



Extract Annual Report 2025

Innovation in motion



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Dear reader

The drive to innovate and accelerate is stronger than ever in the energy sector. In 2025, Stedin again faced major challenges and opportunities. It was a year of small-scale pilots, laying the groundwork for broader rollout. A year defined by innovation and progress.

The grid is becoming increasingly congested in more and more areas of the Netherlands, creating a problem that cannot be solved everywhere in the short term and affecting economic and social development. After all, without energy, everything grinds to a halt. Despite this, we see some encouraging signs. Together with market parties and local authorities, we are working towards a future-proof energy system. Rapid advances in battery technology are making energy storage increasingly viable. Inspiring initiatives in which companies share electricity demonstrate the value of collaboration. Grid-conscious housing construction is opening up new opportunities and gaining traction among municipalities and grid operators. These developments guide our approach to serving society and the market.

Despite record levels of investment, grid congestion continues to intensify. By working closely with almost all the municipalities in our service area, we can accelerate the neighbourhood-based approach and create opportunities to build more quickly. But more is needed to accelerate the reinforcement of the grid in residential areas. We therefore welcome the presence of a test street next to our office in Utrecht, where cables and transformer stations have been installed in a setting that resembles a typical neighbourhood. Here, together with national and international market partners, we search for innovative solutions to shape and accelerate new ways of working on our electricity grid.

At least as important is to make better use of existing grid capacity. By employing flexible contracts, behavioural solutions and technical innovation, we can create more flexibility on the grid. A tender in Utrecht, for example, will add up to 60 MW of potential capacity by deploying gas turbines to support the grid during peak periods. In addition, smart interventions at a substation in Arkel have enabled faster connections without the need for new infrastructure. As demand for energy continues to rise, we need to shift how we think and act. We need to be smarter, with digitalisation and flexible capacity being essential to resolving bottlenecks more quickly.

Our ambition remains unchanged: to build a sustainable future in which everyone has access to energy to power their home, their work and their daily life. In the end, we are not building a network for its own sake, but for people. For households that want to become more sustainable, businesses that are looking to grow and neighbourhoods that want to thrive. With a fresh perspective and renewed energy, we take responsibility for moving forward together in an innovative way. Because together we make the difference – for today's *and* future generations.

The Board of Management of Stedin Group,

Trudy Onland, Jaap Verhoeff, Aline Arends en Timo Idema

Key figures 2025

Stedin is facilitating the energy transition through substantial investments and close cooperation with stakeholders. We do this by accelerating **construction**, making optimal **use** of the grid and ensuring effective **management**. All of this serves to ensure a reliable **service** to our customers. A motivated workforce is essential to this effort – **staff members** who enjoy their work, continue to develop, remain agile and feel **safe** within a socially engaged and **financially sound** organisation.

By working as **sustainably** as possible on a decentralised renewable energy system, we support national and international CO₂ reduction targets. This includes reducing emissions from our own operations (scope 1 and 2), encouraging suppliers to follow suit (scope 3) and enabling our customers to lower their emissions (scope 3).

Construction



€ 1,294 mIn
Investments

573 MVA
Additional capacity

12
Additional transmission stations

503
Additional medium-voltage substations

1,203 km
Additional cables laid

Customer convenience in service delivery



85%
Meters & Connections

85%
Meter cupboard problems

25%
Projects

Financially sound



A-
Credit rating

Renewable gases & alternative heating



625 HEQ
Heat household equivalents

Market facilitation

99.2%
Smart meter data provision

Employees, leadership & culture

6,787
FTE

30
eNPS
Employee satisfaction

Utilisation



279 MW
Flexible capacity

Management



99.9956%
Electricity supply reliability

99.9999%
Gas supply reliability

Sustainability



6,837
kt of CO₂-eq
Total scope 1, 2 and 3 CO₂ equivalent including gas consumption customers

25%
CO₂ reduction compared to 2021

Safety



0.9
LTIR

0.7
RIF

Financially sound

Constructing and managing our grids is a costly business. Stedin recovers these costs in the years following construction and maintenance through grid tariffs. This means that, in the intervening period, Stedin is effectively pre-financing these investments. We do this through a combination of equity and debt. A good credit rating is essential for taking out loans. Especially at a time when our investments are rising sharply. Our aim is therefore to maintain our A- credit rating with credit rating agency Standard & Poors (S&P). The FFO/Net Debt and solvency ratio are key indicators in monitoring our credit rating and financial health.

Financially healthy KPIs	Note	Unit	Result 2024	Target 2025	Result 2025	Target 2026	Target 20230
Credit rating	An assessment of a company's creditworthiness based on the S&P methodology, expressed as a credit rating	ABC	A- rating				
FFO/Net debt ratio	The extent to which the net debt position can be repaid from the funds from operations	%	11.5	≥10	13.7%	≥10	≥10
Solvency	Ratio of adjusted equity to adjusted balance sheet total	%	42.9	≥35	40.6%	≥35	≥35

Financial developments

Draft regulatory method for the new regulatory period starting in 2027

A new regulatory period (REG2027) will begin in 2027. The Netherlands Authority for Consumers and Markets (ACM) is responsible for setting the regulatory framework and published its draft regulatory method in September 2025. From 2027 onwards, the current benchmark regulation will be replaced by a cost-based regulatory framework. With this new approach, the ACM aims to create greater scope for grid operators to make the substantial investments required, while also applying more targeted, effective oversight of individual operators' efficiency and performance. The ACM published the final regulatory method on 16 February 2026.

