Elia Group SA/NV

Keizerslaan 20, 1000 Brussels, Belgium

(the "**Company**")

Rights Offering of maximum 21,814,521 New Shares of the Company

EUR 61.88 per New Share in the ratio of 1 New Share for 4 Preferential Rights

Request for admission to listing and trading on Euronext Brussels of the New Shares, as from their issuance, and the Preferential Rights, during the Rights Subscription Period

Prospectus dated 25 March 2025

This prospectus (the "**Prospectus**") relates to the public offering to Existing Shareholders (as defined below) and any holders of an extra-legal preferential right ("**Preferential Right**") to subscribe to newly issued ordinary shares in the Company (the "**New Shares**" and such offering, the "**Rights Offering**") and the Scrips Private Placement (as defined below) (together with the Rights Offering, the "**Offering**"). The issue price for the New Shares is EUR 61.88 (the "**Issue Price**").

Each shareholder holding shares of the Company at closing of Euronext Brussels on 26 March 2025 (the "**Existing Shareholders**") will be granted one Preferential Right per existing share in the Company held at that time. The Preferential Rights will be represented by coupon nr. 24, which will be separated from the underlying shares on 26 March 2025 after closing of Euronext Brussels. The Preferential Rights in dematerialised form are expected to trade on Euronext Brussels from 27 March 2025 up to and including 3 April 2025 and are expected to be listed on Euronext Brussels under the ISIN code BE0970187903 and trading symbol "ELI24". The holders of Preferential Rights are entitled to subscribe to the New Shares in the ratio of 1 New Share for 4 Preferential Rights (the "**Ratio**"). The subscription period for the New Shares will be from 27 March 2025, at 9 a.m. CET up to and including 3 April 2025, at 4 p.m. CET (the "**Rights Subscription Period**"). Once exercised, the holders of Preferential Rights cannot revoke the exercise of their Preferential Rights, except as set out in Section "*Information on the Offering – Supplement to the Prospectus*". Holders of Preferential Rights who have not exercised their Preferential Rights during the Rights Subscription Period will no longer be able to exercise their Preferential Rights.

Preferential Rights that are not exercised during the Rights Subscription Period will be converted into an equal number of scrips (the "**Scrips**"). The Scrips will be offered for sale in a private placement to institutional investors that is expected to start on or about 4 April 2025 and to end on the same date (the "**Scrips Private Placement**"). The net proceeds of the sale of the Scrips (if any) will be divided proportionally between all holders of Preferential Rights who have not exercised them, unless the net proceeds from the sale of the Scrips divided by the total number of unexercised Preferential Rights is less than EUR 0.01. Purchasers of Scrips in the Scrips Private Placement will irrevocably undertake to subscribe to the corresponding number of New Shares at the Issue Price and in accordance with the Ratio. The statutory preferential subscription right of the Existing Shareholders has been cancelled with respect to the Offering, but the Preferential Rights, each representing an extra-legal preferential subscription right, are being granted as described above. The result of the subscription with Preferential Rights will be announced through a press release before market opening on or about 4 April 2025. The results of the Offering, detailing the subscription with Preferential Rights and with Scrips, the results of the sale of the Scrips and the amount due to holders of unexercised Preferential Rights (if any) will be published on or about 4 April 2025.

The Company has applied to have the New Shares admitted to trading on Euronext Brussels under the trading symbol "ELI". The Company has applied to have the Preferential Rights admitted to trading on Euronext Brussels during the Rights Subscription Period under the trading symbol "ELI24".

An investment in the New Shares and trading in Preferential Rights involves economic and financial risks, as it is the case for every investment in shares. A prospective investor must consider, when taking its investment decision, that it may lose all or part of its investment. See Section "*Risk Factors*" for a description of the factors that should be considered before subscribing for the New Shares or trading in the Preferential Rights, and in which the most material risk factors have been presented first within each (sub)category. All of these factors should be considered before investing in the New Shares, the Preferential Rights or the Scrips. Specifically, potential investors should be aware that the Group is subject to an extensive set of regulations and its income is in large part dependent on the applicable tariff methodology in its core markets, which is subject to potential changes and periodic revisions. In addition, failure by the Group to maintain a balance between energy demand and supply on the grid may lead to load shedding, have significant adverse consequences on the country's security of supply and may, in certain circumstances, lead to liability and adversely impact its results of operations. In addition, The Group's future profits will in part depend on its ability to realise its contemplated investment programme and the anticipated organic growth of its regulated asset base (RAB). Moreover, a downgrade in the Company's, ETB's and/or Eurogrid GmbH's credit rating could affect their ability to access capital markets as well as impact their financial position and refinancing capacity.

Neither the Preferential Rights, nor the Scrips, nor the New Shares have been or will be registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction in the United States, and they may not be offered, sold, pledged, delivered or otherwise transferred, directly or indirectly, in or into the United States unless the New Shares, the Preferential Rights or the Scrips are registered under the Securities Act or an exemption from the registration requirements of the Securities Act and applicable state securities laws is available.

The New Shares and the Preferential Rights are being offered and sold (i) within the United States to "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A ("**Rule 144A**") under the Securities Act in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and (ii) outside the United States in offshore transactions (as defined in Regulation S under the Securities Act ("**Regulation S**")) in reliance on Regulation S. The Scrips Private Placement (if any) will be made outside the United States in reliance on Regulation S and within the United States to QIBs in reliance on Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the Preferential Rights, Scrips and New Shares, see Section "*Plan of distribution and allocation of the New Shares – Selling restrictions*".

None of the Preferential Rights or Scrips have been approved or disapproved by the US Securities and Exchange Commission or any securities commission or authority of any state or other jurisdiction in the United States, and no such commission or authority has passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense in the United States.

The New Shares, the Preferential Rights and the Scrips have not and will not be registered under the securities laws of any jurisdiction other than Belgium and Germany. The distribution of this document and the offering and delivery of shares in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required to inform themselves about and observe any such restrictions. For a description of these and further restrictions, see Sections "*Information on the Offering*" and "*Plan of distribution and allocation of the New Shares*".

Delivery of the New Shares is expected to take place through the book-entry facilities of Euroclear Belgium against payment therefor in immediately available funds on or about 8 April 2025.

This document constitutes a simplified offer and listing prospectus in accordance with Article 14 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 ("**Prospectus Regulation**") and has been voluntarily prepared in accordance with Article 4 of the Prospectus Regulation. The English version of this Prospectus was approved in accordance with Article 20 of the Prospectus Regulation by the Belgian Financial Services and Market Authority (the "**FSMA**") on 25 March 2025 as competent authority under the Prospectus Regulation. The FSMA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the Preferential Rights or the New Shares that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the New Shares. The Company has requested the FSMA to notify the approved Prospectus in accordance with Article 25 of the Prospectus Regulation, with a letter of approval attesting that this Prospectus has been prepared in accordance with the Prospectus Regulation, to the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*—the "**BaFin**").

In accordance with Article 12(1) of the Prospectus Regulation, this Prospectus is valid for a period of 12 months from the date on which it was approved by the FSMA, which was 25 March 2025. The obligation to publish a supplement to this Prospectus in accordance with Article 23 of the Prospectus Regulation in the event of significant new factors, material mistakes or material inaccuracies does not apply when the validity of the Prospectus has expired.

This Prospectus is available in English, French and Dutch. A German summary of this Prospectus is also available. This Prospectus will be made available to investors at no cost at the registered office of the Company, at Keizerslaan 20, B-1000 Brussels, Belgium. Subject to selling and transfer restrictions, this Prospectus is also available on the website of the Company at https://investor.eliagroup.eu/offering and is made available free of charge to investors at: (i) BNP Paribas Fortis on its websites https://www.bnpparibasfortis.be/beleggingsnieuws (NL) and https://www.bnpparibasfortis.be/actualitefinanciere (FR); (ii) Belfius Bank on its website www.belfius.be/elia2025 (ENG, FR and NL) and (iii) KBC Securities on its website http://www.kbc.be/elia2025 (ENG, FR and NL).

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any of the New Shares, Preferential Rights or Scrips in any jurisdiction or to any person to whom it would be unlawful to make such an offer. Distribution of this Prospectus may, in certain jurisdictions, be subject to specific regulations or restrictions. Persons in possession of this Prospectus are required to inform themselves of any such restrictions which may apply in their jurisdiction and to observe them. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. The Company disclaims all responsibility for any violation of such restrictions by any person.

Joint Global Coordinators and Joint Bookrunners

BNP Paribas Fortis SA/NV **Citigroup Global Markets Limited** **Goldman Sachs International**

Joint Bookrunners

Belfius Bank SA/NV **J.P. Morgan SE** **KBC Securities NV** **Morgan Stanley & Co. International plc**

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SUMMARY

1 Introduction and warnings

Name and international securities identification number (ISIN) of the securities. The New Shares are expected to trade on Euronext Brussels under the trading symbol "ELI" with ISIN code BE0003822393. The dematerialised Preferential Rights will trade under ISIN code BE0970187903.

Identity, contact details and legal entity identifier (LEI) of the issuer. Elia Group SA/NV is a public limited liability company ("*société anonyme*"/"*naamloze vennootschap*"). Its registered office is located at Keizerslaan 20, 1000 Brussels, Belgium (telephone number: +32 (0)2 546 70 11) and it is registered with the Brussels Register of Legal Entities under the number 0476.388.378. The Company's LEI is 549300S1MP1NFDIKT460. The Company holds stakes in various subsidiaries and its shares (the "**Shares**") are listed on Euronext Brussels. The Company's website can be accessed via www.eliagroup.eu.

Competent authority approving the prospectus. Belgian Financial Services and Markets Authority (FSMA), Congresstraat 12-14, 1000 Brussels, Belgium, with telephone number +32 (0)2 220 52 11.

Date of Prospectus approval. The FSMA approved the English version of this Prospectus in accordance with Article 20 of the Prospectus Regulation on 25 March 2025. The Company has requested the FSMA to notify the approved Prospectus in accordance with Article 25 of the Prospectus Regulation, with a letter of approval attesting that this Prospectus has been prepared in accordance with the Prospectus Regulation, to BaFin.

Warnings. This summary should be read as an introduction to the Prospectus. Any decision to invest in the New Shares, Preferential Rights or the Scrips should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff may, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this Summary including any translation thereof, but only where the Summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the New Shares, Preferential Rights or the Scrips.

2 Key information on the issuer

2.1 Who is the issuer of the New Shares, Preferential Rights or the Scrips?

Identity of the issuer. Elia Group SA/NV is a public limited liability company ("*société anonyme*"/"*naamloze vennootschap*") incorporated and operating under the laws of Belgium. The Company is registered with the Brussels Register of Legal Entities under the number 0476.388.378. The Company's registered office is located at Keizerslaan 20, 1000 Brussels, Belgium. The Company's LEI is 549300S1MP1NFDIKT460.

Principal activities. Elia Group, through its regulated subsidiaries Elia Transmission Belgium ("**ETB**") in Belgium and 50Hertz Transmission GmbH ("**50Hertz**") in Germany, manages a network of high-voltage connections spanning over 19,741 km. The Group delivers electricity to over 30 million end users across Belgium and Germany, and facilitates electricity interconnections within Europe, including cross-border connections with neighbouring countries and the UK. The Group also engages in unregulated activities through entities including Elia Grid International ("**EGI**") and WindGrid SA/NV ("**WindGrid**"), focusing on consulting, engineering, and transmission development, to support the energy transition and societal value creation. The Group's core regulated activities include:

- Grid management, the Group is committed to deliver the infrastructure of the future by developing, building and maintaining the transmission grids according to long term needs, investing significantly in the integration of renewable energy, the development of an offshore high-voltage grid and the construction of interconnectors to facility the integration of the European energy market.
- System operations, the Group maintains the balance of the system to ensure a reliable supply and efficient operational management of the grids by monitoring the electricity system in real time.
- Market facilitation, the Group is part of the European integrated markets and plays a role to facilitate the integration of the European energy market by developing services and mechanisms allowing the market to trade on different platforms, which fosters economic growth.
- Trusteeship, the legal responsibility for coordinating and processing national levy systems that promote the integration of RES into the energy system lie with ETB in Belgium and 50Hertz in Germany.

Main security holders. On 7 March 2025, the Company announced that it entered into agreements with Atlas Infrastructure ("**ATLAS**") with The Future Fund, funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock Inc. ("**BlackRock**"), Canada Pension Plan Investment Board ("**CPP Investments**") and Publi-T to raise EUR 849,999,954.44 (including issue premium) through a private placement of new shares (the "**PIPE**") to such investors. The new shares will be issued within the framework of a capital increase with disapplication of preferential subscription rights. The PIPE is expected to be completed on 26 March 2025.

The following table sets forth information with respect to the shareholders of the Company, assuming successful completion of the PIPE and immediately prior to the Offering, based on the transparency notifications received by the Company and after giving effect to the Shares to be issued pursuant to the PIPE.

Shareholders	Types of. Shares[3]	Shares	% Shares	% Voting rights
NextGrid Holding	B and C	39,083,610[1]	44.79	44.79
Publipart	A and B	2,437,487[2]	2.79	2.79
Belfius Insurance	B	714,357	0.82	0.82
Katoen Natie Group	B	7,361,429	8.44	8.44
Interfin	B	3,124,490	3.58	3.58
ATLAS Infrastructure with The Future Fund[5]	B	3,791,840	4.35	4.35
Blackrock Inc[5]	B	1,895,919	2.17	2.17
CPP Investments[5]	B	1,895,919	2.17	2.17[4]
Other Free float	B	26,953,035	30.89	30.89
Total Amount of the Shares	A, B and C	87,258,086[3]	100	100

Notes:

(1) Includes 38,976,566 Class C Shares and 107,044 Class B Shares.

(2) Includes 1,836,054 Class A Shares and 601,433 Class B Shares.

(3) The Company's share capital will be represented by 87,258,086 shares. The Shares are divided into three classes: 1,836,054 Class A Shares; 46,445,466 Class B Shares; and 38,976,566 Class C Shares.

(4) CPP Investments has agreed to suspend its voting rights in the context of its subscription agreement dated 6 March 2025 (see Section "*Information on the Offering – Information related to the PIPE*").

(5) With respect to ATLAS, BlackRock and CPP Investments, this table only takes into account the number of Shares to be issued in the context of the PIPE. To the extent any of ATLAS, BlackRock and/or CPP Investments hold additional Shares, this table may not accurately reflect the full shareholding of these shareholders.

The current shareholding of NextGrid Holding SA ("**NextGrid Holding**") gives it the right to propose candidates for half of the board members of the Company. Under the Company's articles of association (the "**Articles of Association**"), NextGrid Holding's shareholding and board representation allows it to block certain board resolutions and all shareholders' resolutions. The Company is thus directly controlled by NextGrid Holding.

Board of Directors. The Board of Directors is in principle composed of twelve (12) members, including (i) six (6) directors appointed on the proposal of the holders of Class A Shares and Class C Shares, insofar as the Class A and Class C Shares, alone or together, represent more than 30 per cent. of its capital; and (ii) the other directors (to bring the total to twelve (12) members), of which at least three (3) must be independent directors within the meaning of Article 7:87 BCCA, appointed by the Shareholders' Meeting on the recommendation of the Board of Directors, after advice of the Nomination and Remuneration Committee. All directors must be non-executive directors (*i.e.* persons who have no daily management duties within the Company or within one of its subsidiaries). Following the appointment of Bernard Gustin as Chief Executive Officer of the Company and President of the Executive Management Board, and his resignation as a director, the Board of Directors currently consists of eleven (11) directors. The eleven (11) members of the Board of Directors currently are: (i) Michel Allé; (ii) Pieter De Crem; (iii) Laurence de L'Escaille; (iv) Eddy Vermoesen; (v) Frank Donck; (vi) Bernard Thiry; (vii) Roberte Kesteman; (viii) Dominique Offergeld; (ix) Pascale Van Damme; (x) Geert Versnick; and (xi) Interfin SC/CV, represented by its permanent representative Thibaud Wyngaard.

Statutory auditor. The Company's current statutory auditors are (i) Ernst & Young Réviseurs d'Entreprises/ Bedrijfsrevisoren SRL/BV, a private limited liability company ("*société à responsabilité limitée*"/"*besloten vennootschap*") organised and existing under the laws of Belgium, with registered office at De Kleetlaan 2, B-1831 Diegem, represented by Paul Eelen, and (ii) BDO Réviseurs d'Entreprises/BDO Bedrijfsrevisoren SRL/BV, a private limited liability company ("*société à responsabilité limitée*"/"*besloten vennootschap*") organised and existing under the laws of Belgium, with registered office at Da Vincilaan 9/E6, B-1930 Zaventem, represented by Michaël Delbeke.

2.2 What is the key financial information regarding the Company?

Selected financial information.

	Year ended 31 December		
	2024	**2023**	**2022**
		(EUR million)	
Revenue	3,767.0	3,842.6	3,616.0
Results from operating activities	879.1	644.2	559.8
Net profit attributable to equity holders of ordinary shares	421.3	324.5	341.7
Earnings per share (in EUR)	5.73	4.41	4.80

	As at 31 December		
	2024	**2023**	**2022**
		(EUR million)	
Total assets	24,927.6	19,390.1	20,594.3
Equity attributable to owners of the Company	5,556.2	5,088.5	5,319.6
Total equity and liabilities	24,927.6	19,390.1	20,594.3

	As at 31 December		
	2024	**2023**	**2022**
		(EUR million)	
Net cash from operating activities	944.2	(1,509.4)	1,431.2
Net cash used in investing activities	(4,870.0)	(2,287.1)	(1,454.4)
Net cash flow from (used in) financing activities	4,597.9	1,013.4	1,125.0
Effects of changes in exchange rate	(9.9)	0.0	0.0
Net increase (decrease) in cash and cash equivalents	662.2	(2,783.1)	1,101.8

Other financial information. No *pro forma* financial information is provided in the Prospectus. There are no qualifications to the audit report on the historical financial information.

2.3 What are the key risks that are specific to the issuer?

The following is a selection of key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In general, the Company is subject to four categories of risks:

(I) Risks related to the regulatory environment in which the Group operates:

- the Group is subject to an extensive set of regulations and its income is in large part dependent on the applicable tariff methodology in its core markets, which is subject to potential changes and periodic revisions; and
- the TSO permits and certifications which are necessary for the Group's operations may be revoked, modified or become subject to more onerous conditions.

(II) Risks related to the activities of the Group and the security of supply:

- failure by the Group to maintain a balance between energy demand and supply on the grid may lead to load shedding, have significant adverse consequences on the country's security of supply and may, in certain circumstances, lead to liability and adversely impact its results of operations;
- the Group may be subject to cyber-related incidents, data breaches, failure of information and communication technology (ICT) systems, sabotage or acts of terrorism which may adversely impact its business, results of operations and reputation;
- contingency events, system failures or business continuity disruptions may have widespread repercussions and adversely impact the Group's business, results of operations and reputation; and
- the Group is subject to increasing physical and transitional climate risks and increasing expectations in relation to its sustainability agenda and decarbonisation goals which depend in part on a number of factors beyond its control and which it may not be able to meet.

(III) Risks related to the Group's planned investment programme:

- the Group's future profits will in part depend on its ability to realise its contemplated investment programme and the anticipated organic growth of its Regulated Asset Base (RAB);

- the Group's planned investment programme is subject to a number of risks and uncertainties, including increased costs and questions about the affordability of the energy transition, timely regulatory approvals and availability of supplies; and
- the Group depends on a limited number of suppliers and counterparts and their ability to meet quality of work standards and deliver in a timely manner and within budgeted costs.

