



**Elenia Group**  
**INVESTOR REPORT**  
**2025**



ELENIA

# INVESTOR REPORT

For the year ended 31 December 2025

## Elenia Group

This investor report provides information on the Elenia Group's ("Elenia") business in 2025, including regulatory and business developments, Elenia's financial performance and other information in accordance with the requirements of the Common Terms Agreement dated 10 December 2013 as amended and restated from time to time ("CTA").

## 1. Overview

In 2025, Elenia distributed 5,977 GWh of electricity, compared to 6,142 GWh in the previous year. Elenia's revenue in 2025 was €352.0 million (€347.8 million in 2024) and the increase in revenue was mainly driven by a tariff increase in September 2024<sup>1</sup> which was offset for most part by lower distribution volumes. The electricity consumption decreased primarily due to warm winter weather during the first quarter of 2025.

Elenia's EBITDA totalled €224.8 million (€235.0 million in 2024). EBITDA excluding non-recurring items was €242.4 million in 2025 (€233.4 million in 2024). The non-recurring items consisted mainly of exceptional costs related to the storm Hannes<sup>2</sup>.

During the period, Elenia's electricity distribution business ("Elenia Verkko Oyj") continued the roll-out of its long-term investment plan, which enables the improvement of security of supply and electrification of society. Approximately 85% of Elenia's customers are within the scope of the quality requirements<sup>3</sup>.

The key financial performance indicators are shown below. Further information is available at [www.elenia.fi/en/investors](http://www.elenia.fi/en/investors).

Key Financial Performance Indicators (€m)	2023	2024	2025
Revenue	326.9	347.8	352.0
EBITDA*	216.5	233.4	242.4
EBITDA Margin*	66.2%	67.1%	68.9%

\*Excluding non-recurring and exceptional items

<sup>1</sup> The distribution tariffs were raised on average by approximately 3.5% in September 2024 (after taxes).

<sup>2</sup> The non-recurring and exceptional items of approximately €17.5 million consisted of Hannes, expenses related to legal actions due to regulatory changes (€1.1 million) and exceptional network losses (€0.4 million). The total costs of Hannes consisted of mandatory customer compensations of more than €8.0 million and other (mainly fault repairing) related costs of approximately €7.3 million. Additionally, Elenia's voluntary compensation for customers for outages over six hours amounted to €0.6 million and it is reflected as a customer rebate reducing revenues.

<sup>3</sup> The Electricity Market Act ("EMA") states that 100% of customers should be within the quality requirements by the end of 2036 and accordingly power needs to be restored within six hours in zoned areas, and within 36 hours in other areas.

## 2. Business Update

### a. Storms and Exceptional Weather Events

In 2025, Elenia suffered from several smaller storms and incurred one major power disruption i.e. the storm Hannes in December. Hannes caused over 3,000 fault repair tasks in Elenia's grid and impacted approximately 150,000 customers, causing the most severe damages to Elenia's network in almost 15 years. At worst there were 76,000 customers simultaneously without electricity. Hannes was categorised as a class 4 storm with SAIFI<sup>4</sup> impact of 0.72.

SAIDI<sup>5</sup> excluding the impact of class 3 and 4 storms was 51 minutes in 2025 (94 minutes in 2024).

### b. Regulation

The Energy Authority ("EA") supervises the operations of distribution system operators ("DSOs"), and regulation is based on four-year periods. The final regulatory confirmation decision for the sixth (2024-2027) and seventh (2028-2031) regulatory periods includes numerous amendments compared to the previously applied methods weakening the DSOs' operating conditions and investment capabilities. Practically all Finnish DSOs, including Elenia, appealed the EA's decision to the Market Court which rejected the appeals in November. The development of electricity networks is essential in terms of Finland's competitiveness, emergency of supply and carbon neutrality targets, and therefore Elenia among other DSOs appealed to the Supreme Administrative Court in December.

Elenia has previously appealed to the Market Court to repeal the decision of the EA regarding the amendment to the regulation methods in the middle of the previous regulatory period impacting 2022-2023.

In May, Elenia received a decision from the EA requiring it to change the accounting treatment of items that were created in connection with the sale of the district heating business in 2019 and reorganisation of Elenia in 2020. The decision, if it stands, would negatively impact Elenia's regulatory asset base and reasonable return as Elenia's cumulative regulatory position at the end of the previous regulatory period might change from a deficit to a surplus, hence possibly necessitating the offsetting of any regulatory surplus during the current regulatory period ending in 2027. However, any potential impact on Elenia's regulatory accounts beyond 2027 would be limited. Elenia appealed the decision to the Market Court as Elenia views that the two items in question are not related to the regulated network business. The impact of the decision on Elenia is highly dependent on the outcome of the ongoing industry-wide court processes with regards to both the fifth regulatory period (2020-2023) and the current sixth and seventh regulatory periods (2024-2031), as well as any mitigative actions that might be implemented. If Elenia is unsuccessful in all these actions, or in the appeal of the actual decision, it may need to implement measures to offset its surplus such as providing temporary rebates to customers for a limited time in the remainder of the current regulatory period (2024-2027). The impact of such temporary measures, if implemented, could have a material adverse effect on Elenia's earnings during the limited time when such temporary measures are applicable but would not impact, for example, Elenia's ability to carry out planned capex. If such temporary measures are implemented, Elenia expects that they will be treated as exceptional and non-recurring items in the financial statements.