Developments in the debt portfolio and credit rating

To support the execution of our strategy, we increased our interest-bearing debt portfolio during the year. Planned repayments of long-term loans totalling €530 million were largely offset by the issue of two green bonds of €500 million each. In addition, Stedin agreed a new committed credit facility of €500 million with the European Investment Bank (EIB).

During the year, €250 million was drawn down under this facility. Taken together, these debt instruments enable us to secure funding at the lowest possible interest costs, in line with the ACM's remuneration methodology. In January 2026, S&P reaffirmed Stedin's credit rating at A-, with a stable outlook.

Financial results

FFO/Net Debt and solvency above target

The FFO/Net Debt ratio amounted to 13.7%, exceeding our internal target of 10%. Compared with 2024, the ratio increased by 2.2 percentage points (2024: 11.5%), as FFO grew faster than net debt. FFO increased by €175 million, mainly due to higher operating income. Lower interest payments were offset by higher tax payments. Net debt increased by €631 million, reflecting the use of additional borrowing to cover negative free cash flow.

The solvency ratio was 40.6% on 31 December 2025 (2024: 42.9%), remaining well above the minimum target of 35%. The decrease compared with 2024 is attributable to higher borrowings to finance negative free cash flow.

Higher net result

In 2025, we recorded a profit after tax of €278 million (2024: €158 million). Operating profit increased by €143 million to €449 million and financial expenses decreased by €23 million to €78 million, while income tax expenses increased by €46 million to €93 million. These components are explained in more detail below. A substantial portion of the higher net result was retained, thereby strengthening equity and supporting investments in grid expansion.

Higher operating income

Total operating income increased by €225 million to €2,313 million in 2025. Revenue increased by €252 million to €2,300 million, primarily due to higher revenues from transport, connection and metering services. This reflects higher regulated tariffs, driven by rising costs in the electricity grid. Revenue growth was further supported by the way in which the ACM allocates the additional income arising from the methodology and x-factor decision revisions in 2024 across the years. A significant share of this additional income for the current five-year regulatory period (2022-2026) was allocated to 2025 and 2026. Other operating income decreased by €27 million, to €13 million, following a one-off payment from the ACM in 2024 for previously requested removals of gas connections.

Higher operating expenses

Total operating expenses increased by €82 million to €1,864 million. The main drivers were:

- An increase in personnel expenses of €86 million, reflecting collective labour agreement increases and growth in the number of FTEs;
- An increase in other operating expenses of €22 million, partly due to higher IT costs associated with increasing digitalisation and workforce growth; and
- An increase in depreciation of €34 million, reflecting the higher investment levels in recent years.

These increases were partly offset by a €21 million reduction in cost of procurement and contracted work. This was driven primarily by:

- A €57 million decrease in network losses due to lower energy purchase prices;
- A €33 million increase in the costs of contracted work due to higher purchase prices and the growth of our work package; and
- A €3 million increase in transmission costs for the use of the high-voltage grid.

Capitalised own production increased by €39 million as a result of more hours spent on investment activities and higher hourly rates.

Financial expenses decreased

Net financial expenses decreased by €23 million to €78 million. A one-off expense of €46 million, incurred in 2024 and related to the early repayment of a long-term Japanese yen (JPY) loan, did not recur. This effect was partly offset by higher recurring interest expenses resulting from the growth of the debt portfolio.

Tax expense increased

The income tax expense increased by €46 million to €93 million, in line with the higher result before tax. The effective tax rate rose from 22.9% in 2024 to 25.1% in 2025, mainly due to lower investment-related tax deductions.

Negative free cash flow and financing

In 2025, we invested €1.3 billion. That is approximately €0.2 billion more than in 2024. Despite an increase in operating cash flow of €179 million, free cash flow remained negative at €484 million.

In 2025, this negative free cash flow, together with planned repayments of €530 million, was financed through the issue of two green bonds totalling €1.0 billion and a new €250 million loan from the EIB. Combined with lower short-term debt and dividend payments, cash flow from financing activities amounted to a positive €472 million, compared with €382 million in 2024.

Financially sound foundation

We expect investment levels to remain high in the coming years. The new regulatory method provides greater certainty that investments can be recovered and partly shortens the payback period. At the same time, we will continue to focus on enhancing productivity and building the most cost-efficient and effective energy infrastructure possible.

Nevertheless, our free cash flow is expected to remain negative in the coming years. This will put pressure on our financial ratios. To ensure continued access to sufficient long-term financing, we therefore expect that we will need to strengthen our equity position in the coming years. To this end, we are in discussions with our shareholders and will continue to be so.