(IV) Financial risks related to the Group's business:

- a downgrade in the Company's, ETB's and/or Eurogrid GmbH's credit rating could affect their ability to access capital markets as well as impact their financial position and refinancing capacity;
- inability to access or raise the necessary financing (at acceptable cost) could impair the Group's ability to fund and realise its investment programme; and
- the Group's progress in its inorganic growth strategy may result in less predictability and higher volatility in its revenues and additional financial debt at the level of the Company.

3 Key Information on the New Shares, the Preferential Rights and the Scrips

3.1 What are the main features of the New Shares, the Preferential Rights and the Scrips?

Type, class and ISIN. The New Shares subscribed to by a holder exercising its Class A Preferential Rights (as defined below) will be Class A Shares. The New Shares subscribed to by a holder exercising its Class B Preferential Rights (as defined below) will be Class B Shares. The New Shares subscribed to by a holder exercising its Class C Preferential Rights (as defined below) will be Class C Shares. The new Shares are expected to be admitted to trading on Euronext Brussels under the same ISIN code as the existing Shares, that is BE0003822393.

Currency, denomination, par value and number of New Shares issued. The New Shares are denominated in euros. A maximum of 21,814,521 New Shares are offered for subscription by exercise of the Preferential Rights in accordance with the Ratio, each New Share is without nominal value, and is representing an equal part of the capital.

Rights attached to the New Shares, the Preferential Rights and the Scrips. From their issue date, the New Shares will be subject to all provisions of the Articles of Association. Both the Shares that will be issued in the context of the PIPE as well as the New Shares will not entitle their holders to participate in the dividend distribution with respect to the results of financial year 2024. To this end, on 19 March 2025, the entitlement to receive the dividend for financial year 2024 in the amount of EUR 1.95 per Share, as well as the entitlement to receive the special dividend of EUR 0.10 per Share, jointly represented by coupon nr. 23 (the "**Dividend Coupon**"), has been separated from the underlying Shares. Due to the detachment of the Dividend Coupon, the New Shares will only carry the right to a dividend with respect to the financial year that started on 1 January 2025 and, from the date of their issue, will carry the right to any distribution made by the Company. All issued shares have identical voting and liquidation rights, except as otherwise provided by the Company's Articles of Association. In accordance with the Articles of Association, class A and Class C Shares carry certain special rights regarding the nomination of candidates for appointment to the Board of Directors and the voting of shareholders' resolutions.

The holders of Preferential Rights are entitled to subscribe to the New Shares in the Ratio of 1 New Share for 4 Preferential Rights. The Preferential Rights that are not exercised during the Rights Subscription Period will be converted into an equal number of scrips (the "**Scrips**"). The Scrips will be offered for sale in a private placement to institutional investors that is expected to start on or about 4 April 2025 and to end on the same date (the "**Scrips Private Placement**").

The preferential rights are extra-legal preference rights, as the statutory preference right of the Existing Shareholders of the Company as set forth in Article 7:188 and following of the BCCA has been disapplied with respect to the Offering. From a practical perspective, the Preferential Rights do not substantially differ from statutory preference rights. However, as one of the exceptions to the procedure that would have applied if the Offering had taken place with statutory preference rights, the Rights Subscription Period will have a term of 8 days instead of 15 days.

Ranking. All Shares represent an equal part of the Company's share capital and have the same rank in the event of insolvency of the Company. In the event of insolvency, any claims of holders of Shares are subordinated to those of the creditors of the Company.

Restrictions on the free transferability. The Class B Shares are freely transferable. Each holder of Class A Shares or Class C Shares may freely transfer part or all of its class A or Class C Shares to the persons indicated in Article 9.2 of the Articles of Association, subject to the terms set forward in the Articles of Association being fulfilled, including the pre-emption right of the other shareholders.

Dividend policy. In accordance with Article 7:211 BCCA, Article 33 of the Articles of Association requires that the Company allocates, each year, at least 5 per cent. of its annual net profits to a legal reserve until this reserve reaches 10 per cent. of the Company's share capital. On 21 March 2019 the Board of Directors formally approved the policy it intends to apply when proposing dividends to the General Shareholder's Meeting. Under this policy, the full-year dividend growth is intended not to be lower than the increase of the Consumer Price Index ("inflation") in Belgium. With regard to distributable profits over and above the required allocation to the legal reserve, Article 33.1 of the Articles of Association provides that in principle, 85 per cent. of the yearly profits available for distribution must be allocated for the payment of dividends, unless the shareholders decide otherwise at the General Shareholders' Meeting (it being understood that the holders of Class A Shares and Class C Shares must concur in such decision).

3.2 Where will the New Shares and the Preferential Rights be traded?

The Company is offering 21,814,521 New Shares. An application has been made for the admission to listing and trading of the New Shares on Euronext Brussels under the same trading symbol "ELI" as for the existing Shares. The Class B Shares are expected to have been accepted for clearance through Euroclear Bank NV/SA, as operator of the Euroclear system, under ISIN code BE0003822393. The Shares of the Company are traded in Euro. An application for the admission to listing and trading has also been made for the Preferential Rights, which are expected be listed and traded on Euronext Brussels under ISIN BE0970187903 from 27 March 2025 to 3 April 2025 (inclusive). No application for admission to trading of the Scrips will be made.

3.3 What are the key risks that are specific to the New Shares, Preferential Rights and Scrips?

- the market price of the Shares may be volatile and may decline below the Issue Price;
- if the Rights Offering is discontinued or there is a substantial decline in the price of the Shares, the Preferential Rights may become void or worthless; and
- certain significant shareholders of the Company after the Offering may have interests that differ from those of the Company and may be able to control the Company, including the outcome of shareholder votes.

4 Key information on the Offering and the admission to trading on a regulated market

4.1 Under which conditions and timetable can I invest in the New Shares, Preferential Rights or Scrips?

Terms and Conditions of the Offering. The Company has resolved to increase its share capital in cash by a maximum amount of EUR 1,349,882,559.48 (including issue premium), by way of issuance of New Shares with Preferential Rights granted to the Existing Shareholders at closing of Euronext Brussels on 26 March 2025. A maximum of 21,814,521 New Shares are offered for subscription by exercise of the Preferential Rights in accordance with the Ratio. Each Share will entitle its holder on the closing of trading on Euronext Brussels on 26 March 2025 to receive one Preferential Right. The Issue Price is EUR 61.88 per New Share. The Rights Subscription Period shall be from 27 March 2025, 9 a.m. CET, up to and including 3 April 2025, 4 p.m. CET. After the Rights Subscription Period, the Preferential Rights may no longer be exercised or traded and as a result subscription requests received thereafter will be void.

At the Closing Date of the Rights Subscription Period, the unexercised Preferential Rights will be automatically converted into an equal number of Scrips and these Scrips will be sold to institutional investors by way of a private placement. Through such a procedure, a book of demand will be built to find a single market price for the Scrips. Investors who acquire Scrips irrevocably commit to exercise the Scrips and thus to subscribe to the corresponding number of New Shares at the Issue Price and in accordance with the Ratio. The Scrips Private Placement is expected to last for one day and is expected to take place on 4 April 2025.

In the framework of the subscription agreements that were separately entered into on 6 March 2025, each of ATLAS, BlackRock and CPP Investments have committed to the Company to exercise in the context of the Rights Offering all Preferential Rights attached to the shares that have been issued to each of them in the context of the PIPE and to subscribe for the resulting number of New Shares. Similarly, Publi-T irrevocably and unconditionally committed to the Company on behalf of NextGrid Holding to exercise all of the Preferential Rights to which it is entitled in the context of the Rights Offering and to subscribe for the resulting number of New Shares. Publi-T/NextGrid Holding has also committed to exercise in the context of the Rights Offering all Preferential Rights it will receive on both its existing and newly issued PIPE shares. Pursuant to these commitments, ATLAS has committed to subscribe to 947,955 New Shares for a total of EUR 58,659,455.40, BlackRock has committed to subscribe to 473,970 New Shares for a total of EUR 29,329,263.60, CPP Investments has committed to subscribe to 473,979 New Shares for a total of EUR 29,329,820.52 and Publi-T/ NextGrid Holding has committed to subscribe to 9,770,902 New Shares for a total of EUR 604,623,415.76.

In addition, on 3 March 2025, Publi-T and Publipart have entered into an agreement pursuant to which Publipart commits to sell to (at the discretion of Publi-T) Publi-T or NextGrid Holding all Class A Preferential Rights that it receives in the context of the Rights Offering and Publi-T commits to exercise such Preferential Rights, it being understood that upon the transfer of the Class A Preferential Rights to Publi-T or NextGrid Holding such Class A Preferential Rights shall automatically be converted to Class C Preferential Rights. Pursuant to this commitment, Publi-T will subscribe to 459,013 New Shares for a total of EUR 28,403,724.44.

Indicative timetable. The key dates in connection with the Offering are summarised in the following table. The Company may amend the dates and times of the share capital increase and periods indicated in the above timetable and throughout this Prospectus. If the Company decides to amend such dates, times or periods, it will notify Euronext Brussels and inform investors by a press release. Any material alterations to this Prospectus will be published in a press release and as a supplement to this Prospectus in the Belgian financial press and on the website of the Company.

Event	Timing	Date
Approval of the Prospectus by the FSMA and notification of the approved Prospectus to BaFin	T-1	25 March 2025
Publication of the launch press release and availability to the public of the Prospectus	T	26 March 2025
Detachment of coupon nr. 24 (representing the Preferential Right) after closing of the markets	T	26 March 2025
Trading of Shares ex-Right	T+1	27 March 2025
Opening of Rights Subscription Period	T+1	27 March 2025, 9 a.m. CET
Listing and trading of the Preferential Rights on Euronext Brussels	T+1	27 March 2025
Payment Date for the Registered Preferential Rights exercised by subscribers	T+8	3 April 2025
Closing Date of the Rights Subscription Period	T+8	3 April 2025, 4 p.m. CET
End of listing and trading of the Preferential Rights on Euronext Brussels	T+8	3 April 2025
Announcement via press release of the result of the subscription with Preferential Rights	T+9	4 April 2025
Suspension of trading of Shares	T+9	4 April 2025
Accelerated private placement of the Scrips	T+9	4 April 2025
Allocation of the Scrips and the subscription with Scrips	T+9	4 April 2025
Announcement via press release of the results of the subscription with Preferential Rights and with Scrips and the Net Scrip Proceed (if any) due to holders of coupons nr. 24 and end of suspension of trading of Shares	T+9	4 April 2025
Payment Date for the dematerialised Preferential Rights exercised subscribers	T+13	8 April 2025
Realisation of the capital increase	T+13	8 April 2025
Delivery of the New Shares to the subscribers	T+13	8 April 2025
Listing and trading of the New Shares on Euronext Brussels	T+13	8 April 2025
Payment to holders of non-exercised Preferential Rights	T+14	As from 9 April 2025

Payment of funds and terms of delivery of the New Shares. The payment of the subscriptions with dematerialised Preferential Rights is expected to take place on or around 8 April 2025 and will be done by debit of the subscriber's account with the same value date (subject to the relevant financial intermediary procedures). Payment of subscriptions with registered Preferential Rights will be done by payment into a blocked account of the Company. Payment must have reached such account by 3 April 2025, 4 p.m. CET as indicated in the instruction letter from the Company. The payment of the subscriptions in the Scrips Private Placement is expected to take place on or around 8 April 2025. The payment of the subscriptions in the Scrips Private Placement will be made by delivery against payment. Delivery of the New Shares will take place on or around 8 April 2025.

Underwriting Agreement. The Company and the Underwriters entered into an Underwriting Agreement, on 25 March 2025. Subject to the terms and conditions of the Underwriting Agreement, each of the Underwriters, severally and not jointly, will enter into a commitment to underwrite the Offering by payment or subscription for New Shares not taken up in the Offering, excluding the New Shares that certain Existing Shareholders have committed to take up pursuant to their take-up commitments.

Subject to the terms and conditions to be set forth in the Underwriting Agreement, the relative underwriting commitments of the Underwriters are set forth in the table below:

Underwriter	Underwriting commitment (%)
BNP Paribas Fortis SA/NV	23.3%
Citigroup Global Markets Limited	23.3%
Goldman Sach International	23.3%
Belfius Bank NV	7.5%
KBC Securities NV	7.5%
J.P. Morgan SE	7.5%
Morgan Stanley & Co. International plc	7.5%
Total	100%

Plan of distribution. The Offering is carried out with non-statutory preferential rights for the Existing Shareholders. The Preferential Rights are allocated to all the shareholders of the Company as at the closing of Euronext Brussels on 26 March 2025, and each share in the Company will entitle its holder to one Preferential Right. Both the initial holders

of Preferential Rights and any subsequent purchasers of Preferential Rights, as well as any purchasers of Scrips in the Scrips Private Placement, may subscribe for the New Shares, subject to the restrictions under applicable securities laws. The Preferential Rights are granted to the Existing Shareholders of the Company and may only be exercised by the Existing Shareholders of the Company (or subsequent purchasers of the Preferential Rights) who can lawfully do so under any law applicable to them. The Company has not taken any action to permit any offering of Preferential Rights or New Shares to be issued upon the exercise of Preferential Rights in any other jurisdiction outside of Belgium and Germany. The Scrips, and the New Shares to be issued upon exercise of Scrips as a result of the Scrips Private Placement, are being offered only in an accelerated bookbuild private placement to investors in Belgium and by way of an exempt private placement in such other jurisdictions as shall be determined by the Company in consultation with the Underwriters. The Scrips, and New Shares to be issued upon exercise of Scrips as a result of the Scrips Private Placement, are not being offered to any other persons or in any other jurisdiction.

Estimated expenses. The expenses related to the Rights Offering, which the Company will pay, are estimated at up to EUR 16,242,670.84 and include, among other things, underwriting fees and commissions of EUR 10,791,663.84, the fees due to the FSMA and Euronext Brussels and legal and administrative expenses, as well as publication costs.

Dilution. Assuming that an Existing Shareholder (other than a PIPE investor) holds 1.0 per cent. of the Company's share capital prior to the PIPE and the Rights Offering, the shareholding of such Existing Shareholder will decrease to 0.84 per cent. as a result of the PIPE and assuming such Existing Shareholder does not subscribe for the New Shares, such Existing Shareholder's participation in the Company's share capital would further decrease to 0.67 per cent. as a result of the Rights Offering. If a shareholder exercises all Preferential Rights allocated to it, there will be no dilution in terms of its participation in the Company's share capital or in terms of its dividend rights as a result of the Rights Offering. However, to the extent that a shareholder is granted a number of Preferential Rights that does not entitle it to a round number of New Shares in accordance with the Ratio, such shareholders may slightly dilute if it does not purchase the missing Preferential Right(s) on the secondary market and exercises such Preferential Right(s) accordingly.

4.2 Why is this Prospectus being produced?

Rationale for the Offering. The principal purpose of the Offering is to finance the organic growth of the Group and to support the Group's strategy. The Offering will strengthen the balance sheet of the Company and support regulated investments in Belgium and Germany through its subsidiaries. Additionally, it will partially finance Windgrid (including the participation in energyRe Giga-Projects USA Holdings LLC ("**energyRe Giga**")). The Offering is needed to support the targeted gearing ratio and rating at Group and subsidiary levels (minimum BBB at Group level) to fund the Group's investment programmes.

Use of proceeds. The net proceeds of the PIPE and the Offering are to be used primarily as follows:

- Approximately EUR 1,050 million: to finance the regulated activities in Belgium, mainly the realisation of the investment programme (via an increase of the equity portion in ETB) in accordance with the gearing ratio defined in the regulatory framework applicable in Belgium;
- Approximately EUR 1,000 million: to finance the regulated activities, primarily the execution of the investment programme in Germany (via increase of equity portion in Eurogrid GmbH, holding company above 50Hertz) to strengthen the balance sheet; and
- Between EUR 100 million and EUR 150 million: to partially reimburse the EUR 300 million term loan facility agreement which has been used to finance the Company's investment in energyRe Giga through WindGrid; the final amount that will be allocated to WindGrid from the net proceeds of the Offering, will depend on the outcome of various alternative funding options which the Company is currently exploring, among others, a co-investor for its participation in WindGrid.

Estimated net proceeds. The gross proceeds from the issue of New Shares are estimated to be approximately EUR 1,349,882,559.48. The net proceeds from the issue of New Shares are estimated to be approximately EUR 1,333,639,888.64.

Material conflicts of interests pertaining to the Offering and the admission. There is no natural or legal person involved in the Offering and having an interest that is material to the Offering, other than the Underwriters. The Underwriters have entered into an Underwriting Agreement with the Company on 25 March 2025. Belfius Bank SA/NV has provided the Company with a EUR 60 million long term credit facility (which is undrawn at the date of this Prospectus). Belfius Insurance is one of the main shareholders of the Company (0.82 per cent).

RISK FACTORS

An investment in the New Shares, Preferential Rights and Scrips involves substantial risks. You should carefully consider the following information about several of these risks, together with the information contained in this Prospectus (including any documents incorporated by reference herein), before deciding to subscribe to New Shares, Preferential Rights and/or Scrips. If any of the following risks actually occurs, the Group's business, results of operations, financial condition and prospects could be materially and adversely affected. In that case, the trading price of the Company's shares could decline and subscribers for the New Shares, Preferential Rights and Scrips could lose all or part of their investment. Before making an investment decision with respect to any New Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the New Shares, Preferential Rights and Scrips and consider such an investment decision in light of the prospective investor's own circumstances.

The risks and uncertainties that the Company believes are material are described below. However, the following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the New Shares, Preferential Rights or Scrips and should be used as guidance only. Additional risks and uncertainties, including those currently unknown, or deemed immaterial, could individually or cumulatively have the effects set forth above.

The risk factors included in this Section are presented in accordance with Article 16 of the Prospectus Regulation. As a result, in each category, the risk factors that the Company considers to be most relevant on the basis of the likelihood of the risk actually materialising, the potential significance of the risk and the scope of any potential harm to its business, results of operations, financial condition and prospects as a result of the risk are listed first. The order in which the subsequent risk factors are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the Company's business, results of operations, financial condition and prospects. While the risk factors have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this part.

Risks related to the regulatory environment in which the Group operates

The Group is subject to an extensive set of regulations and its income is in large part dependent on the applicable tariff methodology in its core markets, which is subject to potential changes and periodic revisions

As operator of the electricity transmission system in Belgium and the Northeastern part of Germany, the Group is subject to an extensive set of European, federal and regional legislation, regulations and supervision, including in relation to the transmission tariffs which apply to the use of the transmission system. Such legislation and regulation, as well as the interpretation thereof by competent bodies, is subject to changes and evolution over time, in part to give effect to changing regulatory priorities and societal expectations. Any unplanned or adverse changes in applicable regulatory frameworks or divergent interpretations in regulatory, legal or policy mechanisms (including in relation to tariffs, incentives, renewable energy targets and operating rules) could conflict with the Group's existing and envisioned strategy and have a significant financial and organisational impact on the Group.

