) have not been sufficiently tested in practice, so there is some uncertainty as to how the tax authorities would apply them. The extent of this uncertainty cannot be quantified. The uncertainty will be reduced only if legal precedents or official interpretations are available. The Company's management is not aware of any circumstances that may give rise to a future material expense in this respect.

## VI. POST BALANCE SHEET EVENTS

After 31. December 2020 no events occurred that would require recognition or disclosure in the 2020 financial statements.

## VII. RELATED PARTY TRANSACTIONS

### 1. Transactions between the Company and its related parties

Transaction	Related party	2020	2019
Purchase of services	Parent company	1,302,083	1,161,527
Interest paid	Parent company	6,785	8,023
Sale of gas	Parent company	321	-
Purchase of services	Other related parties within the group of VSE Holding	1,901,897	2,264,769
Purchase of services	Other related parties within the group of RWE until 31 August 2020	20,885	-
Purchase of services	Other related parties within the group of E.ON since 1 September 2020	134,000	-
Purchase of gas	Other related parties within the group of RWE until 31 August 2020	72,015,328	166,766,410
Derivative operations	Other related parties within the group of RWE until 31 August 2020	3,457,677	5,770,777
Other purchases	Other related parties within the group of RWE until 31 August 2020	168	3,844
Sale of gas	Other related parties within the group of VSE Holding	7,286,013	7,287,049
Sale of services	Other related parties within the group of VSE Holding	267,463	-
Gas distribution	Entities under the state control – SPP - distribúcia, a.s. (SPP-D)	56,289,356	61,832,676
Purchase of services	Entities under the state control – SPP-D	51,905	83,849
Other purchases	Entities under the state control – SPP-D	2,090	21,351
Sale of gas	Entities under the state control – Slovenský plynárenský priemysel, a.s. (SPP)	503,283	-
Gas transmission	Entities under the state control – eustream, a.s.	27,984	142,063
Purchase of services	Entities under the state control – eustream, a.s.	6,312	16,692

Balance	Related party	31 December 2020	31 December 2019
Trade liabilities	Parent company	204,052	209,867
Cash pooling receivable	Parent company	19,111,801	10,989,354
Trade receivables	Other related parties within the group of VSE Holding	2,841,451	1,506,399
Trade liabilities	Other related parties within the group of VSE Holding	450,160	20,152,171
Trade liabilities	Other related parties within the group of E.ON	67,000	-
Trade liabilities	Entities under the state control – SPP-D	7,544,468	8,086,822
Trade receivables	Entities under the state control – SPP	210,851	-
Trade liabilities	Entities under the state control – eustream, a.s.	12,759	18,125

### 2. Income and benefits of members of the statutory, supervisory and other bodies of the Company

The Company does not pay the remuneration or grant any benefits to the members of the statutory, supervisory and other bodies of the Company.

## VIII. OTHER INFORMATION

The Company was not granted an exclusive right or a special right to provide services of public interest.

The provisions of § 23d paragraph 6 of the Accounting Act do not apply to the Company.

## IX. OVERVIEW OF MOVEMENTS IN EQUITY

### 1. Equity

An overview of movements in equity during the current accounting period is presented in the following tables:

Item	1 January 2020	Additions	Disposals	Transfers	31 December 2020
Share capital	299,000	-	-	-	299,000
Legal reserve fund and non-distributable reserve	29,900	-	-	-	29,900
Valuation adjustments from revaluation of assets and liabilities	(2,735,290)	2,793,228	-	-	57,938
Retained earnings	(4)	-	-	-	(4)
Profit/loss for current accounting period	7,562,404	10,717,032	7,562,404	-	10,717,032
<b>Total equity</b>	<b>5,156,010</b>	<b>13,510,260</b>	<b>7,562,404</b>	<b>-</b>	<b>11,103,866</b>

Item	1 January 2019	Additions	Disposals	Transfers	31 December 2019
Share capital	299,000	-	-	-	299,000
Legal reserve fund and non-distributable reserve	29,900	-	-	-	29,900
Valuation adjustments from revaluation of assets and liabilities	(938,029)	-	1,797,261	-	(2,735,290)
Retained earnings	(4)	-	-	-	(4)
Profit/loss for current accounting period	10,061,279	7,562,404	10,061,279	-	7,562,404
<b>Total equity</b>	<b>9,452,146</b>	<b>7,562,404</b>	<b>11,858,540</b>	<b>-</b>	<b>5,156,010</b>

As at 31 December 2020 subscribed and paid-up Company's equity is in amount of EUR 299,000. The Company does not record, as of 31 December 2020, the subscribed capital unincorporated in the Commercial Register.