Key long-term opportunities and risks for Stedin Group

When identifying key long-term opportunities and risks that may affect the execution of our strategy, we consider relevant internal and external developments in the Netherlands and internationally.

This means risks are not static, and assessments of long-term opportunities and risks may change over time. In evaluating them, we consider both the likelihood of occurrence and the potential impact on strategic objectives, taking into account the related control measures. The heat map shows changes in individual opportunities and risks compared with the previous year.

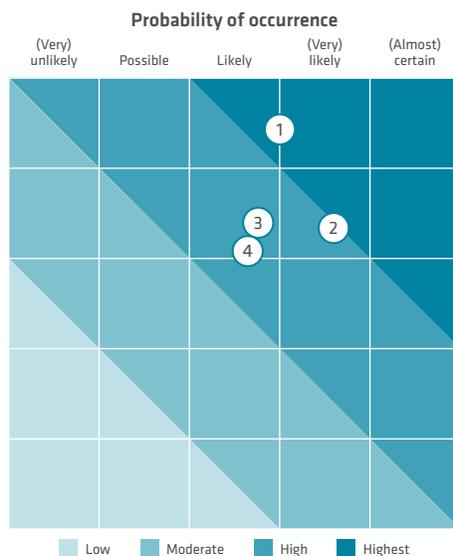
Overall, opportunities and risks remained largely unchanged in 2025. The risk relating to information security and cyber resilience was reassessed, with a shift in emphasis from regulatory compliance towards a broader perspective on sound and responsible business practices. The wording of this risk was updated to underline the critical importance of robust information security for protecting essential infrastructure. This led to a higher risk assessment and underscores the strategic importance of digital resilience.

The risk 'Inadequate availability and quality of data' decreased slightly in 2025, partly because of the implementation of several data initiatives under the data strategy and the expansion of available capacity within the data domain. As customary, we will re-evaluate the risk assessment and wording at the beginning of 2026 and update them where appropriate, in line with developments within and outside the organisation and the ongoing evolution of our strategy.

Long-term opportunities

- = 1. Proactive stakeholder management at the national and regional levels
- = 2. Further developing heat and scaling it into a mature energy carrier, as well as deploying other alternative energy carriers
- = 3. Comprehensive investment assessment to ensure the best possible mix of electricity, gas or future energy sources
- = 4. Continuing to position Stedin as a highly relevant partner in the energy transition

= Unchanged ↑ Ascended ↓ Descended



Impact



Long-term risks

- = 1. Insufficient flexible power capacity available for capacity management
- = 2. Increase in capacity bottlenecks in our grid
- ↑ 3. Disproportionate vulnerability resulting from inadequate information security and cyber resilience
- = 4. Social affordability of energy under pressure
- = 5. Delays in acquisition and allocation of land
- = 6. Insufficient number of people with the required (technical) competences
- ↓ 7. Inadequate data availability and quality
- = 8. Impact of accidents related to Stedin Group activities

Risk management statement

As the Board of Management, we are responsible for the sound design and effective operation of our risk management and control system. We place great importance on a responsible and transparent approach to risk management. The internal risk management and control system is designed to manage risks effectively across our operations, regulatory compliance, financial reporting and sustainability reporting. In doing so, it contributes to the realisation of our strategy for sustainable long-term value creation. This system is based on COSO ERM and ISO 31000. At the same time, we recognise that any internal risk management and control system has limitations. As a result, its design and operation cannot provide absolute assurance that all risks are identified and mitigated at all times.

Over the past year, we have carefully monitored and evaluated our internal risk management and control system. This evaluation took place through the strategic planning process, updates to our risk appetite and periodic progress reporting. These reports included quarterly updates on the most important long-term risks and opportunities, reporting on tactical and operational risks and controls, business self-assessments leading to internal in-control statements, compliance and integrity reports, and overviews of shortcomings and follow-up actions. We also took into account insights from reports from the internal audit function and the external auditor. We discuss the design and operation of the risk management and control system with the Audit Committee and report on this to the Supervisory Board. Based on this, we conclude that the risk management and control system provides sufficient insight into its functioning and any relevant shortcomings.

Annual and interim evaluations have identified opportunities for improvement. These opportunities were not of such a nature or magnitude that they significantly weakened the risk management and internal control system or rendered it ineffective. Several of these improvement areas are explained in Risk management.

Based on these evaluations and the insights gained, we conclude that the risk management and control system provides reasonable assurance that the financial reporting does not contain material misstatements. Regarding sustainability reporting, the system provides at least limited assurance that it does not contain material misstatements. Furthermore, partly in light of the identified improvement opportunities, the system provides limited assurance that the main operational and compliance risks are identified in a timely manner and managed effectively, in line with the risk appetite. This means that a management system has been established for the principal operational and compliance risks, which is periodically monitored, evaluated and further developed, with a focus on the timely identification and control of these risks. In 2025, we did not identify any shortcomings.