For the period ending 31 December 2024, 88.6 per cent. of the Group's revenues were generated by the tariffs which apply to the electricity networks it operates. These tariffs are determined by the tariff methodologies which are set by regulators, typically for periods of four years in Belgium and five years in Germany. In addition, some parameters for the determination of the regulatory return of the Company's regulated subsidiaries are subject to uncertainty and change. Any modification to the tariff methodologies, licences or certifications needed to operate the grid, or to the Group's obligations as a trustee in respect of its role as Transmission System Operator ("**TSO**") could have a negative impact on the Group's, revenues, cash flows, profits, financial condition and results of operations. They could also have a negative impact on the ability of the Group to develop certain business lines in the future.

For example, decisions or rulings concerning the following could have a significant impact on the Group:

(i) the fair remuneration methodology established by the Commission for Electricity and Gas Regulation (*Commissie voor de Regulering van de Elektriciteit en het Gas/Commission de Régulation de l'Électricité et du Gaz*) (the "**CREG**") in Belgium;

(ii) the determination of the annual revenue cap (onshore) and the revenues for the recovery of costs (offshore) by the German national regulatory authority, the Federal Network Agency (*Bundesnetzagentur* – "**BNetzA**");

(iii) the categorisation and recoverability of costs under applicable tariff methodologies (including any decision determining that certain costs that have been incurred in relation to certain works or projects are not recoverable through the tariffs);

(iv) the ex post rejection by regulators of certain costs applied for coverage under the tariffs or surcharges;

(v) whether licences, approvals or agreements to operate or supply are granted, amended or renewed, and whether consents for construction projects are granted in a timely manner; or

(vi) whether there has been any breach of the terms of a licence, approval or regulatory requirement.

In addition to having a negative impact on the Group's financial condition and results of operations, decisions in relation to the matters set out above could have an adverse effect on the implementation of the Group's infrastructure programme and its timely contribution to the energy transition as these could impact the Group's capability to raise the necessary financing and the speed at which the programme could be rolled out.

In addition, changes in laws, regulations, or government policies, such as those related to currently applicable support schemes or taxation laws and regimes (including applicable tax rates, the use of tax losses carried forward, the deduction of interest expenses, the taxation of received dividends, and the taxation of capital gains on shares) and/or the Company's (direct or indirect) tax status, accounting practices, and accounting standards, may affect both the Group and the Company. The Company and its regulated subsidiaries must also comply with certain governance and transparency requirements, including obligations related to independent directors. See Sections "*Management and Governance – Board of Directors – Composition*" and "*The Group's business – Legal and arbitration proceedings of the Group*" and, amongst others, the risk factor "*The TSO permits and certifications which are necessary for the Group's operations may be revoked, modified or become subject to more onerous conditions*".

Tariff-setting regulations – Belgium

The vast majority of revenues and profits of ETB are generated by the network tariffs set pursuant to the legislation in force and the tariff methodology established by the CREG. This methodology is based on tariff guidelines from the law of 29 April 1999 "*relative à l'organisation du marché de l'électricité"/"betreffende de organisatie van de elektriciteitsmarkt*" (the "**Electricity Law**"). The current tariff methodology, covering the four-year period from 2024 to 2027 was adopted by the CREG on 30 June 2022, as discussed in "*The Group's business – Tariff methodology applicable for the tariff period 2024-2027*". In 2024, ETB contributed 40.5 per cent. to Elia Group's revenues, and 47.8 per cent. of its reported net profit.[1]

Certain parameters and elements of the current tariff methodology may be subject to uncertainties and changing interpretations that could affect the Group's financial position either positively or negatively. For example, any change in the tariff methodology that results in lower remuneration (such as a reduction in the fair remuneration, revenue cap or incentives, or the disallowance of certain pass-through costs) would, by definition, negatively impact the Group's financial position. Similarly, any change that leads to a decrease in return on equity could also negatively impact the Group's results of operations and financial position. There are currently no ongoing discussions with the Company regarding the tariff methodology in Belgium.

In 2024, ETB realised a return on equity of 6.8 per cent. (IFRS). Based on the parameters as currently described in the tariff methodology for the period from 2024 to 2027, the average

[1] The figures of ETB are best estimates, the annual consolidated IFRS report of ETB will be published on 18 April 2025.

regulatory return on equity for that period is expected to be around 7.2 per cent., depending in part on the actual results, the evolution of the annual daily average of the 10-year Belgian linear bond rate (assuming a OLO10Y of 3.27 per cent. over the period 2024-2027), the performance in relation to the various incentives, the respective weight of the new and old regulated asset base ("**Regulated Asset Base**" or "**RAB**")[2] and assuming a target equity/debt gearing ratio for ETB of 40/60. Where any of these assumptions are not met, this can have an adverse impact on the Group's expected average regulatory return on equity ("**Return on Equity**" or "**RoE**"). This could, for example, be the case if the annual daily average of the 10-year Belgian linear bond rate were to fall below (the assumed OLO10Y rate of) 3.27 per cent. over a sustained period of time. For more information, see Section "*The Group's business – Tariff methodology applicable for the tariff period 2024-2027*".

Tariff-setting regulations – Germany

Substantially all of the Group's profit and revenues of 50Hertz as a German TSO are generated through regulated activities via network user charges and offshore activities subject to regulation by BNetzA. The two main sources of profit for the Group from regulated activities are the network user charges for access to and usage of the 50Hertz transmission system based on an annual revenue cap (onshore) and the revenues for the recovery of costs incurred by 50Hertz due to the obligation to connect offshore windfarms (so-called '*Offshore-Netzumlage'* or 'revenue from offshore regulation') (the "**Offshore Grid Surcharge**"). In 2024, 50Hertz contributed 61.0 per cent. to the Group's revenues, and 60.1 per cent. of its reported net profit.

The decisions made and the actions taken by the BNetzA in relation thereto may have a negative impact on 50Hertz and thus the Group (see Section "*The Group's business – Tariff-setting regulations – Germany*"). As is the case for ETB, the determination of and potential changes to the initial level of 50Hertz's revenue cap for a regulatory period could impact the profitability of its regulated activities. A part of the revenue cap (the so-called 'influenceable costs' including, in particular, operational costs for onshore assets) is determined for a five-year regulatory period based upon a cost assessment for a base year. For the fourth regulatory period (2024-2028), the influenceable costs are based on the costs from the base year 2021. This cost base is subject to an efficiency benchmark resulting in an individual efficiency value ("**Xind**"), as well as an annual adjustment by a general productivity factor ("**Xgen**") and the inflation rate (inflation rate with a 2-year time lag) as part of the regulation formula. For the current regulatory period (2024-2028), the Xind was determined at 100 per cent. and the Xgen was determined by BNetzA at 0.86 per cent. There is, however, a risk that a lower Xind and/or higher Xgen will be set by BNetzA for the next regulatory period, which will reduce 50Hertz' revenue cap and thus negatively impacting the Group's results of operations. If that materialises, there is a risk that this cost allowance does not provide a sufficient basis to cover the actual cost in a given year during the regulatory period and therefore negatively impacting the results of operations of 50Hertz.

A decrease in the regulatory return on capital invested as a result of the new regulatory framework could also negatively impact the results of operations and the financial position of the Group. The return on equity is determined by an imputed equity and a specific rate of return on this equity. Every five years, BNetzA determines the rate of return and thereby the return on equity for the following regulatory period. In October 2021, BNetzA determined the return on equity for the fourth regulatory period starting 2024 to be 4.13 per cent. post-tax (5.07 per cent. pre-tax (including corporate income tax)) for investments realised after 2006 and 3.51 per cent. pre-tax for investments up to 2006. On 24 January 2024, the BNetzA announced the final decision regarding the regulatory return on equity (**RoE**) for onshore investments in response to an unexpected and substantial rise in interest rates. According to this decision, the RoE for new onshore investments starting in 2024 under the capital cost adjustment (*Kapitalkostenabgleich* or "**KKA**") will be determined annually, incorporating a fixed risk premium (3 per cent.) and an updated base interest rate ("**Base rate**") for that specific year. This base rate is not fixed and will depend on the performance of domestic bond yields as defined and published by the Deutsche Bundesbank for the underlying year. The preliminary RoE for investments in 2024, considering a base rate of 2.79 per cent., was set at 5.78 per cent. post-tax (or to 7.09 per cent. before corporate income tax). As of the end of 2024, the regulatory RoE amounted to 5.65 per cent. Based on the yearly adjustment mechanism the RoE level is not fixed and depends on the evolution of the base rate. In

[2] The old RAB in Belgium includes all assets commissioned until and including 31 December 2021, while the new RAB for Belgium includes all assets commissioned on or after 1 January 2022.

case of a decreasing level of the base rate, the liquidity and profit are negatively affected. As for existing investments up to 2023 and projects that have already been realised, the initial unadjusted rate of 4.13 per cent. post-tax (corresponds to 5.07 per cent. before corporate income tax) will be applied throughout the entire regulatory period. For offshore investments, the same RoE as for onshore will be applied, following a decision by BNetzA published on 23 September 2024. 50Hertz appealed BNetzA's decision on the RoE for electricity and gas network investments for the fourth regulatory period. On 18 December 2024, the court ruled in favour of BNetzA in retaining specific interest rates for 2024 to 2028. The ruling could financially impact 50Hertz by limiting the returns it can charge, thereby affecting its revenue streams and overall financial performance.

Additionally, when determining the imputed interest rate on borrowed capital for onshore investments, the imputed interest rate on borrowed capital resulting for the respective year of acquisition is to be used for the imputed interest basis in accordance with Section 10a of the Ordinance on Incentive Regulation (*Anreizregulierungsverordnung* or "**ARegV**"). In this respect, the regulator determines a reference rate that considers (i) current yields on domestic bearer bonds – corporate bonds and (ii) loans to non-financial corporations over EUR 1 million, with an initial fixed interest rate with a term of more than one year and up to five years. The cost of debt incurred in the base year is covered via the influenceable cost allowance while the funding costs linked to offshore investments are pass-through costs. There is a risk that 50Hertz's costs of debt are higher than the average reference interest rate and therefore have a negative impact on 50Hertz's results of operations.

Moreover, as is also the case with ETB, in the event that 50Hertz deviates from its predefined target equity/debt ratio, the Group's results of operations and its credit rating profile could be adversely impacted. For more information. See the risk factor *"A downgrade in the Company's, ETB's and/or Eurogrid GmbH's credit rating could affect their ability to access capital markets as well as impact their financial position and refinancing capacity"*.

Finally, with the aim to foster BNetzA's competences concerning tariff setting and BNetzA's independence and impartiality, the Energy Industry Act ("**EnWG**") and central parts of subordinated regulations were respectively amended. As a result, the BNetzA has started the process to adapt the regulatory framework, initially for distribution system operators ("**DSOs**"). The BNetzA's timetable envisages completing most of the framework and methodology definitions by the end of 2025 and then carrying out the individual definitions. There is yet no concrete information on the structure of the new regulatory framework, which is why the effects on 50Hertz will only become apparent throughout the process.

There is a risk that a decision or regulatory ordinance by BNetzA could negatively affect 50Hertz's financial result for the onshore or offshore business, respectively.

On 5 March 2025, the BNetzA published a key elements paper for TSOs in Germany that would be applicable after the current regulatory period (2024-2028). It is currently expected that the process will be completed in 2026. It is, however, not yet possible to predict whether and to what extent it will have an impact on the financial position of 50Hertz.

Tariff-setting regulations – Nemo Link

A specific regulatory framework is applicable to the Nemo Link interconnector. The revenues of this joint venture are not fully consolidated into the Elia Group's financial statements, as it is regarded as an associate whose contribution is visible in the line item "*Share of profit of equity accounted investee*" which is captured in the EBITDA level. In 2024, it contributed 2.1 per cent of total EBITDA of the Group (for more details, please refer to the line item "*Share of profit of equity accounted investees*" in the Section "*Selected Financial Information – Consolidated statement of profit or loss for the years ended 31 December 2024, 2023 and 2022*"). The framework is part of the tariff methodology issued on 18 December 2014 by the CREG. The cap and floor regime is a revenue-based regime with a term of 25 years. The national regulators of the UK and Belgium (Ofgem and the CREG, respectively) determined the minimum and maximum return levels (below and above which revenue flows from and to the national operators ETB and National Grid plc ("**National Grid**")) ex-ante (before construction) and these remain largely fixed (in real terms) for the duration of the regime (see Section *"The Group's business – Regulatory framework for interconnector Nemo Link"*).

While this cap and floor regime gives a high level of certainty about future return levels, some incidents, such as (but not limited to) a long-term unavailability (below 80 per cent. availability) of the interconnector, could lead to Nemo Link being ineligible for the cap and floor regime during that period. To mitigate the risk of such incidents and minimise their impact and duration, Nemo Link has implemented specific measures, such as planned outages. During its first five years of operation (2019-2023), very little unplanned maintenance was necessary (0.50 per cent. of the maintenance was unplanned). The cap has been reached in Nemo Link's first five-year assessment period from 2019-2023.

The Carbon Border Adjustment Mechanism ("**CBAM**"), which is part of the EU's Fit for 55 package, began its transitional implementation on 1 October 2023, with full implementation scheduled for January 2026. CBAM imposes carbon levies on certain Green House Gas ("**GHG**") intensive goods based on the embedded emissions generated during their production. The mechanism's key objective is to level the playing field for European producers who face a carbon price for their emissions under the EU ETS, while encouraging industrial decarbonisation globally. Imports of electricity will also become subject to carbon levy based on default values which do not necessarily reflect the actual values. Emission assumptions based on historic fossil fuel generation are likely to be used in the CBAM method of application. Consequently, the CBAM may impact electricity prices and could negatively impact flows from the UK to Belgium, thereby effectively the profitability of Nemo Link.

The TSO permits and certifications which are necessary for the Group's operations may be revoked, modified or become subject to more onerous conditions

The regulated activities of the Group depend on its licences, authorisations, exemptions and dispensations. During the period ending 31 December 2024, 88.6 per cent. of the Group's revenues were generated by the tariffs which apply to the electricity networks it operates. Such licences, authorisations, exemptions and dispensations may be withdrawn or amended or additional conditions may be imposed on the regulated activities of the Group. Any such withdrawal, amendment or imposition of any additional conditions could affect the revenue, profits and financial position of the Group.

Given the specificity of the asset and the fact that no procedure or rules are spelled out in applicable legislation in case of a revocation or modification of the TSO licence, it is very difficult to predict or describe all possible scenarios. In the case of a final revocation or non-renewal of any of its licences, *ad hoc* arrangements would have to be entered into in relation to the relevant electricity network assets owned by the Group in order to enable another party which would be appointed in lieu to operate such assets, and the relevant TSO would no longer be entitled to the regulated income in relation thereto. This would, however, raise a number of very complex issues in relation to further maintenance, personnel and future investments. To avoid such complexities, authorities may instead impose additional or new requirements or delay the Group's contemplated investment plans. Any of the foregoing, if it were to occur, would have a significant impact on the Group's operations and ability to operate its business, which may in turn materially and adversely affect the Group's business, financial condition and results of operations.

Belgium

To date, ETB is the only entity in Belgium that meets the relevant conditions to be appointed as TSO, both at national and regional level. To execute its activities as TSO, ETB has four TSO licences (see Section "*The Group's business – Introduction*"). Any of these can be revoked if ETB fails to maintain the personnel, technical and financial resources to guarantee the continuous and reliable operation of the grid in accordance with applicable legislation or fails to comply with the unbundling obligations described in Article 9 of the Electricity Law (resulting in a loss of its certification) and regional legislation.

ETB was confirmed as the single TSO for the entire Belgian territory with effect from 31 December 2019 by different public entities (the federal and Walloon governments for a period of 20 years and the Brussels-Capital government for a period of 20 years).

On 18 December 2023 and on 11 September 2024, ETB was re-appointed as local TSO in the Flemish Region by the VREG for a renewable term of twelve years. Under the latter decision of 11 September 2024, the appointment has, however, been made subject to the fulfilment by 1 January 2026 of all appointment conditions related to the independence of certain independent

directors. For more information, see Section "*The Group's business – Organisational structure – Belgian segment – ETB – Belgian TSO*".

Five years prior to the expiry of the federal TSO appointment, ETB can request a renewal, provided that it still complies with the criteria set out above.

In the event of bankruptcy, winding-up, merger or demerger of ETB, its appointment will be terminated. In addition, the appointment can be revoked by the Belgian federal government following the advice of the CREG and consultation with ETB under certain circumstances, including:

- a significant change in shareholding without prior certification, which could jeopardise the independent network operations;
- serious breach of ETB's obligations under the Electricity Law or its implementing decrees; and/or
- where ETB is no longer certified as a fully ownership unbundled system operator.

The early termination or non-renewal of the appointment of the ETB as the single Belgian TSO or any of its regional licences would have a material adverse effect on the Company's activities, profits and financial situation. Moreover, an event of default would arise under ETB's bank and bond financings if ETB were to cease to be appointed as TSO at federal or any regional level (see Section "*Operating and Financial Review – Financing arrangements of the Group*").

Germany

50Hertz is permitted to operate as a TSO in Germany and while this authorisation is not limited in time, it can be revoked by the Energy Authority of the State of Berlin (*Senatsverwaltung für Wirtschaft, Technologie und Betriebe*) if 50Hertz, *inter alia*, does not have appropriate personnel or necessary technical or financial means to guarantee the continuous and reliable operation of the network. Such revocation of the permit would have a material adverse impact on 50Hertz and the Group as a whole.

The unbundling regime in the German Energy Industry Act (*Energiewirtschaftsgesetz* — "**EnWG**") provides for different models (Ownership Unbundling, Independent Transmission Operator, Independent System Operator). As part of its certification process, BNetzA assesses if the unbundling provisions are met by the respective TSO. The certification as ownership unbundled TSO was granted to 50Hertz on 9 November 2012. The certification can be revoked, however, if 50Hertz fails to meet the unbundling provisions at any time. The BNetzA can also impose a fine in these circumstances. While the revocation of 50Hertz's certification would not prevent it from operating the network in Germany, it would nonetheless have a negative impact on 50Hertz's reputation and thereby adversely affect its business, financial condition and results of operations.

Through its two TSOs, the Group is subject to certain trustee obligations which may negatively impact its working capital

As part of their role as TSOs, each of ETB and 50Hertz fulfils a role of trusteeship. This encompasses the administration and coordination of certain national and regional levy systems on behalf of relevant authorities, mostly in relation to the financial support for the development of renewable energy. Timing differences between the incurrence and recovery of costs related to the Group's trustee obligations can create temporary cash flow impacts, making it more challenging to effectively manage working capital and potentially increasing the Group's short-term funding needs.

Belgium

In Belgium, ETB (in its role as TSO trustee) is subject to public service obligations which are imposed by a variety of government departments. These obligations are mainly related to the support of security of supply and to provide financial support for the development of renewable energy. The former includes the strategic reserve and the capacity remuneration mechanism ("**CRM**"), which has been introduced to guarantee the country's security of supply from November 2025 onwards, under which ETB has been entrusted with certain tasks (see Section "*The Group's business – Regulatory framework*"). The latter includes an obligation for ETB to purchase green and combined heat power ("**CHP**") certificates at a guaranteed minimum price as a financial support instrument for the producers of renewable energy in Belgium. For some produced offshore energy, the scheme also includes a mechanism of prepayments before attribution of green certificates.