The EA confirms annually the risk-free rate to be applied to the regulatory calculations in the following year, as the rate is based on the previous year's average level of the 10-year Finnish Government bond. Accordingly, the reasonable rate of return confirmed by the EA for 2026 is 6.87%. The EA has updated several WACC parameters including risk-free rate, debt premium, asset beta and capital structure

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<sup>4</sup> System Average Interruption Frequency Index describes the number of outages that have occurred in the network during the exceptional weather event in relation to the total number of customers. The most severe, class 4, events are classified to have a SAIFI impact of at least 0.50.

<sup>5</sup> System Average Interruption Duration Index is a measure of the duration of the outages.

assumptions. According to the regulatory methods the risk-free rate is updated annually, and the three other items are updated every second year, and they will be valid for 2026 and 2027.

### **c. Investments**

Elenia was the first DSO in Europe to incorporate hourly electricity consumption monitoring into digital services in the early 2000s. In 2021, Elenia started wide-scale replacement of nearly 440,000 smart electricity meters with next-generation remotely readable meters. The roll-out was completed in 2025. As consumption of electricity as well as the need to balance production and consumption is increasing, the next-generation electricity meters provide access to more real-time data on electricity consumption and enable the implementation of demand response services utilizing smart grid.

According to the current network development plan delivered to the EA in 2024, Elenia's total capex requirement for 2024–2036 is approximately €2.4 billion with the green transition related capex being more than €500 million. The green capex included for example the deployment of smart meters, increase of the network capacity to enable connection of wind and solar power and electrification of transportation, heating and industrial processes. Elenia will conduct a public hearing on its updated network development plan in May 2026 and will submit it to the EA in the following month. The capex requirement is expected to be somewhat higher than previously estimated though the forecast period is two years shorter than previously. The network investments were €132.5 million in 2025, and Elenia expects to invest approximately €130-140 million in 2026 which is significantly less than required as per the current network development plan.

### **d. Continuity of Operations**

Cyber security continued to be a focal topic covering all digital solutions. Elenia participated in both national and international cyber security exercises and also renewed ISO/IEC 27001 certificate for information security management. Elenia maintained close co-operation with the Finnish National Cyber Security Centre as well as with other DSOs.

Elenia continued to develop its asset management system in line with the international ISO 55001:2014 standard. The standard provides a systematic framework for planning, constructing, operating, maintaining and repairing the electricity network, ensuring that the network operates reliably, safely and efficiently throughout its lifecycle. Through this framework, Elenia ensures continuous improvement in network operations and security of supply, availability of sufficient capacity to meet growing electricity demand, and high network safety. The standard also requires suppliers and service providers to commit to responsible high-quality operations. Certified asset management system supports Elenia's objective of managing its network to respond to the current and future needs of customers, stakeholders and society at large. The asset management system was recertified in November 2025 by LRQA. New standard version of the ISO 55001 was published in 2024. The adoption of the new version has been scheduled for spring 2027 and preparatory work is ongoing.

### **e. Safety, Health and Sustainability**

Elenia's sustainability program is aligned with the UN's Sustainable Development Goals and there are six selected goals that have strong links to Elenia's operations. For each of the goals, Elenia has set specific targets and the related KPIs are followed monthly. Elenia is also a signatory of the UN's Global compact.

In 2025, Elenia participated in the GRESB Infrastructure Assessment focusing on environmental, social and governance performance of real estate and infrastructure companies and assets worldwide. Elenia reached 99 points out of 100 and scored full five stars for the eighth consecutive year. The assessment is an important benchmark and research tool for continuous development and proves that the goals of sustainability have been led from a company level to a personnel level internally as well as to Elenia's supply chain.

Elenia has been approved for the Science Based Targets initiative ("SBTi") climate target. As part of an ambitious future-oriented sustainability vision Elenia focuses on its own operations to reach carbon-neutrality. Elenia is committed to reduce absolute greenhouse gas Scope 1 and 2 emissions 42% by 2030 in accordance

with the Paris Climate Agreement. Additionally, Elenia is committed to setting Net Zero targets that cover also the emissions from the entire value chain (Scope 1, 2 and 3). In 2025, approximately 42% of Elenia's annual spend was purchased from companies committed to the SBTi.

Elenia's personnel did not sustain any recorded accidents during the reporting period but there were altogether two recorded work-related accidents for external contractor personnel in 2025. All accidents have been handled in accordance with Elenia's safety procedures in order to prevent similar accidents in the future. Elenia together with its partners had an LTIF<sup>6</sup> figure of 1.3 in 2025 (3.2 in 2024). The figure has come gradually down due to continuous safety work reaching the all-time low last year. The target is to ensure that all employees and partners work in a safe environment. Safety work is based on secure tools, processes and operating models.