Finally, based on the current circumstances, we consider it appropriate that the financial statements have been prepared on a going concern basis and we believe that this Annual Report discloses the material risks and uncertainties relevant to the company's ability to continue as a going concern for at least 12 months after the date of this report.

Rotterdam, 26 February 2026

Board of Management,

Trudy Onland, CEO (Chair)

Jaap Verhoeff, CFO

Aline Arends, COO

Timo Idema, CTO

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These financial statements present the financial information of Stedin Holding N.V. for the full year 2025, with comparative figures for 2024. References in the financial statements to Stedin Group are to Stedin Holding N.V. and its subsidiaries.



Consolidated income statement

x € 1 million

	2025	2024
Net revenue	2,300	2,048
Other operating income	13	40
Total operating income	2,313	2,088
Personnel expenses	753	667
Cost of procurement and contracted work	879	900
Other operating expenses	250	228
Capitalised own production	-383	-344
	1,499	1,451
Depreciation, amortisation and impairment of non-current assets	365	331
Total operating expenses	1,864	1,782
Operating profit	449	306
Financial income and expenses	-78	-101
Share of result of associates and joint ventures (after tax)	0	0
Profit before tax	371	205
Income tax	-93	-47
Result after tax	278	158
Attributable to:		
Shareholders of Stedin Holding N.V.	272	152
Non-controlling interests	0	0
Holders of subordinated perpetual bond	6	6
Result after tax	278	158

Consolidated statement of comprehensive income

x € 1 million

	2025	2024
Result after tax	278	158
Other comprehensive income that may be reclassified to the income statement		
Unrealised gains and losses on cash flow hedges	-	26
Reclassification cash flow hedge reserve to income statement	0	4
Income tax effect relating to cash flow hedges	0	-8
Total other comprehensive income	0	22
Total comprehensive income	278	180
Attributable to:		
Shareholders of Stedin Holding N.V.	272	174
Non-controlling interests	0	0
Holders of subordinated perpetual bond	6	6
Total comprehensive income	278	180

Consolidated balance sheet

x € 1 million

	31 December 2025	31 December 2024
ASSETS		
Non-current assets		
Property, plant and equipment	9,215	8,294
Intangible assets	137	118
Right-of-use assets	162	91
Deferred tax assets	2	2
Financial assets	9	8
Total non-current assets	9,525	8,513
Current assets		
Inventories	153	130
Current tax assets	11	18
Trade and other receivables	297	312
Cash and cash equivalents	89	101
Total current assets	550	561
TOTAL ASSETS	10,075	9,074

x € 1 million

	31 December 2025	31 December 2024
EQUITY AND LIABILITIES		
Equity		
Equity attributable to shareholders of Stedin Holding N.V.	3,080	2,864
Non-controlling interests	0	0
Subordinated perpetual bond	506	506
Total equity	3,586	3,370
Non-current liabilities		
Provisions for employee benefits	12	13
Other provisions	6	8
Deferred tax liabilities	189	178
Interest-bearing debt	3,656	2,921
Lease liabilities	142	76
Deferred revenue	1,245	1,166
Total non-current liabilities	5,250	4,362
Current liabilities		
Provisions for employee benefits	6	6
Other provisions	15	11
Interest-bearing debt	700	880
Lease liabilities	24	18
Trade payables and other liabilities	494	427
Total current liabilities	1,239	1,342
TOTAL EQUITY AND LIABILITIES	10,075	9,074

Consolidated cash flow statement

x € 1 million	2025	2024
Profit after tax	278	158
Adjusted for:		
· Financial income and expenses	78	101
· Income tax	93	47
· Depreciation, amortisation and impairments of non-current assets	365	331
· Gain on disposal of non-current assets	0	-3
Movements in working capital	56	2
Movements in deferred revenue	82	103
Movements in provisions and other	-24	2
Cash generated from operations	928	741
Interest paid	-69	-103
Interest received	4	6
Income tax paid	-73	-33
Cash flow from operating activities	790	611
Investments in property, plant and equipment	-1,258	-1,068
Proceeds from disposal of property, plant and equipment	0	3
Investments in intangible assets	-15	-14
New loans granted	-6	-7
Repayments of loans granted	5	6
Cash flow from investing activities	-1,274	-1,080

x € 1 million	2025	2024
Dividend payments ordinary shares	-50	-52
Dividend payments preference shares	-6	-6
Issue of shares	-	33
Transaction costs on issue of shares	-	-1
Transactions with non-controlling interests	-	1
Coupon payments subordinated perpetual bonds	-8	-8
Payment of principal portion of lease liabilities	-23	-15
Proceeds from long-term interest-bearing debt	1,239	496
Proceeds from short-term interest-bearing debt	2,160	3,330
Repayment of long-term interest-bearing debt	-530	-151
Repayment of short-term interest-bearing debt	-2,310	-3,245
Cash flow from financing activities	472	382
Movements in cash and cash equivalents	-12	-87
Cash and cash equivalents at 1 January	101	188
Cash and cash equivalents at 31 December	89	101