Since 2022, the costs, including the prepayments, incurred for the performance of these obligations by ETB are fully passed on to the federal government. There is a semi-annual review mechanism in place to cover potential gaps between expenses incurred in connection therewith and the amounts recovered from the federal government. On the regional level, the costs incurred for the performance of these obligations are covered through the application of surcharges (subject to the approval of the CREG) on top of the transmission tariffs, applied on the energy consumed in the relevant area. In 2024, ETB purchased certificates (at the federal level) in an amount of approximately EUR 647.6 million (principally related to offshore) and EUR 86.1 million (at the regional level). For Belgium, the Group successfully recovered these costs in 2024 without any delay.

To the extent that there is a timing difference between the incurrence and the recovery of such costs from the relevant authorities, the difference is either pre-financed by ETB or leads to an excess of recovered amounts and, consequently, have and may in the future temporarily impact ETB's cash flow and working capital position.

Germany

In its role as TSO trustee, 50Hertz is responsible for managing cash-flows resulting from the German Renewable Energy Sources Act ("**EEG**"). This relates, amongst others, to the electricity generated from renewable installations in the 50Hertz control zone under the feed-in-tariff regime which is sold by 50Hertz at the day-ahead and intra-day market of nominated electricity market operators. This exposes 50Hertz to price fluctuations on electricity spot and futures markets as well as to market developments on balancing trading platforms. The main task of the EEG, however, is to pay a legally stipulated remuneration to plant operators for feeding in electricity from renewable energies. This is linked to the respective market value of the electricity generated as a so-called "market premium". To the extent that the feed-in takes place at the level of the distribution networks, the distribution network operators are reimbursed for their payments to plant operators for electricity from renewable energies. The income and expenses for the marketing of electricity in the feed-in tariff system as well as the payment of the market premium are managed via accounts of the transmission system operators, which are covered by payments from the Federal Republic of Germany.

Increasing volatility of electricity prices increases the risk that collateral requirements negatively impact 50Hertz' available liquidity, which could require 50Hertz to draw down available credit facilities. Extraordinary developments in power prices may also have negative effects in the areas of EEG management, the procurement of grid losses and balancing energy, the handling of congestion itself and may also lead to higher financing requirements. The costs related to meeting the EEG obligations, including those associated with the management and financing of such obligations, are treated as pass-through costs. In cases of difference between actual costs and actual revenues in a given year, the net costs resulting therefrom are recovered by governmental grant payments in the following year. As such, and as is the case in Belgium, the EEG mechanism has no impact on the profitability or credit profile of 50Hertz as the EEG facility and any drawdown thereunder is not taken into account by rating agencies. However, the timing of costs incurred and recovered, and the potential need to pre-finance certain costs, can have a negative impact on 50Hertz's working capital position at any point in time.

If the advance payments made by the Federal Republic of Germany during the year based on forecasts do not keep the balance of the EEG account positive, there is a risk that 50Hertz will have to realise pre-financing alongside the other transmission system operators, as has been the case in the past. With regard to the advance payments and the annual settlement, there is ongoing coordination between the transmission system operators and the Federal Ministry of Economics. The basis for the advance payments and the annual settlement is the statutory regulations and a concluded public law contract. The BNetzA is involved as the supervisory authority for the EEG mechanism and can set the guidelines. If public law contract does not cover the full reimbursement of costs, this could lead to the need of prefinancing the EEG mechanism for 50Hertz. In Germany, 50Hertz incurred no net costs for the year 2023 nor for 2024. This is because costs associated with these obligations were fully reimbursed through the EEG mechanism, resulting in a cash surplus of EUR 352.6 million in 2023 and EUR 360.5 million for 2024. This surplus is derived from the grant payments made by the Federal Republic of Germany, aligning with the predefined scheme to cover such costs.

The specific liability regime applicable to offshore connections may adversely impact the Group's results of operations

The further development of offshore infrastructure is a material part of the Group's strategy and the European energy transition. While the Group is well positioned in relation to the further development of the offshore infrastructure given its existing track record and experience, there are a number of inherent risks related thereto. In addition to the untested nature of some proposed solutions, the planning, construction and operation of grid connections for offshore wind farms trigger a number of uncertainties (including, for example, those related to weather and soil conditions) and technical and supply challenges, with only a small number of suppliers for certain key components of such grid connections. The development of offshore infrastructure also exposes the group to potential liability under the special liability regime.

In Belgium, the TSO is in charge of the connection of offshore windfarms to its Modular Offshore Grid ("**MOG**") pursuant to current laws and regulations (see Section "*The Group's business – Key projects of ETB*"). Any interruption of such connection that is attributable to the TSO's gross negligence or wilful misconduct (*"faute grave ou faute intentionnelle"/"zware fout of opzettelijke fout"*) may subject the Group to statutory damage claims that cannot be passed through the transmission tariffs (capped to the net profit which ETB could generate specifically on the MOG assets in the specific year that the incident occurred). In principle, such damages are to be computed at a ratio of 100 per cent. of the relevant levelized cost of electricity (LCOE) per MWh that could not be injected, potentially increased by an amount determined by the CREG. Any such claim for damages could negatively impact the Group's business, results of operations and financial situation. Until now, no such interruption has occurred and, accordingly, ETB has not incurred any such liability. A similar compensation mechanism is foreseen with respect to the late or unavailability of the planned expansion of the Modular Offshore Grid for the connection of the future offshore wind parks in the Princess Elisabeth Zone (MOG II). Given the preliminary stage, there remain as yet a number of uncertainties relating to the compensation mechanism for MOG II, including as to the date when MOG II should be ready (which date is to be determined at the initiative of the CREG). However, if adopted in its current form, it is likely to have similar impact and potential adverse consequences as the existing MOG in case of any interruption of the connection that is attributable to the TSO's gross negligence or wilful misconduct.

In Germany, 50Hertz is obliged to connect, without undue delay, all renewable energy facilities in its control area pursuant to current laws and regulations. Any delay in such connections may expose 50Hertz to compensation payments to the offshore windfarm operators. In particular, 50Hertz's obligation to connect offshore wind farms results from specific provisions in the EnWG, while obligations to connect all other types of renewable energy facilities result from the EEG. Despite careful preparation and analyses, technical problems are often only discovered in the implementation and operational stage, at which point they must be resolved immediately. Delays and changes in the planning and construction stages (as well as later, unplanned changes in the operational stage) are therefore possible. Liabilities arising from this may not be covered by the Offshore Liability Surcharge nor (fully) covered by insurances taken out, and may therefore have an impact on the profit of 50Hertz.

50Hertz is liable for financial damages regardless of its culpability if the cable connection is disrupted for more than 10 consecutive days or more than 18 non-consecutive days per calendar year or delayed by more than 90 days after the completion date that has to be published by the TSO after having ordered the assets required for the grid connection. This date becomes binding 36 months prior to it being reached. After the respective waiting period, the operator can demand a 90 per cent. compensation payment from 50Hertz. Should 50Hertz cause disruption or delay intentionally, the offshore wind farm operator can apply for compensation as at the first day and 50Hertz must compensate these costs in full. Where 50Hertz has not acted intentionally, it can pass through at least part of the costs via the Offshore Liability Surcharge. If 50Hertz can prove that it did not act negligently, all costs can be passed through. If, however, 50Hertz has contributed negligently to disruptions or delays, it can only pass part of the cost of compensation to the end customer. In case of damage caused negligently but not grossly negligently, the own contribution of 50Hertz is limited to EUR 17.5 million per damage event. In case of gross negligence, it is subject to a maximum contribution of EUR 110 million per year. Even if costs are permitted to be passed on to the Offshore Liability Surcharge, the offshore regime might in certain circumstances lead to a contribution by 50Hertz which is not recoverable and therefore negatively impact the profitability of 50Hertz and, consequently, materially impact the profitability and business, financial conditions and

results of operations of the Group. Until now, no such disruption or delay has occurred and, accordingly, 50Hertz has not incurred any such liability.

Risks related to the activities of the Group and the security of supply

Failure by the Group to maintain a balance between energy demand and supply on the grid may lead to load shedding, have significant adverse consequences on the country's security of supply and may, in certain circumstances, lead to liability and adversely impact its results of operations

In order to enable the TSO to maintain the frequency and voltage on its network, which is key to ensure the reliability and continuity of supply, the production of electrical energy should in principle be equal to the demand at any time. Maintaining a constant balance between supply and demand is the core task of a systems operator. The two TSOs of the group (ETB and 50Hertz) must balance this supply and demand dynamic, always taking into account unplanned fluctuations in the production of electricity or the energy load, as well as the impact of exports to and imports from neighbouring countries.

In addition to the traditional challenges that face any TSO in managing supply and demand of energy, new challenges continue to emerge as a result of the decentralisation of energy production through the growth in renewable energy units connected to distribution systems across Europe as well as the connection of large offshore wind farms to the system. Given the significant increase in the connection of such intermittent renewable energy production sources in recent years, system operators have experienced increased volatility of energy flows on the network requiring more interventions and active management of the grid. This is particularly the case in periods with a lot of sun and wind with lower consumption, such as in summer periods, due to the "incompressibility" of electricity, which refers to situations where excess electricity cannot be stored or curtailed, necessitating its immediate use or export. Other challenges include "dunkelflaute" – when renewable generation is low due to lack of wind and sunlight. New opportunities being offered to customers to optimise their electricity management by selling their surplus energy and reducing their consumption (demand-response), may also result in a greater risk of mismatch between supply and demand at any given point in time. This trend of decentralisation is expected to further increase in the coming years.

If TSOs such as ETB or 50Hertz fail to maintain the balance between energy supply and energy demand, the network frequency may be adversely impacted. Accordingly, if there is a risk of shortage of energy supply such that the energy demand may exceed the available supply at any point in time and therefore create an imbalance on the network, the relevant TSO would have to take action in order to reduce the electricity consumption on the grid by means of "load shedding" or "curtailment" (*i.e.* switching off the supply to certain (groups of) customers). Conversely, in periods where the energy supply exceeds the demand, the relevant TSO may be required to decouple certain sources of production if the excess cannot be balanced through increased consumption or export. Corrective actions such as load shedding at national or international level or the curtailment (*i.e.* downward regulation) of production means may then be required in such circumstances. Together with the increased decentralisation and the need for active management of the grid, such increased imbalances between production and consumption may increase the risk of network failure or interruptions. Such actions may negatively impact the Group's reputation, and potentially lead to increased scrutiny and investigations by regulatory authorities, which may in turn, negatively impact the Group's operations, ability to realise its investment programme and profits as its Regulated Asset Base would not grow as currently anticipated.

In certain circumstances, the TSO can be liable under contractual and non-contractual indemnities for the impact of load shedding on its customers, though the amounts payable are typically capped. Given the various scenarios possible, it is not possible to predict or give any illustration as to what the potential indemnities or claims against the TSOs might be in the case of load shedding or curtailment. Any liability faced by the TSOs would depend on the facts and circumstances surrounding the event, the number of parties involved and their respective potential contribution to the damages, and further depend on, amongst others, the severity of the event, potential damages incurred by third-parties and whether or not the event is categorised as force majeure. For more information, see risk factor "*Contingency events, system failures or business continuity disruptions may have widespread repercussions and adversely impact the Group's business, results of operations and reputation*" and "*The Group's reputation may be damaged if it fails to timely build*

the grid infrastructure which is required to enable the energy transition or such infrastructure proves to be inadequate, even if several critical elements thereof are beyond its control".

The Group may be subject to cyber-related incidents, data breaches, failure of information and communication technology (ICT) systems, sabotage or acts of terrorism which may adversely impact its business, results of operations and reputation

The Group is increasingly investing in digitalisation and information and communication technology ("**ICT**") innovation to enhance efficiency and manage the growing complexity of its system operations. This includes projects which focus on "real first" initiatives, such as remote inspection technologies, featuring long-distance drone flights and the use of robots in converter stations.

As "critical entities" and managers of "grid critical infrastructure", the Group's TSOs are subject to the European Programme for Critical Infrastructure Protection (EPCIP Directive) and the Directive on the Resilience of Critical Entities (CER Directive). These directives impose enhanced responsibilities on the TSOs to identify, assess, and manage potential physical and cybersecurity risks. Since the Group collects and stores sensitive data related to its operations and those of its suppliers and partners, it must comply with numerous privacy and data protection rules and regulations. Key among these is the General Data Protection Regulation (Regulation (EU) 2016/679 of 27 April 2016 – GDPR) regarding personal data, as well as Directive (EU) 2016/1148 of 6 July 2016 (the "**NIS Directive**"), which will be repealed by the Directive (EU) 2022/2555 of 14 December 2022 (the "**NIS 2 Directive**") on measures for a high common level of cybersecurity across the Union with effect from 18 October 2024.

Due to its role, the Group is at heightened risk of cyber-attacks, viruses, malicious software, break-ins, theft, hacking, employee error or malfeasance, compliance failures, data breaches, and loss or damage or other security issues. The Group's security measures and processes might not be sufficient to prevent breaches, regardless of the source. Although the Group has previously been a target, and may again be targeted by sophisticated cyber-attacks, it has experienced no significant damage from cyber threats to date. However, a successful cybersecurity attack could seriously impact the Group's security of supply and the reputation of the Group. In addition, a failure or significant disruption of the Group's ICT systems, its processes or its security measures (including disruption to information systems of supporting technology, the possibility of obsolescence and the risk of serial defects on technology implemented by the Group), power fluctuations, unauthorised access to data and systems, loss or destruction of data (including confidential client information), could affect the availability of its networks or the tools, products and services it utilises, leading to customer losses and recued revenues.

The Group is also susceptible to malicious attacks, sabotage, or other deliberate acts that could damage its assets or affect third-party technology systems, hardware, software or technical applications and platforms it relies on. The widespread geographic distribution of the TSO's electricity network, assets and operations (and those of its relevant affiliates) makes them vulnerable to terrorism or sabotage, especially amid heightened geopolitical tensions, potentially leading to network failures, blackouts or system breakdowns.

These risks may intensify as decarbonisation and digitalisation further integrate the energy sector with others like heating, transport, and industry. Consequently, any network failure (due to compliance failure, attack, or error) could significantly affect the public and other network operators, given the interconnectedness of the European grid. Regulators thus closely monitor interruption times and may apply regulatory incentives and penalties based on performance.

For example, ETB is awarded incentive revenue based on its adherence to average interruption time ("**AIT**") targets set by the CREG. Ineffective risk management or a material security breach or failure could lead to legal or regulatory claims or proceedings, regulatory penalties, contractual liabilities, liability under any other data protection laws, criminal, civil or administrative sanctions and significant disruptions to the Group's operations and reputation, severely affecting its business, financial condition and results of operations.

Contingency events, system failures or business continuity disruptions may have widespread repercussions and adversely impact the Group's business, results of operations and reputation

The unavailability of one or more network elements (also called contingency events) may occur as a result of unforeseen events, such as unfavourable weather conditions or generation or power system failures, and may alter the smooth operation of one or more infrastructure components. In most

cases, these lead to a so-called single contingency event, and have no impact on the end customers' power supply because of the meshed structure of the grids operated by the Group (and the fact that electricity can often reach end customers via a number of different connections in the system). However, it cannot be excluded that in more exceptional cases, an incident in the electricity system would lead to business continuity disruption that could result in a local or widespread electricity outage with (extra)contractual as well as statutory liability claims and as the case may be litigation, which, in turn, could negatively impact the reputation, financial position and results of the Group.

Contingency events and business continuity disruption may be caused by a number of events outside of unfavourable weather conditions. These may include human errors, negligence, accidents, the risk of electrocution, malicious attacks, cyber-attacks, terrorism, sabotage, equipment failures, failure of the information and communication technology (ICT), unscheduled foreign electricity flow, failure to maintain the network parameters within the limits defined in the grid codes or lack of sufficient generation capacity. The likelihood of transmission disruptions and the need for emergency measures have increased due to the growing distance between generation and consumption locations and the volatility of energy in-feed caused by fluctuating contributions from renewable energy facilities.

Offshore equipment deserves particular attention in this context as there is less track record with the applied technologies and curative actions are more complex. The occurrence of any of these circumstances would be considered as an emergency situation which would allow the TSO to take any emergency measures deemed appropriate. This would include measures such as disconnecting some or all electricity exports, requesting electricity-generating companies to increase or decrease their electricity production or requesting from the competent Minister a reduction in the electricity consumption in affected areas.

Such events could expose the Group to potential liabilities and negatively impact its financial performance, including its financial condition, results of operations, and reputation, while also posing health and safety risks. Additionally, these events might result in damages or claims above the insured threshold. Moreover, adequate insurance for all those risks may not be available at reasonable conditions or may not be available at all. If they were to materialise and would not be fully covered by the regulatory mechanism, these exceptional costs would have to be borne by the relevant TSO and could, in turn, affect the overall profitability of the Group. See also the risk factor "*The Group may not have adequate insurance coverage*".

The probability of the occurrence of one or more of the above-mentioned events may increase if the competent authorities do not approve the necessary operational procedures, investments or full-time equivalent (FTE) resources proposed by ETB and Elia Asset NV/SA ("**Elia Asset**"), operating as a single economic entity, and 50Hertz, as these companies would then lack the necessary means and resources to avoid and protect the electricity network against such above-mentioned events.

The Group's reputation may be damaged if it fails to timely build the grid infrastructure which is required to enable the energy transition or such infrastructure proves to be inadequate, even if several critical elements thereof are beyond its control

As the operator of two TSOs, the Group carries out a critical role in the energy sector and is expected to play an important role in enabling the energy transition. 50Hertz has been recognised by politicians, NGOs, industry stakeholders, and associations as a key facilitator of the Energy Transition ("*Energiewende*") through the transformation of system control methods, the development of grid assets, and the evolution of market processes. This is similarly applicable in Belgium.

Several critical elements required to achieve this ambition are beyond the Group's control. Specifically, authorities in both Belgium and Germany are responsible for approving investment plans and ensuring that electricity infrastructure meets future demand. These plans are based on studies and assumptions regarding the future growth of electricity demand, which also need to incorporate geopolitical uncertainties and anticipated future electricity production sources to ensure that adequate infrastructure is built in time. As part of their decision-making, authorities must determine a country's energy policy and make policy decisions regarding nuclear power and matters such as the future interconnectedness of offshore wind farms across Europe. Moreover, regulatory authorities are responsible to adopt, through the tariff methodology, relevant remuneration incentives to enable TSOs to raise the necessary equity and debt required to fund the investment plan.

With the typical timeframe from design to execution of grid infrastructure spanning 10 to 15 years, the Group depends on timely governmental policy decisions, especially those concerning the future energy mix and location planning, to ensure grid adequacy for future demand. Although these factors are beyond its direct control, the Group may be perceived as failing if it inadequately prepares for these supply changes or commissions infrastructure that becomes insufficient due to shifts or delays in the political decision-making process, including in relation to the investment programme, or if the forecasted energy demand and supply mix do not materialise as expected. Specifically, the Group's reputation might suffer due to current uncertainties related to the scope of the capital expenditure portfolio necessary for the energy transition (such as the third phase of the Princess Elisabeth Island. For more information, please refer to "*The Group's Business – Key projects of the Group – Key projects of ETB – Princess Elisabeth Island*"), and doubts about its ability to respond timely to customer connection requests and anticipate infrastructure needs to enable DSOs to meet increased electricity demand.

Furthermore, due to the substantial and rising costs necessary to build the infrastructure required for the energy transition, alongside increasing concerns about affordability and impacts on European households and industry, the Group is likely to face heightened scrutiny from the public and regulators. Additionally, as the shift to renewable energy may lead certain countries to become net importers (like Belgium and Germany) and others net exporters (like the Nordics and, potentially, the UK and the Netherlands), further cooperation among European governments and regulators will be necessary. This includes addressing financing questions since the benefits and costs of infrastructure may not be evenly distributed. For example, the Swedish Government recently decided against endorsing the Hansa Power Bridge (a proposed interconnector between Sweden and Germany in the Baltic Sea), citing inefficiencies in the German electricity market from a Swedish viewpoint and the potential negative impact on southern Sweden.

