Axpo UK Limited

Consolidated Segmental Statement

for the year ended 30 September 2025

Introduction:

The Consolidated Segmental Statement Report is prepared in accordance with the "Guidelines published for preparing Consolidated Segmental Statements" and is submitted by Axpo UK Limited to comply with the Standard Licence Conditions 19A of the Electricity and Gas supply licences.

The Consolidated Segmental Statements Report is based on the published Financial Statements of Axpo UK Limited for the year ended 30 September 2025 and is prepared in accordance with the International Financial Reporting Standards.

Axpo UK Limited is a wholly owned subsidiary of Axpo International SA. The Company supplies electricity and natural gas to large industrial and commercial consumers operating in the United Kingdom and off takes electricity, natural gas and green certificates from the local, independent renewable producers through power and gas purchase agreements.

The Consolidated Segmental Statement Report consists of the following parts:

(1) Consolidated Segmental Statement is presented on page 3;

(2) The basis of preparation of the Consolidated Segmented Statement is presented on pages 4 and 5;

(3) The reconcilable items report, with the overall reconciliation to the Audited Financial Statements, is shown on page 6; and

(4) The Hedging Policy adopted by Axpo UK Limited is presented on page 7.

Consolidated Segmental Statement:

#ID		Unit	Electricity supply		Gas supply		Aggregate supply business
			Domestic	Non Domestic	Domestic	Non Domestic	
1	**Total revenue**	**£'M**	**0.0**	**143.5**	**0.0**	**159.1**	**302.6**
1.1	Revenue from sale of electricity and gas	**£'M**	0.0	124.5	0.0	159.1	283.6
1.2	Other revenues	**£'M**	0.0	19.0	0.0	0.0	19.0
2	**Total operating costs**	**£'M**	**0.0**	**157.8**	**0.0**	**164.8**	**322.7**
2.1	Direct fuel costs	**£'M**	0.0	131.2	0.0	161.5	292.7
	Direct costs:	**£'M**	**0.0**	**18.4**	**0.0**	**0.0**	**18.4**
2.2	Transportation costs	**£'M**	0.0	0.0	0.0	0.0	0.0
2.3	Environmental and social obligations costs	**£'M**	0.0	18.4	0.0	0.0	18.4
2.2	Other direct costs	**£'M**	0.0	0.0	0.0	0.0	0.0
2.4	**Indirect costs**	**£'M**	**0.0**	**8.3**	**0.0**	**3.3**	**11.6**
3	**EBITDA**	**£'M**	**0.0**	**-14.3**	**0.0**	**-5.7**	**-20.1**
3.1	Depreciation and amortisation	**£'M**	0.0	0.2	0.0	0.1	0.3
3.2	**EBIT**	**£'M**	**0.0**	**-14.6**	**0.0**	**-5.8**	**-20.3**
4	Volume	**TWh, m therms**	0.0	1.3	0.0	150.5	
5	WACO E/G	**£/MWh, p/th**	**0.0**	**101.7**	**0.0**	**107.4**	
6	Meter Points	**000s**	0.0	0.133	0.0	0.250	

Basis of preparation of the Consolidated Segmented Statement:

1.1 Revenue gas/power: Represents the sale of gas and power to the non-domestic customers of Axpo UK Limited, all of which are based in the UK. This includes the profit or loss on unrealised contracts as well.

1.2 Other revenue: Mainly consists of the contribution received from full supply customers towards the renewable obligation scheme based on their consumption in the 2024-25 compliance period. Axpo has the choice to either contribute this value to the ROC (Renewable Obligation Certificates) buy out fund at the buy-out price or submit the equivalent ROCs instead.

2.1 Direct Fuel Costs: The Direct Fuel Cost represents the cost of purchase of gas and power through the long-term Gas / Power Purchase Agreements signed with the counterparties and the purchase of the energy from the market through back-to-back transactions with its parent Axpo Solutions AG.

2.2 Transportation Costs and Other Direct Costs: Transportation / distribution costs incurred by Axpo UK Ltd in the provision of gas and power are recharged to full supply customers, as regulated by respective agreements signed with the full supply customers, and, hence, from the perspective of the Company, such expenditure is not considered as a cost in the Profit and Loss account.

2.3 Environmental & Social obligations cost: Represents the cost of compliance by Axpo UK Limited with the Renewable Obligation (RO) scheme for 2024 – 2025 and other green certificates.

2.4 Indirect Cost: Indirect costs represent General and Administrative expenses and include the following: (1) office running costs, (2) personnel costs, (3) professional fees and other. These costs are attributed to the power and gas supply in proportion to EBITDA before indirect costs. However, these overheads cover origination services executed by the UK as a whole rather than just under the full supply licence.

3. **EBITDA**: EBITDA is representative of *Earnings Before Interest, Tax, Depreciation and Amortization*

3.1 Depreciation and Amortization: represents the depreciation and amortization charge for the financial year 2025 calculation on the fixed assets held by the company during the year.

3.2 EBIT: EBIT is representative of Earnings Before Interest and Tax.

4. **Volume**: Volume presented in the CSS report is taken at a meter point and, consequently, captures the transmission and distribution losses, where relevant.

5. **WACO**: WACO represents Weighted Average Cost of Fuel and is derived by dividing the direct cost over the volume supplied.

6. **Meter Points**: Meter points for electricity and gas represents the average number of meters per year, calculated by aggregating the quantity of meters per each month and dividing the total by 12.

Reconciliation to Statutory Accounts:

Adjustment for Reconciling Items

Number	Item	Unit	Revenue	EBIT
	CSS Supply [Licensee/Licensee Group Name]	£'M	**302.6**	**-20.3**
	Adjustments:			
1	Net revenue from foreign activity	£'M	8.6	8.6
2	Other operating income	£'M	15.1	15.1
1	Net income from foreign activity	£'M	0.0	-6.0
	Axpo UK Limited Statutory Accounts	£'M	**326.3**	**-2.7**

Notes on reconciling items

1. **Net revenue and costs from foreign activity**: Foreign operations are conducted in the Republic of Ireland through a branch that is wholly owned by Axpo UK Limited (“Axpo UK Limited Irish Branch”). The branch is registered and operates under a licence granted in the Republic of Ireland. The financial results of the branch have been excluded from the Consolidated Segmental Statements and are instead included in the Reconciliation Table.

2. **Other Operating Income:** Other operating income relates to the service level agreement signed with Axpo Solutions AG, where AXPO UK Limited receives a fee for the services it provides. As the substance of the operations consists of the provision of a service, the impact of other operating income for the year ended 30 September 2025 has been excluded from the Consolidated Segmental Statements and are instead included in the Reconciliation Table.

Hedging Policy:

1. **Hedging Policy**: AXPO UK always ensures that it minimises its exposure to the market price volatility. Axpo mitigates wholesale price risk through the purchase and sale in the wholesale market to replicate the fixed price and / or index price risk in its customer contracts.

   Axpo may also be exposed to some price risk associated with deviations to forecasted consumption. Axpo charges fees to cover this risk and, over time, the outcome should breakeven.

   All forward contracts are measured at the fair value at the end of the reporting period, and this creates a position on gain/losses on the forward contracts that the company recognises in the income statement.