Consolidated statement of changes in equity

Equity attributable to shareholders of Stedin Holding N.V.

x € 1 million	Issued capital	Share premium	Cash flow hedge reserve	Cost of hedging reserve	Legal reserve capitalised development costs	Legal reserve participating interests	Retained earnings	Undistributed profit	Total	Non-controlling interests	Subordinated perpetual bond	Total equity
As at 1 January 2024	606	591	-19	-4	13	4	1,360	164	2,715	-	506	3,221
Profit after tax 2024	-	-	-	-	-	-	-	152	152	-	6	158
Other comprehensive income	-	-	18	4	-	-	-	-	22	-	-	22
Total comprehensive income	-	-	18	4	-	0	-	152	174	-	6	180
Transactions with shareholders												
Dividend payments relating to 2023	-	-	-	-	-	-	-	-52	-52	-	-	-52
Cumulative preference dividend	-	-	-	-	-	-	-	-6	-6	-	-	-6
Issue of shares	4	29	-	-	-	-	-	-	33	-	-	33
Transaction costs on issue of shares	-	-	-	-	-	-	0	-	0	-	-	0
Tax on transaction costs on issue of shares	-	-	-	-	-	-	0	-	0	-	-	0
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-
Coupon on subordinated perpetual bond	-	-	-	-	-	-	-	-	-	-	-8	-8
Tax on coupon on subordinated perpetual bond	-	-	-	-	-	-	-	-	-	-	2	2
Total transactions with shareholders	4	29	-	-	-	-	-	-58	-25	0	-6	-31
Other												
Profit appropriation 2023	-	-	-	-	-	-	106	-106	-	-	-	-
Reclassification	-	-	-	-	7	-	-7	-	-	-	-	-
Total other	-	-	-	-	7	-	99	-106	-	-	-	-
As at 31 December 2024	610	620	-1	-	20	4	1,459	152	2,864	0	506	3,370

Equity attributable to shareholders of Stedin Holding N.V.

x € 1 million	Issued capital	Share premium	Cash flow hedge reserve	Cost of hedging reserve	Legal reserve capitalised development costs	Legal reserve participating interests	Retained earnings	Undistributed profit	Total	Non-controlling interests	Subordinated perpetual bond	Total equity
As at 1 January 2025	610	620	-1	-	20	4	1,459	152	2,864	-	506	3,370
Profit after tax 2025	-	-	-	-	-	0	-	272	272	0	6	278
Other comprehensive income	-	-	0	-	-	-	-	-	0	-	-	0
Total comprehensive income	-	-	0	-	-	0	-	272	272	0	6	278
Transactions with shareholders												
Dividend payments relating to 2024	-	-	-	-	-	-	-	-50	-50	-	-	-50
Cumulative preference dividend	-	-	-	-	-	-	-	-6	-6	-	-	-6
Issue of shares	-	-	-	-	-	-	-	-	-	-	-	-
Transaction costs on issue of shares	-	-	-	-	-	-	-	-	-	-	-	-
Tax on transaction costs on issue of shares	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-
Coupon on subordinated perpetual bond	-	-	-	-	-	-	-	-	-	-	-8	-8
Tax on coupon on subordinated perpetual bond	-	-	-	-	-	-	-	-	-	-	2	2
Total transactions with shareholders	-	-	-	-	-	-	-	-56	-56	-	-6	-62
Other												
Profit appropriation 2024	-	-	-	-	-	-	96	-96	-	-	-	-
Reclassification	-	-	-	-	-12	-	12	-	-	-	-	-
Total other	-	-	-	-	-12	-	108	-96	-	-	-	-
As at 31 December 2025	610	620	-1	-	8	4	1,567	272	3,080	0	506	3,586

Capital management

The primary objective of Stedin Group's capital management is to ensure reliable access to money and capital markets, enabling us to optimise its financing structure and costs in line with multi-year planning and the economic parameters set by the regulator for each regulatory period. Given the capital-intensive nature of our activities, access to financing across multiple markets is essential to create a well-balanced financing mix. Stedin Group can influence its capital structure by adjusting the balance between equity and debt. Stedin Group considers both total equity (including the subordinated perpetual bond) and interest-bearing debt to be relevant components of its financing and therefore of its capital management. The majority of our interest-bearing debt has been raised in the European bond market, complemented by several bilateral loans. In addition to our relationships with investors in these financing markets, Stedin Group also maintains relationships with six Dutch and international banks that have jointly made financing capacity available to the Company. These banks can also provide a broad range of financial products and services where required.

Since 2017, Stedin Group has pursued a financing strategy that focuses on the ratios used by credit rating agency S&P, in particular the core ratio FFO/Net Debt (see Credit rating below). For the purposes of this calculation, S&P classifies the subordinated perpetual bond issued in 2021 as a hybrid instrument, treating it as 50% equity and 50% debt. This treatment differs from IFRS, under which the subordinated perpetual bond is classified in full as equity.