The Group's reputation may be materially and adversely affected by any perceived inability to meet such expectations in Germany, Belgium, and across Europe, potentially reducing regulatory confidence in the Group, including the loss of contracts, which could materially and adversely impact its business, financial condition, and operational results, as well as its share price and ability to (re)finance. Furthermore, the Group may in certain circumstances incur certain liabilities if it fails to timely connect offshore windfarms within its control area. See risk factor "*The specific liability regime applicable to offshore connections may adversely impact the Group's results of operations*".

The Group is subject to increasing physical and transitional climate risks and increasing expectations in relation to its sustainability agenda and decarbonisation goals which depend in part on a number of factors beyond its control and which it may not be able to meet

The high-voltage lines and assets of the Group, due to their widespread geographic distribution and critical nature, are highly vulnerable to physical climate risks. As the impacts of climate change become more evident, the Group's infrastructure faces increasing threats from adverse weather events such as storms, cold spells, heatwaves, flooding, drought, and wildfires.

Recent instances include the substantial impact on two substations by exceptional flooding in the summer of 2021, which caused temporary business discontinuity. Similarly, storms in Saxony in spring 2024 and Mechelen in summer 2024 inflicted damage on the high-voltage grid. Despite these extreme conditions, power supply via the ETB and 50Hertz grids was consistently maintained. If not properly anticipated, the physical climate risks could lead to less favourable operating conditions or even damage to the Group's assets.

The Group has set ambitious goals to reduce greenhouse gas emissions through initiatives like the ActNow programme (see Section "*The Group's business – Strategy – ActNow: The Group's sustainability programme*"). However, the Group faces locked-in greenhouse gas emissions that are largely beyond its control. Significant contributions to its carbon footprint stem from grid losses inherent in electricity transmission, dependent on the power mix used for electricity generation. Hence, meaningful emission reductions rely on changes in the emissions associated with this power mix. This dependence also applies to the emissions tied to the electricity consumed by substations needed to operate the grid.

Additionally, the Group aims to substitute sulphur hexafluoride (SF6) with less harmful alternatives where technically feasible. Due to the long lifespan (55 years) of the Group's equipment, some equipment using SF6 will still exist by 2030 and 2040, although in reduced numbers. SF6, a potent greenhouse gas, is used for insulation and switching in gas-insulated high-voltage switchgear,

essential to TSOs' activities. Emissions of SF6 are primarily due to leakages. As such, alongside the phase-out programme, the strategy focuses on leakage management to minimise and mitigate its impact.

The Group's ability to achieve sustainability targets largely depends on the transition to a lower carbon economy, which requires substantial policy, legal, technological, and market shifts. This will necessitate increased investments and maintenance costs (among others, to meet new regulatory requirements like SF6 phase-out), expected to be managed through the tariff methodologies for both TSOs. The heightened expectations and associated costs present challenges and there is no certainty that the Group will meet the expectations or demands from investors, shareholders, stakeholders, or pressure groups.

Risks related to the Group's planned investment programme

The Group's future profits will in part depend on its ability to realise its contemplated investment programme and the anticipated organic growth of its Regulated Asset Base (RAB)

The Group has an ambitious investment programme for the coming years with anticipated investments of EUR 7.5 billion by ETB in Belgium and EUR 19.3 billion by 50Hertz in Germany[3] during the period 2025-2028, as set out in more detail in Section "*The Group's business – Strategy*". This results, amongst others, from the changing European energy market, the drive towards decarbonisation and digitalisation, and resulting largescale deployment of renewable-based generation technologies, which require the further development of the grid infrastructure and novel approaches to connect offshore wind farms. Electricity grids are recognised as key enablers for the energy transition. The development of such onshore and offshore infrastructure and interconnectors with neighbouring countries, as well as the deployment of other elements of the investment and capital expenditure plan, is contingent on securing backing and approvals from relevant public authorities. The need to obtain such approvals and permits within certain timeframes represents an important challenge for the timely implementation of the various projects.

Despite the anticipated increase in electricity demand, it remains nevertheless uncertain whether this demand will fully materialise, particularly in Europe. Contributing to this uncertainty are several factors, including a slowdown in the installation of heat pumps, lower-than-expected sales of electric vehicles, insufficient investment in industrial electrification, and uncertainties surrounding project development. Additionally, expected reductions in industrial output in sectors such as iron and steel, paper and pulp, and chemicals further add to this uncertainty, compounded with growing public criticism regarding the cost of new infrastructure projects and concerns about the affordability of the energy transition. This lack of clarity regarding future demand may dampen enthusiasm for investing in next-generation clean energy projects, which could stall or slow the overall energy transition.

The energy transition nevertheless requires substantial investments, including in the grid, and importantly a number of policy choices as to the future energy production mix which in turn impacts the grid infrastructure that is required to that effect. For example, depending on whether the government opts for offshore wind with connections with various other countries or for other options, such as nuclear energy or imports from neighbouring countries, the grid infrastructure and investments to that effect could vary significantly. Moreover, circumstances may arise which could lead to a slower energy transition or decarbonisation than mandated by competent authorities (see also risk factor "*The Group's reputation may be damaged if it fails to timely build the grid infrastructure which is required to enable the energy transition or such infrastructure proves to be inadequate, even if several critical elements thereof are beyond its control*").

Since the remuneration of the Group is in part based on its ability to realise its projects (as the current remuneration in both Belgium and Germany is calculated on the average RAB) (see Section "*The Group's business – Regulatory framework*"), the Group's future profits will in part depend on: (i) its ability to maintain and grow its Regulated Asset Base (after amortisations and depreciations) and (ii) the regulator maintaining an attractive remuneration framework to incentivise continued investment in the sector. To that effect, it will need to realise its contemplated organic growth (including its envisaged investment programme) and realise its various projects. In case the Group would not be able to realise or not timely realise its various projects and investment programme, this could have a negative impact on the Group's future profits, and therefore materially and adversely affect its business, financial condition and results of operations.

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[3] Considers 100 per cent. Capex for ETB and 100 per cent. for 50Hertz.

For example, if there were to be a delay in Belgium in the realisation of the investment programme in an amount of EUR 100 million, this would result in a negative P&L impact of approximately EUR 1 million for that year based on the current Belgium regulatory framework (2024-2027). The calculation is based on 40 per cent. of its average capex (EUR 50 million) that is remunerated at 5.69 per cent. and assuming a 3.27 per cent. OLO yield. Additionally, in Belgium, certain large infrastructure projects have an incentive linked to the timely commissioning of the project. This incentive ranges between EUR 0 million (if >1 commissioned later than target year) and EUR 8.4 million (all projects commissioned in the target year). Finally, if this lower capex would be linked to MOG II, there would be an additional impact of EUR 0.6 million as the equity remuneration for this project is complemented by an additional risk premium of 1.4 per cent. applicable to 40 per cent. of its Regulated Asset Base. For Germany, a reduction of EUR 100 million of capex would result in a negative result impact of approximately EUR 1.2 million, based on 40 per cent. that is remunerated at 5.78 per cent. Besides an impact on the Group's future profits, the risk of not (timely) realising its investment programme could also severely impact the realisation of the Group's strategy, contributing to the energy transition, sustainability programme and have a negative effect on its reputation.

The Group's planned investment programme is subject to a number of risks and uncertainties, including increased costs and questions about the affordability of the energy transition, timely regulatory approvals and availability of supplies

The Group's regulated businesses are highly capital intensive, and require significant ongoing investments in network infrastructure, including transmission technologies and projects necessary to achieve its own, and wider, environmental goals. Growing public criticism regarding the cost of new infrastructure projects has, however, exacerbated concerns about the affordability of the energy transition for European households and the industry, adding a layer of reputational and regulatory risk for the Group (see also risk factor "*The Group may be subject to cyber-related incidents, data breaches, failure of information and communication technology (ICT) systems, sabotage or acts of terrorism which may adversely impact its business, results of operations and reputation*").

The successful completion of any individual project (or indeed the planned investment programme as a whole) depends on, or could be affected by, a variety of factors, including: effective cost and schedule management of the projects; availability of qualified construction personnel, both internal and contracted; changes in commodity and other prices, applicable tariffs, and/or availability in a timely manner of supplies, materials and equipment needed for undertaking such projects and maintaining assets once in use; permitting and planning; clarity in regulatory requirements and expectations, including open communication with regulators and relevant stakeholders throughout the planning, approval, investment and operational stages; changes in environmental, legislative, and regulatory requirements or changes in political support and choices regarding the future energy mix; regulatory cost recovery; inflation, including of labour rates; increases in lead times; and disruptions in supply chain distribution.

Additionally, significant increases in the project costs primarily due to, amongst others, a constrained supply chain for critical equipment may intensify the concerns relating to certain projects leading to increased scrutiny of the Group's revenue models and operations. This is for example, the case with respect to the Princess Elisabeth Island, where the investment in relation to the HVDC part has been put on hold as recently announced in the press release of ETB dated 4 February 2025 (for more information, please refer to "*The Group's Business – Key projects of the Group – Key projects of ETB – Princess Elisabeth Island"*), and the Leading Light Wind project (for more information, please refer to "*The Group's Business – Key projects of the Group – Key projects of WindGrid – Forward Power Offshore"*). Furthermore, any significant shift away from broader electrification towards nuclear energy could increase the demand for new nuclear power connections. This would likely involve more extensive and expensive infrastructure, particularly more cables, further impacting costs.

The Group's capacity to meet its investment commitments depends on a number of factors, including, the timely progression of awarded projects (including the planning stages and receipt of relevant approvals and consents), continued political support, avoidance of significant supply chain disruptions and the continued availability of critical components, access to necessary labour, and its ability to execute the relevant projects in line with regulatory standards and expectations. Public debate surrounding these investments may lead to increased regulatory pressure and more rigorous oversight, potentially impacting project timelines and costs.

Adverse events associated with any of the factors set out above could materially impact the Group's ability to achieve the benefits of such projects. Failure to execute such projects, including in line with public and regulatory expectation, may have a material adverse effect on the Group's business, financial condition and results of operations. Moreover, the balance between social acceptability and affordability of the energy transition could pose additional risks if regulatory bodies impose stricter measures in response to public concern.

The Group is subject to environmental and zoning laws, as well as increased public expectations and concerns, which may impair its ability to obtain relevant permits and realise its planned investment programme in a timely manner or result in additional costs

The operations and assets of the Group are subject to regional, national and international regulations dealing with environmental matters, city planning and zoning, building and environmental permits, rights of way and wildlife protection rules. Such regulations are often complex and subject to frequent changes (resulting in a potentially stricter regulatory framework or enforcement policy). Compliance with existing or new environmental, soil sanitation, city planning and zoning regulations, and more recently laws relating to the protection of natural habitat and wildlife, may impose significant additional costs on the Group and delay the projects which it pursues. Such costs include expenses relating to the implementation of preventive or remedial measures or the adoption of additional preventive or remedial measures to comply with future changes in laws or regulations. Increased concerns relating to health and safety, as well as remedial measures relating to historic pollution (such as for PFAS or lead pollution due to the paints that were previously used), may lead to further delays and costs. The gradual phase-out of SF6 as insulation gas, which is also mandated by new environmental regulations, may lead to additional market scarcity and increased cost depending on the alternatives made available by the relevant suppliers.

While the Group has recognised provisions in connection with such obligations in its financial statements, the provisions made by the Group may not be sufficient to cover all costs that are potentially required to be made in order to comply with these obligations, including if the assumptions underlying these provisions prove to be incorrect or if the Group would face additional, currently undiscovered, contamination.

In recent years, there has also been an increased concern in relation to the impact of electric and magnetic fields which emanate from underground and overhead electrical cables and are inherent to the Group's operations. Accordingly, it cannot be excluded that the legal environment in this respect may become more restrictive in the future. For example, the Group has recently faced certain challenges in relation to the Ventilus and Boucle du Hainaut project, including in connection with the permitting process, even though they are an integral and necessary part of the Princess Elisabeth new offshore zone (for more information, please refer to "*The Group's Business – Key projects of the Group – Key projects of ETB – Princess Elisabeth Island*").

This may result in the Group incurring additional costs in managing environmental and public health risks or city planning constraints, as well as an increased risk of potential liability claims or administrative proceedings initiated by affected persons, or may have an impact on the way and the timing in which investment projects can be realised. Due to the increased actions from pressure groups and local residents, authorities may become more reluctant to issue the necessary permits in the future.

Furthermore, to the extent any of the related costs cannot be covered or recovered through the applicable tariff methodologies, these could adversely affect the financial results of the Group.

The Group depends on a limited number of suppliers and counterparts and their ability to meet quality of work standards and deliver in a timely manner and within budgeted costs

To realise their investment projects, the two TSOs of the Group rely on a limited number of key suppliers and counterparts to deliver the high-quality equipment and/or to deliver infrastructure works in a timely manner and in a manner which meets the required quality of work standards. Given the complexity of the infrastructure works, the increasing demand in the market for such specialised skills and equipment, and the factories' full order books, the Group may struggle to secure enough suppliers or supply capacity to complete its projects within budget and on schedule. These pressures have extended lead times with key suppliers, requiring orders to be placed much earlier. Additionally, the supplier market for platforms, HVDC, transformers, converters, and cables is constrained by limited production capacity and few alternatives. Such risk has also been recently

highlighted by the CREG in its Report on the budget Increases of the MOG II Project RA2960 dated 24 January 2025, which confirms that only three suppliers (consortia) are currently capable of delivering HVDC projects.

In addition, supply chain bottlenecks as well as raw material and staffing scarcity have resulted in a significant increase of commodity and transportation prices, which have also affected the supply chain of the Group's suppliers and have led to a general increase in the inflation rates (a yearly inflation adjustment of the running costs of the two TSOs is foreseen under the current Belgian and German tariff methodology – see Section "*The Group's business – Regulatory Framework*"). Furthermore, economic headwinds combined with increased costs could lead to the insolvency of certain suppliers or partners on which suppliers rely. While inflation is a pass-through cost for ETB and 50Hertz under the current tariff methodologies, there could be a time-lag in the regulatory coverage which may negatively impact working capital.

Even though the Group tries to mitigate the credit risk of its suppliers through appropriate bank guarantees, any such financial difficulty or insolvency at the level of its suppliers or partners on which its supplier rely could further result in delays in the realisation of any project and could adversely impact the future profits of the Group. The maintenance and construction of an onshore and offshore electricity grid also requires a specific technical expertise. If the Group's contractors would fail to employ a sufficiently skilled workforce, this might adversely impact the Group's business, including the safety of its works. In addition, the Group is exposed to: the risk of public procurement claims (including the risk that certain parties would claim that certain public procurement procedures should have been applied in relation to the tendering of certain works or projects) and the risk that suppliers (and the suppliers they rely on) may not be able to comply with their contractual obligations if they were to face financial difficulties.

Moreover, as recently experienced with the contemplated HVDC infrastructure for the Princess Elisabeth Island and with ongoing construction works, the overall costs of projects can be significantly impacted by delays, bottlenecks and increased costs with certain critical suppliers and the lack of alternatives. Also, given the complexity of certain of these projects, disputes can sometimes arise between the Group and its suppliers. While the parties will typically try to reach an amicable resolution to such disputes, any failure to reach an amicable solution can lead to court proceedings which could involve significant costs and take time to resolve. For more information, please refer to "*The Group's Business – Key projects of the Group – Key projects of ETB – Princess Elisabeth Island"*. Even though costs of projects are covered through the tariffs, significant cost increases raise questions of affordability and may lead to projects being postponed or cancelled (see risk factor "*The Group's future profits will in part depend on its ability to realise its contemplated investment programme and the anticipated organic growth of its Regulated Asset Base (RAB)*").

A prolonged continuation or a further increase in the severity of supply chain pressures could result in additional increases in the cost of certain goods, services and cost of capital, and impact the Group's ability to execute on its ongoing investment projects or maintain sufficient support from public authorities to that effect. The cancellation of or delay in the completion of its projects as a result thereof could have an adverse effect on the Group's reputation, future profits and the realisation of its strategy or contribution to the energy transition or sustainability programme which, in turn, could have a negative effect on the Group's reputation. Any failure to maintain and grow its asset base in line with its organic growth and investment programmes, may also materially and adversely impact the Group's financial condition and results of operations. In addition, increases in the prices of equipment and work lead to higher project costs, which in turn result in higher financing needs.

As the Group's grid becomes more interconnected and the Group enters into joint ventures and collaborative partnerships, it could become more exposed to specific risks relating thereto

As the grid infrastructure expands and becomes more interconnected with neighbouring countries and through hybrid and meshed interconnectors, increased cooperation and strategic alignment will be required among various operators. This trend and need for greater cooperation between various TSOs and regulators are set to become more important in the future. This is, for example, already the case for the Nemo Link interconnector (the joint venture between National Grid Interconnector Holdings Limited, a subsidiary company of National Grid, and ETB) between Belgium and the UK which is subject to a separate regulatory framework determined by the CREG in Belgium and

OFGEM in the UK. Plans are currently being investigated for a second interconnector Nautilus which would transport electricity between Belgium and the UK, potentially via the energy island to facilitate offshore wind connections in the North Sea. Plans are being explored to build a subsea connection, the Triton Link, that could link up two artificial energy islands to enable the exchange of power between Belgium and Denmark. However, such projects require alignment with various parties, including regulators, and agreement on the remuneration model and distribution of costs and benefits.

The Group may also engage in various joint ventures and partnerships as part of its strategic operations, such as recently with its minority investment in energyRe Giga, an independent US developer which focuses on transmission and transmission-led generation. While these arrangements can offer substantial opportunities for growth and market expansion, they also present certain risks that could adversely affect the Group's business, financial condition, and results of operations. These risks include a potential default by the joint venture partner on its contractual or other obligations which could materially adversely impact the financial results and prospects of the joint venture. Moreover, joint ventures may expose the Group to heightened compliance and regulatory risks, especially in jurisdictions with different legal and regulatory frameworks. A failure by the Group's joint venture partners to comply with applicable laws and regulations could lead to legal and financial liabilities for the Group. This includes but is not limited to violations of anti-bribery, anti-corruption, data protection, environmental, and other regulatory standards. Penalties, fines, or reputational damage resulting from such non-compliance could have a material adverse effect on the Group's business operations. In addition, the objectives and interests of the Group and its joint venture partners may not always align. Strategic disagreements may arise concerning operational decisions, resource allocation, or business strategies, potentially inhibiting the effective management of the venture. In some cases, this divergence may lead to disputes or impasses that could impede the business activities of the joint venture and divert management attention.

These risks inherently involve uncertainties and depend largely on factors beyond the Group's control. Any materialisation of these risks could negatively impact the performance of the relevant projects or joint ventures, result in financial losses, cause reputational harm, and could materially affect the Group's operations and future prospects.

A lack of highly qualified staff may result in insufficient expertise and knowhow to meet its strategic objectives

To be able to achieve the Group's strategic goals, including decarbonisation and digitalisation, the Group's culture and work force must be fully aligned to the Group's strategy and the Group must succeed in attracting and retaining the necessary leadership and technical expertise. As part of its investment programme, the Group has planned to recruit up to 1,400 new employees between year-end 2023 and year-end 2027.