### 2. Movements in valuation differences

Item	2020	2019
<b>Valuation differences from revaluation of assets and liabilities, of which:</b>	<b>2,793,228</b>	<b>(1,797,261)</b>
<i>Change in the fair value of hedging derivatives</i>	3,535,732	(2,383,807)
<i>Change in the fair value of hedging instruments</i>	-	108,792
<b>Deferred tax from valuation differences</b>	<b>(742,504)</b>	<b>477,753</b>
<b>Other</b>	<b>-</b>	<b>1</b>
<b>Total</b>	<b>2,793,228</b>	<b>(1,797,261)</b>

### 3. Distribution of profit for the preceding year of 2019

The 2019 accounting profit was distributed to the shareholder in full amount.

### 4. Distribution of profit for the current year of 2020

As of the date of preparation of the financial statements, the statutory body of the Company did not propose a distribution of 2020 profit.

## X. CASH FLOWS STATEMENT

The following expressions have the following meanings as regards information in the cash flow statement:

- a) Cash: cash, cash equivalents, cash in bank or branches of foreign banks, bank overdrafts and cash in transit relating to a transfer between a current account and cash on hand or between two current accounts,
- b) Cash equivalents: cash equivalents, financial assets exchangeable for a fixed amount of cash where, at the balance sheet date, there is no risk of a significant change in value in the next three months, i.e. term bank deposits with a notice period not exceeding three months, liquid securities designated for trading, priority shares acquired by the accounting entity and payable within three months of the balance sheet date.

The Company applied the indirect method when creating the cash flow statement:

Item	2020	2019
<b>Net result before tax</b>	<b>13,634,463</b>	<b>9,623,153</b>
<i>Adjustments for non-cash transactions:</i>		
Depreciation of non-current assets	256,759	310,759
Inventories write-off	18,215	110,739
Receivables write-off	250,683	170,187
Change in provision for receivables	850,054	562,110
Change in provisions	(26,767)	(76,055)
Net Interest expense	6,785	8,023
Loss / (gain) from the sale of non-current assets	896	(68)
<b>Profit from operating activities before changes in working capital</b>	<b>14,991,088</b>	<b>10,708,848</b>
<i>Changes in working capital:</i>		
Decrease (increase) of trade and other receivables and prepayments	6,534,540	(8,795,539)
Decrease (increase) of inventories	(21,316)	(279,859)
(Decrease) increase of payables and accruals	(7,148,490)	6,100,666
<b>Operating cash flows</b>	<b>14,355,822</b>	<b>7,734,116</b>
<b>Cash flows from operating activities</b>		
Operating cash flows	14,355,822	7,734,116
Interest paid	(6,785)	(8,023)
Corporate income tax paid	(1,466,070)	(3,374,458)
<b>Net cash from operating activities</b>	<b>12,882,967</b>	<b>4,351,635</b>
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	(215,551)	(432,189)
Receipts from the sale of non-current assets	32	68
<b>Net cash from investing activities</b>	<b>(215,519)</b>	<b>(432,121)</b>
<b>Cash flows from financing activities</b>		
Receipts / repayments of bank loans	1,640	37
Receipts / repayments of borrowings from Group companies	(8,122,447)	(5,238,896)
Dividends paid	(7,562,404)	(10,061,279)
<b>Net cash from financing activities</b>	<b>(15,683,211)</b>	<b>(15,300,138)</b>
Foreign exchange differences of cash and cash equivalents	-	-
<b>Increase (decrease) of cash and cash equivalents</b>	<b>(3,015,763)</b>	<b>(11,380,624)</b>
Cash and cash equivalents at the beginning of the accounting period	3,542,524	14,923,148
<b>Cash and cash equivalents at the end of the accounting period</b>	<b>526,761</b>	<b>3,542,524</b>