Credit rating

A key pillar of Stedin Group's financial policy is to maintain good access to the available sources of funding, including the money and capital markets. It is therefore important to pursue a credit rating that makes this possible under all circumstances and that existing and potential capital providers have proper insight into the development of Stedin Group's creditworthiness.

Stedin Holding N.V. and Stedin Netbeheer B.V. each have a credit rating with the rating agency Standard & Poor's (S&P). This rating consists of a long-term rating with an outlook and a short-term rating. The outlook indicates the expected development of the long-term rating over the coming years.

As at the balance sheet date, Stedin's credit rating provided by S&P was A- with a stable outlook for the long term and A-2 for the short term.

The most important ratio for Stedin Group is the FFO/Net Debt ratio, which is a widely used ratio to determine the debt repayment possibilities. S&P applies a multi-year average to determine this ratio as part of its credit rating assessment. Stedin Group presented this ratio only at year-end 2025 and 2024.

The calculation of the ratio follows the figures in these financial statements, supplemented with the adjustments applied by S&P. These analytical adjustments are made in order to enhance the comparability of the figures and financial position between Stedin Group and other businesses.

Stedin Group has been designated a 'Government Related Entity' by S&P. To maintain its current credit rating, the FFO/Net Debt ratio must remain 'comfortably above 9%'. Stedin Group has its own target of at least 10%.

The calculation of the FFO/Net Debt ratio is set out in the next table:

x € 1 million	2025	2024
Operating profit	449	306
Depreciation, amortisation and impairment of non-current assets	365	331
EBITDA	814	637
-/- Net interest paid	-65	-97
-/- Tax paid	-73	-33
-/- S&P adjustments	-34	-40
S&P - Funds from Operations	642	467
Non-current interest-bearing debt	3,656	2,921
Current interest-bearing debt	700	880
Lease liabilities	166	94
-/- Cash and cash equivalents	-89	-101
IFRS - Net Debt	4,433	3,794
+ S&P adjustments	257	265
S&P - Net Debt	4,690	4,059
FFO / Net Debt – S&P adjusted	13.7%	11.5%

The FFO/Net Debt ratio increased to 13.7% in 2025, because FFO grew faster than net debt. The higher FFO is primarily due to higher operating income. The higher net debt results from financing the negative free cash flow with debt.

The FFO/Net Debt ratio of 13.7% is above our target of at least 10%. S&P uses a multi-year (forward-looking) average for its assessment of the FFO/Net Debt ratio.

The S&P credit rating reports can be found on Stedin Group's Investor Relations [website](#).

In addition to FFO/Net Debt, Stedin Group also monitors solvency for financial health purposes. Solvency is calculated by dividing equity (including profit or loss for the period and adjusted for expected dividend distributions for the current financial year) by the balance sheet total (adjusted for expected dividend distributions, deferred revenue and free cash and cash equivalents).

Stedin Group's solvency was as follows and is above our target of at least 35% (2024: at least 35%):

Solvency	2025	2024
Equity	3,586	3,370
Expected dividend	-78	-56
Equity (adjusted)	3,508	3,314
Total liabilities and equity	10,075	9,074
Expected dividend	-78	-56
Deferred revenue	-1,275	-1,193
Cash and cash equivalents	-89	-101
Total liabilities and equity (adjusted)	8,633	7,724
Solvency	40.6%	42.9%

Events after the reporting period

Update credit rating

On 9 January 2026, S&P published a new credit rating report. Stedin Group's long-term credit rating was maintained at A- with a stable outlook. For the relevant publication, please refer to the Stedin's Group Investor Relations [website](#).

Issue of new subordinated perpetual bond

On 14 January 2026, Stedin Group issued a new subordinated perpetual bond. The nominal value is €500 million, and the coupon rate is 4.25%. Because Stedin Group has discretion over repayment and coupon payments, this financing is classified as equity in the financial statements. The subordinated perpetual bond is listed on Euronext Amsterdam.