However, as a result of high demand in the market, it has become increasingly challenging to find appropriate competencies on the hiring market, an issue that is compounded by skills shortages in certain jurisdictions in which the Group operates. In addition, the loss of key personnel or an inability to adequately identify and plan for personnel requirements, including to attract, integrate, engage and retain qualified personnel poses a risk to the success of the Group's investment programme. Similarly, if significant disputes arise between the Group and its employees, such as a failure to extend or renegotiate contractual terms with relevant trade unions, may impact the Group's ability to implement its strategy and as a result, harm its reputation and business.

If the Group does not manage to have the adequate human resources and expertise available, there is an increased risk of failure to implement its strategy (delay, failure to manage the increasing complexity of network operation, delay in capex realisation which supports the energy transition, etc.), bearing in mind the highly specialised and complex nature of its business. Moreover, a loss of highly qualified staff may result in insufficient expertise and knowhow to meet the Group's strategic objectives, which will consequently impact the Group's ability to contribute to the energy transition.

Aspects of the Group's activities could potentially harm staff, contractors, members of the public or the environment

The Group operates electricity transmission facilities and, like many utilities, its operations inherently involve various potentially hazardous activities. These include risks associated with accidents, external attacks, asset failures, human errors, or negligence, all of which could potentially harm

employees, contractors, members of the public, or the environment. Electricity transmission, by its very nature, involves working with high voltage infrastructure, exposing those in proximity to risks such as electrocution.

Safety is a fundamental priority for the Group. It has implemented comprehensive health and safety policies, conducts regular safety analyses, and aims to cultivate a robust safety culture. The initiative to minimise work-related accidents is integral to the Group's sustainability agenda and constitutes a key performance target under ETB's sustainability-linked revolving credit facility. Specifically, one of the three key performance indicators under this revolving credit facility focuses on reducing the number of work-related recordable injuries, including those suffered by the Group's employees, non-employees and contractors by setting specific targets for the total recordable injury rate. Achieving these targets will result in a small discount from the base margin under its revolving credit facility, reducing financial costs. Conversely, not meeting the targets will lead to a small premium added to the base margin, increasing costs. Both cases also lead to an adjustment in the Group's sustainability score. Until now, the Group has met its target relating to the reduction of work-related injuries and, based on historical performance, the Group expects to continue meeting such target. In 2024, the Group recorded a total recordable injury rate (TRIR) of 4.3 for its own employees, which is well below target. In addition, the severity of the incidents also decreased significantly. Despite committing substantial resources towards these safety measures and fulfilling its regulatory and contractual obligations, there can be no guarantee that these measures will be effective in all circumstances.

The Group is subject to applicable laws and regulations governing health, environment, and safety matters, which aim to protect the public as well as the Group's employees and contractors. Any changes to these laws or their enforcement could subject the Group to additional costs and liabilities, including those related to pollution, environmental protection, and the use and disposal of hazardous substances.

The occurrence of a significant safety or environmental incident, catastrophic failure of the Group's assets, or failure of its safety processes or occupational health plans could impair the Group's ability to meet its sustainability targets and materially and adversely impact its financial position, operational results, and reputation. The ambitious investment programme, including significant maintenance projects scheduled for the coming years as well as environmental hazards due to flooding, heatwaves or other catastrophic events, may increase the staff's exposure to health and safety risks. Additionally, the Group faces exposure to potential liabilities, which could demand considerable financial and managerial resources to address.

Financial risks related to the Group's business

A downgrade in the Company's, ETB's and/or Eurogrid GmbH's credit rating could affect their ability to access capital markets as well as impact their financial position and refinancing capacity

The Group, and more specifically its two regulated subsidiaries ETB and 50Hertz, have significant amounts of debt outstanding, with the Group having a total financial indebtedness amounting to EUR 8,641.9 million in 2023 and EUR 12,798.2 million in 2024. The amount of debt will further increase in light of the Group's ambitious investment programme, in particular at the level of the two regulated TSOs but also potentially at the level of the Company in the case of further inorganic growth or to support the Group's investment programme. Accordingly, the ability of the Company, ETB and 50Hertz to access global sources of financing to cover their financing needs to fund their plans and refinance their existing indebtedness is a key component of the Group's business and strategic plan. A deterioration in financial markets, change in investor sentiments or a downgrade of the credit rating or credit metrics of any of these entities could negatively impact their ability to access financial markets. This would have an adverse effect on the Group's business, financial position and ability to realise its anticipated RAB growth and strategic plan.

S&P has issued separate credit ratings for the Company, ETB and Eurogrid GmbH, which is the holding above 50Hertz. At the date of this Prospectus, the credit rating for the Company and Eurogrid GmbH is BBB with a stable outlook and for ETB BBB+ with a stable outlook. These credit ratings largely reflect the new investment programme for 2024-2028 for Belgium and Germany (respectively) and remain consistent with the Company's financial policies. There are, however, no assurances that the rating of any of these entities will remain the same for any given period or that the rating will not be lowered by the rating agency if, in its judgment, circumstances in the future so

warrant. The Company confirmed on 7 March 2025 that Standard & Poors recently confirmed the current Company's rating at BBB with stable outlook.

Given the specific nature of the Group's business and the large recovery of its financing costs through the tariff methodology at the level of its two regulated subsidiaries, ETB and 50Hertz, the Group has implemented (including at the request of its regulators) a number of measures. These include the adoption of a funding and dividend policy applicable to ETB and Eurogrid GmbH and maintaining, to a certain extent, separate board of directors compared to the Group. These measures seek to ring-fence to a certain extent the impact of the Group's business and the Company's future investment and strategic plans from that of ETB and Eurogrid GmbH. Accordingly, since both ETB and Eurogrid GmbH are ring-fenced from the Company from a ratings perspective up to a certain extent, a downgrade in the credit rating of the Company of up to one notch should not automatically affect the rating of ETB or a downgrade of up to 2 notches for Eurogrid GmbH (as long as the stand-alone credit ratings of such entities support their respective ratings). Conversely, a downgrade of ETB or Eurogrid GmbH would result in a higher cost of debt for new issuances and could, if not recoverable, through the tariffs, impact the profitability of the Group.

Moreover, the tariff methodology applicable in Belgium provides that if a downgrade were to occur and this would be entirely attributable to activities independent of ETB, being regulated activities outside of Belgium or non-regulated activities, the potential increase of the interest cost on newly issued financial instruments resulting from such downgrade would have to be borne by the shareholders of the TSO (*i.e.* the Company), instead of being passed on through the transmission tariffs, which would impact the financial result and results of operations of the Group. A similar impact could occur if ETB would no longer be deemed sufficiently ringfenced from the Company or its dividend or financing policy would be amended in a way that is detrimental to its credit rating (and would lead to a higher cost of debt that is not recoverable through the tariffs). If the downgrade resulted from ordinary course business activities attributable to the transmission activities of the TSO under the regulatory framework, the increased cost would be recoverable through the tariffs.

A downgrade in the credit rating of the Company could also result from any effects on its credit metrics in the context of its future inorganic growth (e.g. additional debt raised). This could, in turn, affect its ability to distribute dividends. Similarly, a downgrade at the level of ETB and/or Eurogrid GmbH could affect their ability to upstream dividends to the Company, particularly if the higher funding costs for ETB and/or 50Hertz would not be covered by the tariffs. As the Company's income mainly depends on the dividends received from its subsidiaries and a significant portion of these is derived from ETB and 50Hertz, any restriction on their ability to distribute dividends to the Company would have a significant impact on the Company (see risk factor "*Various circumstances could affect the ability of the Company to pay out dividends or meet the objectives of its dividend policy*"). Furthermore, if ETB and the Company were unable to comply with the covenant in their respective revolving credit facilities, term loan facility and EIB Loans, which generally requires them to maintain a rating that is at least equal to BBB-, each respectively would have to enter into negotiations with the EIB and/or the lenders under its revolving credit facility in order to waive such default, failing which it could be required to repay the EIB Loan and any outstanding amounts under their revolving credit facilities and term loan facility. (see Section "*Financing arrangements of the group § (1) Financing arrangements of the Company and § (2) Financing arrangements of ETB*."). In contrast to most of its credit facilities, including those with the EIB, the bonds issued by the Group do not contain covenants relating to the maintenance of a certain credit rating.

A decision by a rating agency to downgrade the credit rating of the Company, ETB and/or 50Hertz could reduce the Group's funding options and increase its costs of funding and impact its financial position and results of operations.

Inability to access or raise the necessary financing (at acceptable cost) could impair the Group's ability to fund and realise its investment programme

As outlined in the Section "*The Group's Business*", the Group, particularly ETB and 50Hertz, has an ambitious investment programme forecasting investments of EUR 19.3 billion in Germany and EUR 7.5 billion in Belgium during the period 2025-2028. The fruition of these investments will depend on the Group's ability to access relevant debt and equity capital markets and secure necessary funding at an acceptable cost. Specifically, the Group must ensure it can continue raising debt at a cost deemed acceptable by regulators (so that such costs remain covered through

transmission tariffs) and present a sufficiently attractive return to shareholders to secure the necessary equity amounts. In 2023, the average cost of debt was 2.0 per cent. for ETB, 2.01 per cent. for 50Hertz/Eurogrid GmbH, and 2.1 per cent. at the Group level, while in 2024, it was 2.39 per cent. for ETB, 2.89 per cent. for 50Hertz/Eurogrid GmbH, and 2.80 per cent. at the Group level. These costs of debt were fully covered by tariffs in the case of ETB and also mostly covered by the tariffs in the case of 50Hertz/Eurogrid GmbH. In contrast, the cost of debt of the Company does not benefit from a tariff pass-through mechanism.

Maintaining an investment-grade credit rating and continued support from core shareholders, key banking relationships, the European Investment Bank, pension funds, and other core debt investors will be crucial for this process. Given the quantum that needs to be raised to fund the contemplated investment programme, the Group will increasingly have to diversify its sources of funding (which it has already started to do with the use of a term loan, the issuance of green loans and the recent EUR 650 million financing with the European Investment Bank). As such need to diversify funding sources and concurrent raisings further increases, the execution risk associated with such transactions will increase (including as a result of the interplay among them, the potential impact of one transaction on another and the required sequencing).

Furthermore, given the anticipated investment programme and expected increase in debt levels, the Group will need to raise equity capital to maintain its predefined target equity/debt ratio (*i.e.* regulatory gearing) and the intended return on equity. Failure to raise such equity or a deterioration in the equity/debt ratio could negatively impact the credit rating of ETB and/or Eurogrid GmbH, potentially impairing their ability to fund and execute the investment programme. See risk factors "*A downgrade in the Company's, ETB's and/or Eurogrid GmbH's credit rating could affect their ability to access capital markets as well as impact their financial position and refinancing capacity*" and "*The Group's future profits will in part depend on its ability to realise its contemplated investment programme and the anticipated organic growth of its Regulated Asset Base (RAB)*".

Various circumstances could affect the ability of the Company to pay out dividends or meet the objectives of its dividend policy

The Company is a holding company which depends on the ability of its subsidiaries to upstream dividends. As these are mainly derived from the dividends distributed by its two regulated subsidiaries ETB and 50Hertz (though Eurogrid International SA/NV ("**Eurogrid International**") and its 80 per cent. stake in Eurogrid GmbH), the Company depends on the ability of these two regulated subsidiaries to distribute dividends in order to meet its own financial obligations, cover its own costs as a holding company and distribute dividends (see Section "*The Group's business*").

Both ETB and Eurogrid GmbH have adopted funding and dividend policies for the current regulatory period (until 2027 for ETB and until 2028 for Eurogrid GmbH) to support their credit rating and access to financial markets at attractive conditions on a self-standing basis. While there is no expectation that this would hamper their ability to continue to distribute dividends, in line with past practice, there is no guarantee to that effect. Having amongst others regard to the investment programmes of both entities, it cannot be excluded that exceptional unforeseen events would impact the ability of ETB and/or Eurogrid GmbH to distribute dividends to the Company in the future. The capacity of such subsidiaries to distribute dividends could be also constrained in case of an actual or potential downgrade of their credit rating or as a result of the increased debt raised by them in order to fund their investment programmes (see risk factor "*A downgrade in the Company's, ETB's and/or Eurogrid GmbH's credit rating could affect their ability to access capital markets as well as impact their financial position and refinancing capacity*"). Should dividends from ETB and/or 50Hertz decrease to the extent that they do not cover the costs of the Company, including its anticipated dividend distributions in line with its dividend policy, this would have an impact on the Company's ability to distribute dividends. Furthermore, the ability of the Company and its subsidiaries to make dividend distributions depends on their earnings and may be subject to statutory or other restrictions. It can, for example, not be excluded that the Group's inorganic growth strategy could have an impact on the Group's future ability to distribute dividends (see risk factor "*The Group's progress in its inorganic growth strategy may result in less predictability and higher volatility in its revenues and additional financial debt at the level of the Company*").

Under its current dividend policy, the Company envisages to deliver a full-year dividend growth that grows in line with the Consumer Price Index ("inflation") in Belgium. The Company's dividend policy, which was established in 2019, supports its long-term ambition to target a secure dividend in real

terms for the shareholders while enabling the Company to sustain a strong balance sheet that is needed to fund the Group's ambitious investment programme (see Section "*The Group's business – Dividend Policy*"). Accordingly, the dividend policy provides predictability to the Company's shareholders. Moreover, in line with its policy, the Company's dividend distribution has increased over the last seven consecutive years. If the Company were to fail to deliver its contemplated stable shareholder return in line with its dividend policy (and underlying shareholder expectation in line therewith), this could have a negative impact on its share price or ability to retain or attract existing and new shareholders.

The Group's progress in its inorganic growth strategy may result in less predictability and higher volatility in its revenues and additional financial debt at the level of the Company

As part of the Group's strategy, it aims to further expand its activities beyond its current perimeter ("inorganic growth") in order to deliver societal value. This growth could be related to activities that are regulated outside of its core markets, Belgium and Germany, or non-regulated. The areas the Group is currently exploring for further inorganic growth include, amongst others, offshore development beyond the maritime boundaries of the regulated TSOs (ETB and 50Hertz). In 2022, the Group established a new subsidiary WindGrid, which it sees as a logical step in the further expansion of the Group towards a global energy company to capitalise and contribute to the accelerated development of offshore energy.

Through WindGrid, following the completion of a minority equity acquisition in February 2024, the Group has invested in energyRe Giga, an independent US developer focussing on transmission and transmission-led generation. Through WindGrid and energyRe Giga, the Company has already invested USD 250 million in 2024 and has committed to invest a further USD 150 million once relevant US transmission assets and opportunities have been identified. Increased prices in the supply chain and recent executive orders (including enforcement of a six-month halt on leasing and permitting for offshore windfarms and a review of existing leases) signed under the new Trump Presidency, could affect the projects in energyRe Giga's portfolio (particularly, the offshore project Leading Light Wind, which is 12.5 per cent. owned by energyRe Giga, but potentially also, the two onshore projects). These projects could face delays or cancellations, which can reduce their value. If confirmed, this could decrease the attractiveness and value of such assets or impact energyRe Giga's ability to sell the underlying assets, which could ultimately lead to an impairment on the assets in the scope of WindGrid's investment in the US. For 2024, energyRe Giga, contributed to a loss of EUR 1.9 million in Elia Group's net profit.

An increase in exposure towards these and other new activities could, however, reduce the predictability and increase the volatility of the results of the Group, cash flow and funding needs. Even though there is no visibility or certainty as to whether the Company will be able to realise its ambition to further expand through M&A, nor the pace as to which this would occur, if it materialises the proportion of the revenues and profits of the Group which are derived from its more stable and predictable regulated business could decrease over time. In addition, the subsidiaries' costs linked to the development or management of such activities will, in light of the regulatory environment and ring-fencing applicable to ETB and 50Hertz, have to be fully borne by the Company as the costs thereof may not be covered through any of the regulatory tariff frameworks. The development of these new activities by the Group may therefore represent an additional financial risk for the Group, which may affect its results of operations, financial performance, credit rating (see risk factor "*A downgrade in the Company's, ETB's and/or Eurogrid GmbH's credit rating could affect their ability to access capital markets as well as impact their financial position and refinancing capacity*").

The Group may not have adequate insurance coverage

The Group has subscribed to insurance contracts necessary to operate its businesses in line with industry standards. However, following poor claim statistics and an increased insured value of the Group's assets, the Group has observed increases in insurance premiums and higher deductibles and the Group is only able to secure insurance contracts for one year at a time.

Moreover, there are no assurances that the contracted insurance coverage will prove to be sufficient in all circumstances. Even though the Group has contracts that seek to limit exposure to certain risks (see Section "*The Group's business*"), the Group, and in particular ETB and 50Hertz, are not (fully) insured against all the risks to which they are exposed. This includes, but is not limited to, risks stemming from material damages to overhead lines, on/offshore assets, third-party losses,

damages, blackout claims, cyber-attacks or losses resulting from natural disaster, human error or defective training. Any damage not (fully) covered by the insurance company or claim above the insured limit may negatively impact the Group's results of operations.

Furthermore, for some specific risks (such as blackout claims in excess of insurance coverage and environmental liabilities, terrorism or cyber-attack) adequate insurance may not be available at reasonable conditions or may not be available at all. Should those risks materialise, the regulatory mechanism could cover these costs, but there is a risk that a part of these exceptional costs would have to be borne by the relevant TSO (up to a certain cap), which in turn would affect the overall profitability of the Group. If the Group incurs significant costs not covered by its insurance or regulatory mechanisms, the Group's business, financial condition and results of operations may be materially and adversely affected.

Risks relating to the shares and the Offering

The market price of the Shares may be volatile and may decline below the Issue Price, and shareholders may be diluted as a result of capital increases reserved to certain investors

There can be no assurance that the Issue Price will correspond to the market price of the shares following the Offering or that the market price of the shares available in the public market will reflect the Company's actual financial performance. A number of factors may affect the market price of the shares, including the number of shares held by the public, changes in the operating results of the Company, changes in the general conditions in the energy sector, and general economic and business conditions (including interest rate evolution) in the countries in which ETB and 50Hertz operate.

Furthermore, securities markets have experienced significant price and volume fluctuations in recent years. Similar fluctuations in the future could have a material adverse effect on the market price of the shares regardless of the operating results or financial condition of the Company.

The Company's stock price at closing on 31 December over the past five years was as follows: EUR 97.50 in 2020, EUR 115.70 in 2021, EUR 132.80 in 2022, EUR 113.30 in 2023, and EUR 74.40 in 2024. The Company's stock price further declined between 1 January 2025 and 6 March 2025, and recovered since 7 March 2025. The fluctuations in the Company's stock price are reflective of both internal company developments and external market conditions. This is expressed in a current 90-day volatility of the Company's share price of 45 per cent[4], compared against a 90-day volatility of the BEL20 index of 13 per cent.

If there is a substantial decline in the market price of the shares, this may have an adverse impact on the market price of the Preferential Rights (see risk factor "*If the Rights Offering is discontinued or there is a substantial decline in the price of the Shares, the Preferential Rights may become void or worthless*").