Elenia has signed the Safety Manifesto with its main contractors, aiming to show that they are jointly committed to safety and that everyone is entitled to return home healthy from work. This is monitored constantly on the highest level and all accidents are reported to the Board. In 2025, the safety project TUISKU continued to promote and improve safety culture in cooperation with partners. Elenia also continued to run the safety academy which further strengthens and deepens safety behaviour and activities of personnel and partners.

The EU taxonomy is a classification system establishing a list of environmentally sustainable activities. Approximately 98% of Elenia's revenue, 98% of capex and 80% of operating expenses are taxonomy eligible. When assessing the alignment of Elenia's EU taxonomy eligible activities, the taxonomy eligible revenue, capex and operating expenses are in line with the criteria for climate change mitigation. Elenia has also taken into account EU taxonomy alignment requirements for companies to comply with minimum social safeguards regarding human rights, corruption and bribery, taxation and fair competition.

### 3. Changes to the Board of Directors

There has been one change since the date of the previous Investor Report. In November, Mark Braithwaite ceased to be a member of the board of directors of Elenia Oy and was replaced by Thomas Metzger.

### 4. Financing and Hedging Position

In October, Elenia was the first Nordic DSO to issue an inaugural EU green bond in accordance with the new European EU GB standard. The size of the bond, listed at Euronext Dublin, is €500 million and it carries a coupon of 3.375% with the final maturity in June 2033. S&P Global Ratings awarded the issuance with a stable BBB rating. The proceeds from the bond will be allocated to projects in line with the EU taxonomy technical screening criteria for transmission and distribution of electricity while half of it was used to tendering the outstanding €500 million bond due in February 2027. The successful transaction supports Elenia's investment program in modernizing its distribution network based on security of supply targets set by the EMA and requirements of electrification of society.

Elenia continues to have a strong liquidity position. As of 31 December 2025, cash and cash equivalents were €288.7 million (€42.7 million in 2024) while the sustainability linked revolving credit facilities due May 2030 consisting of €250 million Capex Facility, €50 million Working Capital Facility and €70 million Liquidity Facility were undrawn. The weighted average maturity of Elenia's debt was 5.7 years at the end of 2025 (5.5 years at the end of 2024). The weighted average interest rate was 2.7% in 2025 (2.4% at the end of 2024).

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<sup>6</sup> Lost Time Injury Frequency, the number of lost time injuries occurring in all Elenia's activities per 1 million internal as well as external hours worked. Lost time injuries include all on-the-job injuries that require a person to stay away from work more than one day. Total LTIF = (ΣLTi\*1,000,000 hours) / (Cumulative internal and external hours).

The Hedging Ratio was 83.6% as at 31 December 2025 and Elenia was in compliance with the Hedging Policy.

## 5. Acquisitions or Disposals

There were no material acquisitions or disposals in the reporting period.

## 6. Restricted Payments

The amount of Restricted Payments made since the date of the previous Investor Report is €101.0 million.

## 7. Recent Development

In January, Elenia purchased in open market transactions an aggregate of €117.8 million (in principal amount) of its 3.038 % fixed rate bonds due 2 July 2026 and cancelled them. Following the purchase and cancellation of the bonds, the outstanding principal amount of the bonds due 2 July is €2.2 million.

In February, Fitch Ratings assigned Elenia Verkko Oyj a senior secured debt rating of BBB with stable outlook. Elenia Verkko Oyj's bonds and notes now hold BBB issue rating with stable outlook from both Fitch Ratings and S&P Global Ratings.

## 8. Ratios

In respect of this investor report dated 23 March 2026 covering the 12-month period ending 31 December 2025, by reference to the most recent Financial Statements delivered to you in accordance with Paragraph 1 (Financial Statements) of Part 1 (Information Covenants) of Schedule 2 (Security Group Covenants) of the CTA:

The Interest Coverage Ratio (FFO/ Net Finance Charge) in respect of the Relevant Periods are:

31 December 2025  $\text{€}239.4\text{m} / \text{€}52.5\text{m} = 4.56$

31 December 2026  $\text{€}233.9\text{m} / \text{€}64.3\text{m} = 3.64$

The Leverage Ratio (Total Net Debt / EBITDA) in respect of the Relevant Periods are:

31 December 2025  $\text{€}2,001.7\text{m} / \text{€}241.8\text{m} = 8.28$

31 December 2026  $\text{€}2,008.2\text{m} / \text{€}236.4\text{m} = 8.49$

(together the Ratios).

Each of the above Ratios has been calculated in respect of the Relevant Period(s) or as at the Calculation Dates for which it is required to be calculated under the CTA.

## 9. Confirmations

We confirm that as at 31 December 2025:

- (a) no Default or Trigger Event has occurred and was continuing
- (b) the Security Group was in compliance with the Hedging Policy; and
- (c) the statements set out in this Investor Report are accurate in all material respects;

Yours faithfully,



.....  
Tommi Valento  
Chief Financial Officer  
Signing without personal liability, for and on behalf of  
Elenia Verkko Oyj as Security Group Agent