Final regulatory method for electricity and gas

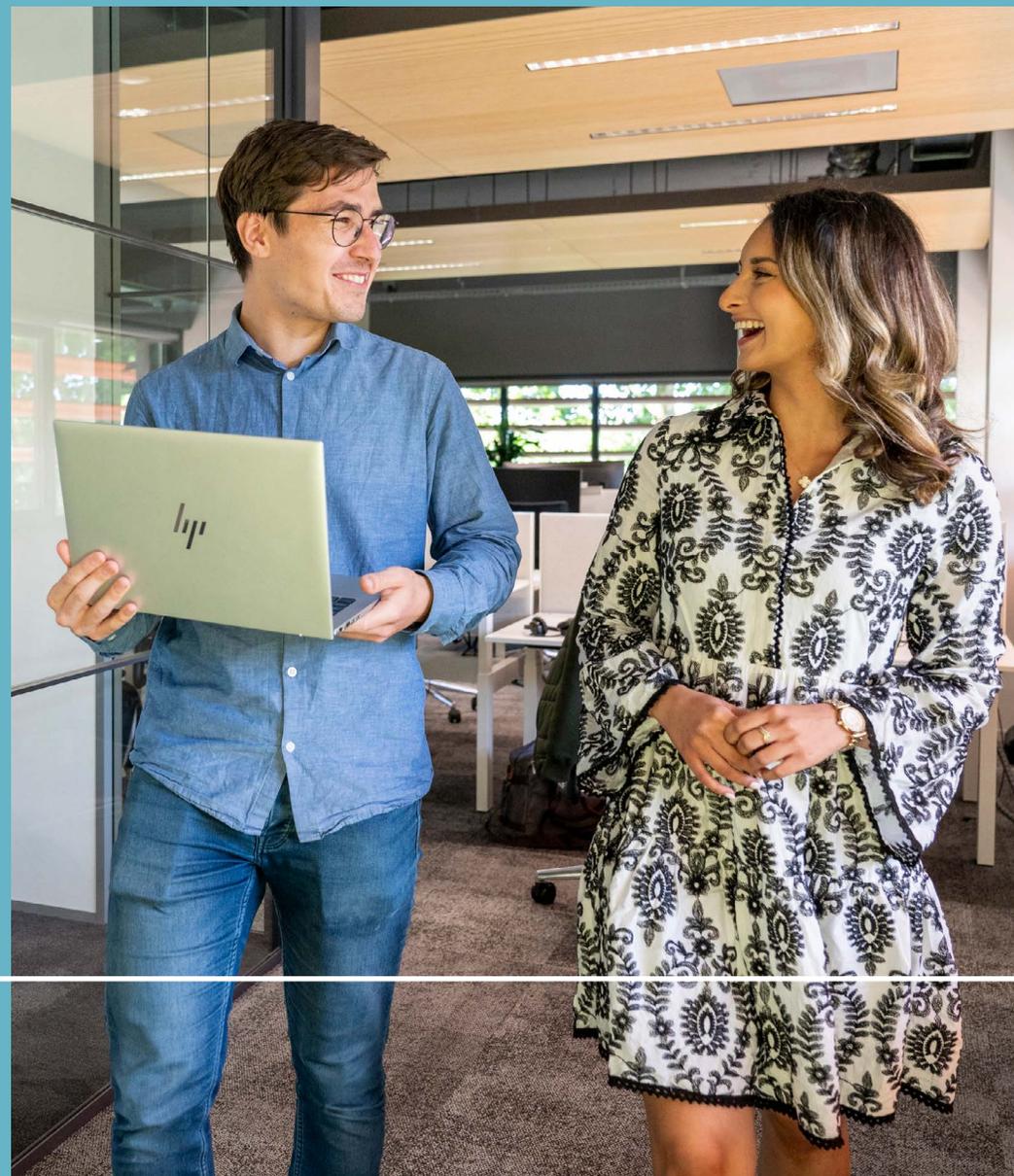
On 16 February 2026, the ACM published the final regulatory method for electricity and gas for the new regulatory period (2027-2031). These confirm the previously proposed transition from the current benchmark regulation to a new cost-based regulation method.

Increase in EIB credit facility

On 26 February 2026, the EIB and Stedin Group agreed to increase the committed credit facility from €500 million to €750 million. In 2025, Stedin Group drew down a loan of €250 million under this facility.

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Five-year overview

	Unit	2025	2024	2023	2022	2021
Income statement						
Net revenue	€ mln	2,300	2,048	1,752	1,316	1,265
Total operating income	€ mln	2,313	2,088	1,770	1,333	1,279
Total operating expenses	€ mln	1,864	1,782	1,477	1,197	1,099
Operating profit	€ mln	449	306	293	136	180
Profit after income tax	€ mln	278	158	170	81	62
Balance sheet						
Property, plant and equipment	€ mln	9,215	8,294	7,522	6,993	6,570
Balance sheet total	€ mln	10,075	9,074	8,284	7,505	7,117
Equity	€ mln	3,586	3,370	3,221	2,589	2,480
Interest-bearing debt	€ mln	4,356	3,801	3,334	3,396	3,281
Investments in property, plant and equipment and intangible assets	€ mln	1,294	1,096	832	711	687
Cash flows						
Cash flow from operating activities	€ mln	790	611	546	392	488
Cash flow from investing activities	€ mln	-1,274	-1,080	-808	-689	-679
Cash flow from financing activities	€ mln	472	382	397	217	241
Free cash flow	€ mln	-484	-469	-262	-297	-191

	Unit	2025	2024	2023	2022	2021
Credit rating						
Long-term rating (S&P)	rating	A-	A-	A-	A-	A-
Solvency	%	40.6	42.9	45.4	39.7	40.6
FFO/Net Debt	ratio	13.7	11.5	14.0	9.5	10.6
Shares at 31 December						
Number of ordinary shares outstanding (x 1,000)	number	5,685	5,685	5,643	4,971	4,971
Number of preference shares outstanding (x 1,000)	number	416	416	416	416	416