Moreover, as set out in more details in Section "*Information on the Offering – Dilution*", existing shareholders that are not subscribing in the PIPE will be diluted as a result of the Shares that are issued in that context. The recent decline in the Company's stock price has resulted in a higher number of Shares being issued in the context of the PIPE and therefore in a higher dilution. Moreover, even though the Company has no current plans for an offering of Shares other than the Rights Offering, it is possible that it may decide to offer additional Shares in the future, either to raise capital or for other purposes. The Company may decide to reserve any such future capital increases to existing or new shareholders outside of any preferential rights for existing shareholders, leading to a dilution of existing shareholders that do not or are not offered the opportunity to participate in any such future capital increases.

If the Rights Offering is discontinued or there is a substantial decline in the price of the Shares, the Preferential Rights may become void or worthless

If there is a substantial decline in the price of the Shares, including as a result of short selling of the Company's shares, this may have a material adverse effect on the value of the Preferential Rights. Any volatility in the price of shares will also affect the price of the Preferential Rights, and the Preferential Rights could become worthless as a result. Further, the obligations of the Underwriters pursuant to the Underwriting Agreement may be terminated in certain circumstances

[4] 90-day volatility as of 17 March 2025.

(see Section "*Plan of distribution and allocation of the New Shares – Underwriting Agreement*"), which may itself result in a discontinuation of the Rights Offering. If the Rights Offering is discontinued as described in Section "*Revocation or suspension of the Offering*", the Preferential Rights will become void or worthless. Accordingly, investors who have acquired any such Preferential Rights in the secondary market will suffer a loss, as trades relating to such Preferential Rights will not be unwound once the Rights Offering is terminated.

There is no assurance that a trading market will develop for the Preferential Rights, and, if a market does develop, the market price for the Preferential Rights may be subject to greater volatility than the market price for the Shares

The Preferential Rights are expected to be traded on the market on Euronext Brussels from 27 March 2025 to 3 April 2025. There is no assurance that an active trading market in the Preferential Rights will develop during that period and, if a market does develop, there is no assurance regarding the liquidity of such trading market. The trading price of the Preferential Rights depends on a variety of factors, including but not limited to, the performance of the price of the Shares, but may also be subject to significantly greater price fluctuations than the Shares.

Certain significant shareholders of the Company after the Offering may have interests that differ from those of the Company and may be able to control the Company, including the outcome of shareholder votes

The Company will continue to have a number of significant shareholders. For an overview of the Company's significant shareholders as at the date of this Prospectus, reference is made to Section "*Relationship with significant shareholders – Share ownership*".

Given its current shareholding, NextGrid Holding, which represents Fluxys SA/NV ("**Fluxys**") and the Belgian municipalities, can have a significant influence on the approval of shareholders' resolutions, and can in any event block any shareholders' resolution as the approval of any shareholders' resolution requires the approval of holders of a majority of class A and/or class C as long as the holders of class A and/or Class C Shares own at least 25 per cent. of the total outstanding share capital of the Company (or 15 per cent. in the event of dilution following a capital increase). Currently this only applies to the Class C Shares, as the Class A Shares have less than 25 per cent. of the total outstanding share capital of the Company.

To the extent that NextGrid Holding holds a large stake in the Company, it could have the ability, alone or in combination with other shareholders, to elect or dismiss directors, and, depending on how widely spread the Company's other shares are, take certain other shareholders' decisions that require, or require more than, 50 per cent. or 75 per cent. of the votes of the shareholders that are present or represented at the General Shareholders' Meetings where such items are submitted to voting by the shareholders. As with NextGrid Holding's current shareholding, all shareholder resolutions require the approval of NextGrid Holding. Given its stake of 44.7 per cent., Publi-T tends to have a majority of the Shares that are present or represented at shareholders' meetings. The same is likely to apply to NextGrid Holding. Alternatively, to the extent that these shareholders have insufficient votes to impose certain shareholders' resolutions, they could have the ability to block proposed shareholders' resolutions that require, or require more than, 50 per cent. or 75 per cent. of the votes of the shareholders that are present or represented at General Shareholders' Meetings where such items are submitted to voting by shareholders. Any such voting by these shareholders may not be in accordance with the interests of the Company or the other shareholders of the Company.

Withdrawal of subscription after the Rights Subscription Period will not allow sharing in the Net Scrips Proceeds and may have other adverse financial consequences

Subscribers withdrawing their subscription after the Rights Subscription Period, will not share in the Net Scrips Proceeds and will not be compensated in any other way, including for the purchase price (and any related cost) paid in order to acquire any Preferential Rights or Scrips, as the Preferential Rights attached to these subscription orders have not been timely converted into Scrips and offered as part of the Scrip private Placement. Reference is also made to Section "*Prospectus approval and supplement"* in this respect.

Certain Existing Shareholders outside Belgium may have limited time to place a subscription order for the exercise of their Preferential Rights or subscription orders made with financial intermediaries outside Belgium may not be processed in a timely manner by the local financial intermediaries

Any Preferential Rights not exercised during the Rights Subscription Period will become null and void. To the extent that the Preferential Rights are not or not timely exercised and/or any exercise not timely processed, the Existing Shareholders' proportionate ownership and voting interest in the Company will be reduced, and the percentage that the Shares held prior to the Offering represents of the increased share capital after the Offering will be reduced accordingly. In practice, in case of lengthy corporate action procedures, certain shareholders outside Belgium (e.g. in Germany), may have limited time to place a subscription order for the exercise of their Preferential Rights once they become aware of the Offering. The Company has not appointed any centralising agent outside Belgium nor have any specific procedures been foreseen to accommodate the financial service outside Belgium. The Underwriters' role will not extend to the Offering to the public in Germany. No financial institution has been appointed in Germany to provide financial services in relation to the Offering. Subscription orders made with financial intermediaries outside Belgium may not be processed in a timely manner by the local financial intermediaries. Accordingly, investors (and in particular those outside Belgium) wishing to participate in the Offering need to ensure that the financial institution, with whom they hold their shares or through whom they wish to participate in the Offering, has the requisite processes in place to timely process their subscription. The financial intermediary with whom they hold their shares or through whom they wish to participate in the Offering is solely responsible for obtaining the subscription request and for duly transmitting such subscription request together with all necessary documentation and the appropriate number of Preferential Rights. Each holder of a Preferential Right that is not exercised and processed by the last day of the Rights Subscription Period will only be entitled to receive a proportional part of the Net Scrips Proceeds, if any (as described in Section "*Information on the Offering – Scrips Private Placement*"). However, there is no assurance that any or all Scrips will be sold during the Scrips Private Placement or that there will be any Net Scrips Proceeds for the Shareholders (as described in Section "*Information on the Offering – Scrips Private Placement*"). Shareholders outside Belgium may not be able to exercise preferential subscription rights (notice for non-Belgian resident investors).

In the event of an increase of the Company's share capital in cash, shareholders are generally entitled to full preferential subscription rights ("*droits de preference"/"voorkeurrechten"*) unless these rights are cancelled or limited either by a resolution of the General Shareholders' Meeting or by a resolution of the Board of Directors (provided that the Board of Directors has been authorised by the General Shareholders' Meeting, or by the Articles of Association to increase the share capital in that manner, which is the case at the date of this Prospectus). Certain shareholders outside Belgium may not be able to exercise preferential subscription rights unless local securities laws have been complied with. In particular, U.S. shareholders may not be able to exercise preferential subscription rights unless a registration statement under the Securities Act is declared effective with respect to the shares that may be issued upon the exercise of such preferential subscription rights or an exemption from the registration requirements is available. The Company does not intend to obtain a registration statement in the United States or to fulfil any requirement in other jurisdictions (other than Belgium) in order to allow shareholders in such jurisdictions to exercise their preferential subscription rights (to the extent not excluded or limited). Since preferential subscription rights can be limited, cancelled or unexercisable for non-Belgian shareholders, such non-Belgian shareholders may experience substantial dilution of their interest in the Company if the Company issues shares or other securities in the future.

IMPORTANT INFORMATION

Responsibility statement

The Company, acting through its board of directors (the "**Board of Directors**") (see Section "*Management and Governance – Board of Directors – Composition*"), assumes responsibility for the information contained in this Prospectus in accordance with Article 11 of the Prospectus Regulation and Article 26 of the Belgian Law of 11 July 2018 on the public offering of securities and the admission of securities to trading on a regulated market. The Company attests, to the best of its knowledge, that the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

None of BNP Paribas Fortis SA/NV, Citigroup Global Markets Limited, Goldman Sachs International, Belfius Bank SA/NV, J.P. Morgan SE, Morgan Stanley & Co. International plc and KBC Securities NV (the "**Underwriters**") nor any of their respective affiliates or representatives makes any representation or warranty, express or implied, as to, or assumes any responsibility for, the accuracy or completeness or verification of the information in this Prospectus, and nothing in this Prospectus is, or shall be relied upon as, a promise or representation by the Underwriters, whether as to the past or the future. Accordingly, the Underwriters and their respective affiliates disclaim, to the fullest extent permitted by applicable law, any and all liability, whether arising in tort, contract or otherwise, in respect of this Prospectus or any such statement.

Notice to investors

In making an investment decision, investors must rely on their own assessment, examination, analysis and enquiry of the Company, the terms of the Offering and the contents of this Prospectus, including the merits and risks involved. Any decision to purchase the New Shares, Preferential Rights or Scrips should be based on this Prospectus, and any supplement to this Prospectus, should such supplement be published, within the meaning of Article 23 of the Prospectus Regulation. The contents of this Prospectus are not to be construed as investment, legal, financial, business or tax advice. Prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review any investment in the New Shares, Preferential Rights and Scrips and consider such an investment decision in light of the prospective investor's own circumstances.

None of the Company or the Underwriters, or any of their respective affiliates or representatives, are making any representation to any offeree or purchaser of the New Shares, the Preferential Rights or the Scrips regarding the legality of an investment in the New Shares, the Preferential Rights or the Scrips by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the New Shares, the Preferential Rights or the Scrips.

No person has been authorised to give any information or to make any representation in connection with the Offering other than those contained in this Prospectus, and, if given or made, such information or representation must not be relied upon as having been authorised. Without prejudice to the Company's obligation to publish supplements to the Prospectus when legally required (as described below), neither the delivery of this Prospectus nor any sale made at any time after the date hereof shall, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in this Prospectus is correct as at any time since its date.

The Underwriters are acting exclusively for the Company and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein. For the avoidance of doubt, however, the obligations of the Underwriters acting exclusively for the Company will be without prejudice to their obligations under Directive 2014/65/EU, as amended (MiFID II).

In connection with the Offering, the Underwriters and any of their respective affiliates acting as an investor for its or their own account(s) may subscribe for or purchase the New Shares, the Preferential Rights or the Scrips as a principal position and, in that capacity, may retain, subscribe for, purchase, sell, offer to sell, contract to sell, transfer, dispose or otherwise deal for its or their own account(s) in such securities, any other securities of the Company or other related investments in connection with the Offering or otherwise. Accordingly, references in this Prospectus to the New Shares, the Preferential Rights or the Scrips being issued, offered, subscribed, sold or otherwise dealt with should be read as including any issue or offer to, or subscription or purchase or dealing by, the Underwriters or any one of them and any of their affiliates acting as an investor for its or their own account(s). The Underwriters do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of the New Shares, the Preferential Rights or the Scrips. None of the Underwriters intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

The Underwriters are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriters and their respective affiliates have in the past performed commercial banking, investment banking and advisory services for the Company from time to time for which they have received customary fees and reimbursement of expenses and may, from time to time, engage in transactions with and perform services for the Company in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may, without prejudice to the Belgian royal decree on primary market practices of 17 May 2007, to the extent applicable, hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) in the Company and its affiliates for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments.

The distribution of this Prospectus and the Offering may, in certain jurisdictions, be restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute an offer to sell, or an invitation of an offer to purchase, any New Shares, Preferential Rights or Scrips in any jurisdiction in which such offer or invitation would be unlawful. The Company and the Underwriters require persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the Company nor any of the Underwriters accepts any legal responsibility for any violation by any person, whether or not a prospective purchaser of Shares, of any such restrictions. The Company and the Underwriters reserve the right in their own absolute discretion to reject any offer to purchase New Shares, the Preferential Rights or the Scrips that the Company, the Underwriters or their respective agents believe may give rise to a breach or violation of any laws, rules or regulations.

Prospectus approval and supplement

The English version of this Prospectus has been approved by the FSMA on 25 March 2025 as competent authority under the Prospectus Regulation. In accordance with Article 12.1 of the Prospectus Regulation, this Prospectus is valid for a period of 12 months from the date on which it was approved by the FSMA.

The FSMA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the New Shares, the Preferential Rights or the Scrips that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the New Shares. The Company has requested

the FSMA to notify the approved Prospectus in accordance with Article 25 of the Prospectus Regulation, with a letter of approval attesting that this Prospectus has been prepared in accordance with the Prospectus Regulation, to BaFin.

The Prospectus has been prepared in English and translated into French and Dutch. The summary of this Prospectus has also been translated into German. The Company is responsible for the consistency between: (i) the French, Dutch and English versions of the Prospectus, and (ii) the French, Dutch, English and German version of the summary of this Prospectus. The FSMA approved the English version of this Prospectus on 25 March 2025 in accordance with Article 20 of the Prospectus Regulation. Without prejudice to the responsibility of the Company for inconsistencies between the different language versions of the Prospectus or the summary of the Prospectus, in the case of discrepancies between the different versions of the Prospectus, the English version will prevail. However, the translations may be referred to by investors in transactions with the Company.

The information in this Prospectus is current as at the date printed on the front cover, unless expressly stated otherwise. The delivery of this Prospectus at any time does not imply that there has been no change in the Company's business or affairs since the date hereof or that the information contained herein is correct as at any time subsequent to the date hereof.

This Prospectus has been drawn up voluntarily in accordance with Article 4 of the Prospectus Regulation as a simplified prospectus in accordance with Article 14 of the Prospectus Regulation.

In accordance with Article 23 of the Prospectus Regulation, a supplement to the Prospectus will be published in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus, or changes not relating to the Offering as such but to the Company, which is capable of affecting the assessment of the New Shares, the Preferential Rights or the Scrips and which arises or is noted between the time when this Prospectus is approved and the trading of the New Shares on Euronext Brussels begins. Investors who have already agreed to subscribe to the New Shares before the supplement is published, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the Closing Date of the Rights Subscription Period, shall have the right, exercisable within three business days after the publication of the supplement, to withdraw their subscriptions in accordance with Article 23.2 and 23.3 of the Prospectus Regulation. The supplement is subject to approval by the FSMA. A supplement to this Prospectus will be published if, among other things: (i) the Rights Subscription Period is changed; (ii) the maximum number of New Shares is reduced prior to the allocation of the New Shares; (iii) the Underwriting Agreement is not executed or is executed but subsequently terminated; or (iv) to the extent required, the Company decides, following consultation with the Underwriters, to revoke or suspend the Offering (see Section "*Information on the Offering*").

Third party sources

This Prospectus refers to statistical and other information regarding the markets in which the Company operates and competes. This Prospectus includes market, economic and industry data as well as certain statistics, information relating to the Company's business and markets and other industry data, that the Company derived or extrapolated from multiple sources, such as industry publications, surveys, customer feedback and reports provided by various statistics providers and market research organisations and others. Such information has been obtained from sources the Company believes to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has accurately reproduced the industry and market data from such information, and, as far as it is aware and able to ascertain, no facts have been omitted that would render the reproduced information inaccurate or misleading. The Company has not independently verified such data and cannot guarantee the accuracy or completeness thereof. Additionally, the Company cannot assure investors that any of the assumptions underlying these statements are accurate or correctly reflect its position in the industry. Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, investors and prospective investors should be aware that data in this Prospectus and estimates based on such data may not be reliable indicators of future results.

AVAILABLE INFORMATION

AVAILABILITY OF PROSPECTUS

Prospectus

This Prospectus is available in English, French and Dutch. A German summary of this Prospectus is also available. This Prospectus will be made available to investors at no cost at the registered office of the Company, at Keizerslaan 20, B-1000 Brussels, Belgium. Subject to selling and transfer restrictions, this Prospectus is also available on the website of the Company at https://investor.eliagroup.eu/offering and is made available free of charge to investors at: (i) BNP Paribas Fortis on its websites https://www.bnpparibasfortis.be/beleggingsnieuws (NL) and https://www.bnpparibasfortis.be/actualitefinanciere (FR); (ii) Belfius Bank on its website www.belfius.be/elia2025 (ENG, FR and NL) and (iii) KBC Securities on its website http://www.kbc.be/elia2025 (ENG, FR and NL).

Posting this Prospectus and the Summary on the internet does not constitute an offer to sell or a solicitation of an offer to purchase, and there shall not be a sale of any of the New Shares, Preferential Rights and Scrips in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to its registration or qualification under the laws of such jurisdiction or to or for the benefit of any person to whom it is unlawful to make such offer, solicitation or sale. The electronic version may not be copied, made available or printed for distribution. Other information on the website of the Company or any other website or hyperlink which is referred to or included in this Prospectus is shared for information purposes only and does not form part of this Prospectus, except for and to the extent certain information on such websites is expressly incorporated by reference into this Prospectus.

Company documents and other information

The Company must file its (amended and restated) Articles of Association and all other deeds that are to be published in the Annexes to the Belgian Official Gazette with the clerk's office of the Enterprise Court of Brussels (Belgium), where they are available to the public. A copy of the most recently restated Articles of Association and the Company's corporate governance charter (as defined below) is also available on the Company's website.

In accordance with Belgian law, the Company must also prepare audited annual statutory and consolidated financial statements. The annual statutory financial statements, together with the report of the Board of Directors and the audit report of the statutory auditors, as well as the consolidated financial statements, together with the report of the Board of Directors and the audit report of the statutory auditors thereon, will be filed with the National Bank of Belgium, where they will be available to the public. Furthermore, as a listed company, the Company must publish an annual financial report (comprised of the financial information to be filed with the National Bank of Belgium and a responsibility statement) and a semi-annual financial report (comprised of condensed financial statements, the report of the statutory auditors, if audited or reviewed, and a responsibility statement). These reports will be made publicly available on: (i) the Company's website; and (ii) STORI, the Belgian central storage mechanism, which is operated by the FSMA and can be accessed via stori.fsma.be or www.fsma.be.

As a listed company, the Company must also disclose "inside information", information about its shareholder structure and certain other information to the public. In accordance with the market abuse regulation as set out in Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the "**Market Abuse Regulation**") and the Belgian Royal Decree of 14 November 2007 relating to the obligations of issuers of financial instruments admitted to trading on a regulated market (*"Arrêté royal relatif aux obligations des émetteurs d'instruments financiers admis aux négociations sur un marché réglementé"/"Koninklijk besluit betreffende de verplichtingen van emittenten van financiële instrumenten die zijn toegelaten tot de verhandeling op een gereglementeerde markt"*), such information and documentation will be made available through press releases, the communication channels of Euronext Brussels and STORI or a combination of these media. All press releases published by the Company will be made available on its website. The Company's website address is www.eliagroup.eu. Unless indicated otherwise, the information on this website is not incorporated in, and does not form part of, this Prospectus.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

None of the Preferential Rights, the Scrips or the New Shares have been or will be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States. The Preferential Rights may not be exercised, and the Scrips and New Shares may not be offered, sold, pledged or otherwise transferred directly or indirectly, in or into the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act (as further described below), and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

Accordingly, none of the New Shares or the Preferential Rights may be offered, sold, pledged or otherwise transferred, directly or indirectly, in or into the United States, except to persons reasonably believed to be QIBs in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Outside of the United States, the Rights Offering is being made in reliance on Regulation S. The Scrips Private Placement (if any) will be made outside the United States in reliance on Regulation S and within the United States to QIBs in reliance on Rule 144A. Any New Shares or Preferential Rights offered or sold in the United States will be subject to certain transfer restrictions as set forth in Section "*Information on the Offering*".