	Unit	2025	2024	2023	2022	2021
Operational key figures						
High-volume electricity connections	number	27,040	26,897	26,531	26,116	25,526
Low-volume electricity connections	number	2,440,058	2,420,027	2,398,137	2,375,331	2,353,166
Quantity of electricity distributed	GWh	25,029	24,862	24,374	20,746	20,529
Length of electricity cables	km	59,751	59,118	58,732	58,250	57,616
Length of electricity cables laid (route length)	km	1,203	1013	892	715	998
High-volume gas connections	number	8,635	8,787	8,933	9,084	9,248
Low-volume gas connections	number	2,062,048	2,076,663	2,092,646	2,108,500	2,121,210
Quantity of gas distributed	million m ³	3,572	3,626	3,602	3,782	4,961
Length of gas pipelines	km	28,029	28,080	28,121	28,145	28,160
Length of gas pipelines laid	km	259	235	237	231	256
Heating network connections	number	325	323	323	323	323
Medium-voltage outages with interruption	number	449	490	497	507	465
Facilitated supplier switches (x 1,000)	number	713	627	623	395	685
Staff						
Total number of employees at year-end	number	7,144	6,573	5,837	5,275	4,973
Employees (internal) at year-end	number	6,188	5,471	4,784	4,324	4,194
Employees (external) at year-end	number	956	1,102	1,053	951	779
Total number of FTEs at year-end	number	6,787	6,232	5,520	4,992	4,730
FTEs (internal) at year-end	number	5,925	5,237	4,583	4,148	4,041
FTEs (external) at year-end	number	862	995	937	844	689
Sickness absence (internal) (%)	ratio	4.8	5.0	5.4	5.8	4.3

	Unit	2025	2024	2023	2022	2021
Safety						
Lost Time Injury Rate (LTIR)	ratio	0.86	0.10	0.24	0.52	0.53
LTIR at the workplace	ratio	0.38	-	0.12	0.39	0.27
LTIR falls, trips and slips	ratio	0.29	0.10	-	0.13	0.13
LTIR traffic participation	ratio	0.19	-	0.12	-	0.13
Recordable Incident Frequency (RIF)	ratio	0.71	0.44	0.57	0.91	0.74
Total number of accidents (excl. First Aid Case (FAC))	number	54	29	30	43	38
Number of fatal accidents including contractors	number	-	-	-	-	-
Number of fatal accidents Stedin Group	number	-	-	-	-	-
Number of fatal accidents Contractors	number	-	-	-	-	-
Number of lost-time accidents including contractors (lost time > 1 day, LTI)	number	22	4	5	8	10
Number of lost-time accidents Stedin Group (lost time > 1 day, LTI)	number	9	1	2	4	4
Number of lost-time accidents Contractors (lost time > 1 day, LTI)	number	13	3	3	4	6
Number of non-lost-time accidents including contractors	number	32	25	25	35	28
Number of non-lost-time accidents Stedin Group	number	28	20	22	31	24
Number of non-lost-time accidents Contractors	number	4	5	3	4	4
Outages and interruptions in electricity supply						
Average duration of interruption MV/LV (CAIDI)	minutes	87	82	89	96	87
Interruption frequency MV/LV (SAIFI)	number	0.27	0.25	0.23	0.23	0.22
Annual outage duration MV/LV (SAIDI)	minutes	23	21	20	22	19
Annual outage duration HV/MV/LV (SAIDI)	minutes	23	22	21	25	20

	Unit	2025	2024	2023	2022	2021
Outages and interruptions in gas supply						
Average duration of interruption (CAIDI)	minutes	101	88	123	141	88
Interruption frequency (SAIFI)	number	0.01	0.01	0.01	0.01	0.01
Annual outage duration (SAIDI)	seconds	38	31	44	50	29
Waste¹						
Total volume of waste	kg	44,231,500	13,882,788	13,207,255	11,024,321	11,424,839
Total volume of waste recycled	kg	14,818,084	8,517,337	8,416,474	8,209,666	8,636,798
Total volume of waste not recycled	kg	29,413,416	5,365,451	4,790,781	2,814,655	2,788,041
% waste not recycled	%	66	39	36	26	24
Total asbestos	kg	1,754,735	1,598,760	1,749,220	2,084,395	1,894,085
% of asbestos in non-recycled waste	%	6	30	37	74	68

¹ As of 2025, Stedin has taken control of the disposal of waste soil itself, whereas previously this responsibility was handled by its executing contractors.

Disclaimer

This document may contain forward-looking statements and forecasts, recognisable by terms such as 'anticipate', 'intend', 'estimate', 'assume', 'expect' or the negative equivalents of these terms and other similar expressions. Such forward-looking statements and forecasts are based on current expectations and assumptions about expected developments and other factors that may affect Stedin Group.

These statements are not historical facts or guarantees of future performance. Actual results and events may differ from current expectations due to factors such as economic trends, technological developments, changes in laws and regulations, the behaviour of suppliers and customers, currency risks, tax developments, financial risks or political, economic and social conditions.

Further details regarding potential risks and uncertainties that may affect Stedin Group are included in the documents filed by Stedin Group with Euronext Amsterdam.

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