None of the New Shares, the Preferential Rights or the Scrips have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of them passed upon or endorsed the merits of the Rights Offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense in the United States.

NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Prospectus has been prepared on the basis that all offers of New Shares, Preferential Rights and Scrips, other than the offers contemplated in Belgium and Germany, will be made pursuant to an exemption under the Prospectus Regulation, from the requirement to produce a prospectus for offers of New Shares, Preferential Rights and Scrips. The Prospectus has been approved by the competent authority in Belgium and passported into Germany, and published in accordance with the Prospectus Regulation, as implemented in Belgium and Germany. Accordingly, any person making or intending to make any offer within the EEA of New Shares, Preferential Rights and Scrips which are the subject of the placement contemplated in this Prospectus should only do so in circumstances in which no obligation arises for the Company or any of the Underwriters to produce a prospectus for such offer. Neither the Company nor the Underwriters have authorised, nor do the Company or the Joint Bookrunners authorize, the making of any offer of New Shares, Preferential Rights and Scrips through any financial intermediary, other than offers made by the Underwriters which constitute the final placement of New Shares, Preferential Rights and Scrips contemplated in this Prospectus.

The New Shares, Preferential Rights and Scrips have not been, and will not be, offered to the public in any Member State of the European Economic Area that has implemented the Prospectus Regulation, except for Belgium and Germany (each, a "**Relevant Member State**"). Notwithstanding the foregoing, an offering of the New Shares may be made in a Relevant Member State:

- to any legal entity that is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Underwriters for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation subject to obtaining the prior consent of the Underwriters for any such offer;

provided that no such offer of New Shares, Preferential Rights and Scrips shall result in a requirement for the publication by the Company or any Underwriter of a prospectus pursuant to Article 3(1) of the Prospectus Regulation or a prospectus supplement in accordance with Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any New Shares, Preferential Rights and Scrips in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the New

Shares, Preferential Rights and Scrips so as to enable an investor to decide to purchase New Shares, Preferential Rights and Scrips within the meaning of the Prospectus Regulation.

It should be noted that the Offering has been extended to Germany since the Company operates in Germany through 50Hertz and, accordingly, it comprises a number of shareholders among its employees in Germany. However, the Company has not appointed any centralising agent in Germany, nor have any specific procedures been foreseen to accommodate the financial service in Germany. The Underwriters' role in the context of the transaction will not extend to the offer to the public in Germany and they will not accept any responsibility in this respect. No financial institution has been appointed in Germany to provide financial services in relation to the Offering. Accordingly, German investors wishing to participate in the Offering need, as in any other jurisdiction, to ensure that the financial institution with whom they hold their shares or through whom they wish to participate in the Offering has the requisite processes in place to timely process their subscription. The financial intermediary with whom they hold their shares or through whom they wish to participate in the Offering is solely responsible for obtaining the subscription request and for duly transmitting such subscription request together with all necessary documentation and the appropriate number of Preferential Rights. Given the time that may be required to process their subscription, they are encouraged to reach out to their financial institution as soon as possible (see Section "*Information on The Offering – Subscription Procedure*").

NOTICE TO INVESTORS IN THE UNITED KINGDOM

Offers of the New Shares, Preferential Rights and Scrips pursuant to the Offering are only being made to persons in the United Kingdom who are "**qualified investors**" or otherwise in circumstances which do not require publication by the Company of a prospectus pursuant to Section 85(1) of the U.K. Financial Services and Markets Act 2000.

Any investment or investment activity to which the Prospectus relates is available only to, and will be engaged in only with, persons who: (i) are investment professionals falling within Article 19(5); or (ii) fall within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the U.K. Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or other persons to whom such investment or investment activity may lawfully be made available (together, "**relevant persons**"). Persons who are not relevant persons should not take any action on the basis of the Prospectus and should not act or rely on it.

NOTICE TO INVESTORS IN CANADA

No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of New Shares, Preferential Rights or Scrips. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the New Shares, the Preferential Rights or the Scrips and any representation to the contrary is an offence. Except as otherwise provided for herein, this document does not constitute an offer of New Shares, Preferential Rights or Scrips to any Investor in, or who is resident in, Canada, and under no circumstances shall be construed as a public advertisement or public offering in any province or territory in Canada. Any distribution of New Shares, Preferential Rights or Scrips in Canada is being made on a "private placement" basis exempt from the requirement that the Company prepare and file a prospectus with the securities commissions or similar regulatory authorities in Canada (see Section "*Plan of distribution and allocation of the New Shares – Selling restrictions - Canada (Alberta, British Columbia, Ontario, Québec*)").

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Statutory Auditors

Ernst & Young Réviseurs d'Entreprises/Bedrijfsrevisoren SRL/BV, a private limited liability company ("*société à responsabilité limitée*"/"*besloten vennootschap*") organised and existing under the laws of Belgium, with registered office at De Kleetlaan 2, B-1831 Diegem, represented by Paul Eelen, and BDO Réviseurs d'Entreprises/BDO Bedrijfsrevisoren SRL/BV, a private limited liability company ("*société à responsabilité limitée*"/"*besloten vennootschap*") organised and existing under the laws of Belgium, with registered office at Da Vincilaan 9/E6, B-1930 Zaventem, represented by Michaël Delbeke, were appointed as statutory auditors of the Company on 16 May 2023 for a term of three years ending immediately after the closing of the General Shareholders' Meeting to be held in 2026

that will have deliberated and resolved on the statutory financial statements for the financial year ended on 31 December 2025. Ernst & Young Réviseurs d'Entreprises/Bedrijfsrevisoren SRL/BV and BDO Réviseurs d'Entreprises/BDO Bedrijfsrevisoren SRL/BV are both members of the Belgian Institute of Certified Auditors ("*Institut des Réviseurs d'Entreprises"/"Instituut van de Bedrijfsrevisoren"*).

The statutory financial statements of the Company as at 31 December 2023 and 31 December 2024, in each case, for the financial years then ended, were prepared in accordance with generally accepted accounting principles in Belgium ("**Belgian GAAP**") and have been audited by the Company's joint statutory auditors. Unqualified opinions for the years ended 31 December 2023 and 2024 were delivered.

All of the consolidated financial statements prepared in accordance with International Financial Reporting Standards ("**IFRS**"), as adopted by the EU, have been audited by the Company's joint statutory auditors, who delivered unqualified opinions for the years ending 31 December 2023 and 31 December 2024.

Documents incorporated by reference

The audited consolidated financial statements of the Company for the years ended 31 December 2023 and 2024 prepared under IFRS are incorporated by reference in this Prospectus and form an integral part of this Prospectus, save to the extent that a statement contained in this Prospectus modifies or supersedes any earlier statement contained in a document incorporated by reference (whether expressly, by implication or otherwise).

The table below sets out the relevant pages of the Company's Financial Report 2024 containing the consolidated financial statements for the year ended 31 December 2024 that derive from the Financial Report 2024 and are incorporated by reference in this Prospectus:

Consolidated statement of profit or loss	Page 303
Consolidated statement of profit or loss and comprehensive income	Page 304
Consolidated statement of financial position	Page 305
Consolidated statement of changes in equity	Page 307
Consolidated statement of cash flows	Page 309
Notes accompanying the consolidated financial statements	Page 311
Financial terms or Alternative Performance Measures	Page 398
Joint auditors' report on the consolidated financial statements	Pages 403

The table below sets out the relevant pages of the Company's consolidated financial statements for the year ended 31 December 2023 that are incorporated by reference in this Prospectus:

Consolidated statement of profit or loss	Page 274
Consolidated statement of profit or loss and comprehensive income	Page 275
Consolidated statement of financial position	Page 276
Consolidated statement of changes in equity	Page 278
Consolidated statement of cash flows	Page 280
Notes accompanying the consolidated financial statements	Page 282
Joint auditors' report on the consolidated financial statements	Page 358
Financial terms or Alternative Performance Measures	Page 364

Finally, the following documents are incorporated by reference into this Prospectus in their entirety.

Document incorporated by reference	Hyperlink/Reference
Company documents	
Articles of Association (in Dutch and French)	https://www.elia.be/-/media/project/elia/shared/documents/elia-group/about/corporate-bodies/20250314_aoa-elia-group_nl.pdf; and https://www.eliagroup.eu/-/media/project/elia/shared/documents/elia-group/about/corporate-bodies/20250314_aoa-elia-group_fr.pdf

Document incorporated by reference	Hyperlink/Reference
Press releases	
Press release "*Elia Group announces a €2.2 billion equity package including a secured €850 million via private placement to fund infrastructure investments, ensuring grid reliability and advancing clean energy competitiveness*" of 7 March 2025	https://www.elia.be/-/media/project/elia/shared/documents/press-releases/2025/20250307_press–release-emerald_en.pdf

The information that is not incorporated by reference in the Prospectus by way of the above tables, is deemed by the Company as either not relevant for potential investors to make an informed investment decision regarding its participation in the Offering, and does not form part of the Prospectus, or are covered elsewhere in the Prospectus.

Some numerical figures included in this Prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures that precede them.

Foreign currency information

In this Prospectus, references to "EUR" or "€" are to the currency of the member states of the European Union participating in the European Monetary Union and references to "U.S. dollars" or "$" or "U.S.$" are to the currency of the United States.

Alternative performance measures

Throughout this Prospectus, we present certain financial measures and adjustments that are not presented in accordance with IFRS, including EBIT, EBITDA, Adjusted net profit, Net Financial debt, Net financial debt (excluding EEG and similar mechanism), RAB, Return on Equity (adj.) and Free Cash Flow, as well as certain ratios derived from these financial measures, which are not recognized terms under IFRS, or U.S. GAAP. We refer to such financial measures as "alternative performance measures" or "non-IFRS financial measures". These measures may not be comparable to those of other companies. Accordingly, they should not be used as indicators of, or alternatives to, revenue, profit or other comparable IFRS metrics. Any analysis of such non-IFRS financial measures should be used only in conjunction with results presented in accordance with IFRS. The non-IFRS financial information contained in this offering memorandum is not intended to comply with the reporting requirements of the United States Securities & Exchange Commission (the "**SEC**"). For example, some of the adjustments to calculate EBIT, EBITDA, Adjusted net profit, Net Financial debt, Net financial debt (excluding EEG and similar mechanism), RAB, Return on Equity (adj.) and Free Cash Flow and related metrics would not be allowed under Regulation S-X as issued by the SEC. The alternative performance measures in this Prospectus will not be subject to review by the SEC.

We believe the alternative performance measures provide useful historical financial information to assist investors and other stakeholders to evaluate the performance of our business and are measures commonly used by certain investors for evaluating the performance of our business. Even though the alternative performance measures are used by management to evaluate the performance and these types of measures are commonly used by investors, they have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our financial position or results of operations as reported under IFRS. Please see also page 397-400 of the Company's Financial Report 2024 (which is incorporated by reference in this Prospectus) for a reconciliation of such measures to the most directly comparable financial measures calculated in accordance with IFRS, as the case may be.

None of EBIT, EBITDA, Adjusted net profit, Net Financial debt, Net financial debt (excluding EEG and similar mechanism), RAB, Return on Equity (adj.) and Free Cash Flow are defined under IFRS, nor do they purport to be alternatives to net earnings or cash flow from operations as a measure of the Company's operating performance. EBIT, EBITDA, Adjusted net profit, Net Financial debt, Net financial debt (excluding EEG and similar mechanism), RAB, Return on Equity (adj.) and Free Cash Flow have limitations as analytical tools. Some of the limitations that relate to EBIT, EBITDA,

Adjusted net profit, Net Financial debt, Net financial debt (excluding EEG and similar mechanism), RAB, Return on Equity (adj.) and Free Cash Flow are:

- they do not reflect the Company's cash expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for the Company's working capital needs;
- they do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments on the Company's corporate debt;
- although amortization is a non-cash charge, the assets being amortized will often have to be replaced in the future, and EBIT, EBITDA, Adjusted net profit and Free Cash Flow do not reflect any cash requirements for such replacements;
- although EBIT, EBITDA and Adjusted net profit exclude the impact of the items described in the tables included herein, we may incur similar expenses in the future;
- although EBIT and EBITDA exclude the impact of certain non-cash charges, we expect to use cash to meet obligations with respect to certain of these items in future periods; and
- because not all companies use identical calculations, this presentation of the non-IFRS financial measures used herein may not be comparable to other similarly titled measures of other companies.

ENFORCEABILITY OF CIVIL LIABILITIES

The documents governing the New Shares, Preferential Rights and Scrips will be governed by the laws of Belgium. The Company has expressly submitted to the jurisdiction of the courts of Belgium for the purpose of any suit, action or procedure to enforce the New Shares, Preferential Rights and/or Scrips.

The Company is a public limited liability company governed by the laws of Belgium. All of the Company's directors and officers reside outside the United States. In addition, a substantial portion of the assets of such persons and the assets of the Company are located outside the United States. As a result, it may be difficult or impossible for investors to effect service of process within the United States upon the Company's directors or officers named in this document, or enforce, in the US courts, judgments obtained outside US courts against the Company's directors and officers in any action.

The United States and Belgium currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon US federal securities laws, would not automatically be recognised or enforceable in Belgium. In order to enforce any judgment of a US court in Belgium, proceedings must be initiated by way of an action on the judgment of the US court under common law before a court of competent jurisdiction in Belgium. In such an action, a Belgian court generally will not (subject to the following sentence) re-examine the merits of the original matter decided by a US court and will order summary judgment on the basis that there is no reasonable prospect of a defence to the claim for payment. The entry of an enforcement order by a Belgian court is typically conditional upon, amongst other things, the following:

- the US court having had jurisdiction over the original proceedings according to Belgian conflict of law rules;
- the judgment of the US court being final and conclusive on the merits in the court in which the judgment was pronounced;
- the judgment of the US court being for a definite sum of money;
- the judgment of the US court not being for a sum payable in respect of a tax or other charge or in respect of a fine or other penalty;
- the judgment of the US court not being for multiple damages arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damage sustained;

- the judgment not having been obtained by the fraud of the party benefiting from it nor having been affected by any fraud of the US court itself;
- there not having been a prior inconsistent decision of a Belgian court between the same parties;
- the judgment not having been obtained in proceedings which breached principles of natural justice; and
- the judgment of the US court not otherwise contravening Belgian public policy.

Subject to the foregoing, investors may be able to enforce in Belgium judgments in civil and commercial matters obtained from US federal or state courts. However, the Company cannot assure investors that those judgments will be recognised or enforceable in Belgium. In addition, it is doubtful whether a Belgian court would accept jurisdiction and impose civil liability in an original action commenced in Belgium and predicated solely upon US federal securities laws.

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus (including the information incorporated by reference into this Prospectus) are not historical facts and are forward-looking statements. Forward-looking statements appear in various locations, including, without limitation, under the heading "*Summary*" and Sections "*Risk Factors*" and "*The Group's Business – Legal and arbitration proceedings of the Group*". From time to time, the Company may make written or oral forward-looking statements in reports to shareholders and in other communications. Forward-looking statements include statements concerning the Company's plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditure, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, business strategy and the trends the Company anticipates in the industries and the political and legal environment in which it operates, and other information that is not historical information.

Words such as "believe", "anticipate", "estimate", "expect", "intend", "predict", "project", "could", "may", "will", "plan" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. These risks, uncertainties and other factors include, among other things, those listed under the heading "*Summary*" and Section "*Risk Factors*". Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements.

When relying on forward-looking statements, investors should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social, industry and legal environment in which the Company operates. Such forward-looking statements speak only as at the date on which they are made. Accordingly, the Company does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, other than as required by applicable laws, rules or regulations. The Company makes no representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios.

RATIONALE OF THE OFFERING AND USE OF PROCEEDS

Rationale of the Offering

The principal purpose of the Offering is to finance the organic growth of the Group and to support the Group's strategy as set out in Section "*The Group's business – Strategy*" of this Prospectus. The Offering will strengthen the balance sheet of the Company and support regulated investments in Belgium and Germany through its subsidiaries. Additionally, it will partially finance WindGrid (including the participation in energyRe Giga). The Offering is needed to support the targeted gearing ratio and rating at Group and subsidiary levels (minimum BBB at Group level) to fund the Group's investment programmes.

More specifically, the Rights Offering will together with the PIPE:

- enable the Group to achieve its objective of facilitating the energy transition via network reinforcement and expansion, implementing the Group's regulatory-approved investment programmes;
- provide the near-term equity funding needed to support the investment programme leading up to 2028;
- leverage the Group's diverse equity funding toolkit with a EUR 1.35 billion Rights Offering as the second step of the EUR 2.2 billion equity package; and
- aim at maximising shareholder value and the Group's ability to capture upside from Europe's critical infrastructure investments.

Use of proceeds

As indicated in the special board report dated 29 March 2024 the Shareholders' Meeting has authorised the Board of Directors to increase the capital for the sole purpose of: "*(i) supporting regulated investments in Belgium and Germany in the subsidiaries Elia Transmission Belgium and Elia Asset and in the German subsidiaries Eurogrid GmbH and 50Hertz Transmission GmbH and their subsidiaries, and (ii) financing the participation in energyRe Giga for a maximum amount of EUR 200 million (issue premium included), with the balance being financed by debt*." Under this authorisation, the Company decided to increase its share capital for an amount of EUR 849,999,954.44 (including issue premium) with disapplication of the statutory preference rights of the Existing Shareholders to the benefit of each of NextGrid Holding, ATLAS, BlackRock and CPP Investments. For more information on the PIPE, see Section "*Information on the Offering – Information related to the PIPE*".

In line with this authorisation, the net proceeds of the PIPE and the Offering are to be used primarily as follows:

- Approximately EUR 1,050 million: to finance the regulated activities in Belgium, mainly the realisation of the investment programme as set out in Section "*The Group's business – Strategy – Pillars of growth*" of this Prospectus (via an increase of the equity portion in ETB) in accordance with the gearing ratio defined in the regulatory framework applicable in Belgium;
- Approximately EUR 1,000 million: to finance the regulated activities, primarily the execution of the investment programme in Germany (via increase of equity portion in Eurogrid GmbH, holding company above 50Hertz) to strengthen the balance sheet; and
- Between EUR 100 million and EUR 150 million: to partially reimburse the EUR 300 million term loan facility agreement which has been used to finance the Company's investment in energyRe Giga through WindGrid; the final amount that will be allocated to WindGrid from the net proceeds of the Offering, will depend on the outcome of various alternative funding options which the Company is currently exploring, among others, a co-investor for its participation in WindGrid.

The gross proceeds from the issue of New Shares are estimated to be approximately EUR 1,349,882,559.48. The net proceeds from the issue of New Shares are estimated to be approximately EUR 1,333,639,888.64.

In the framework of the subscription agreements that were separately entered into on 6 March 2025, each of ATLAS, BlackRock and CPP Investments have committed to the Company to exercise in the context of the Rights Offering all Preferential Rights attached to the shares that have

been issued to each of them in the context of the PIPE and to subscribe for the resulting number of New Shares. Similarly, Publi-T irrevocably and unconditionally committed to the Company on behalf of NextGrid Holding to exercise all of the Preferential Rights to which it is entitled in the context of the Rights Offering and to subscribe for the resulting number of New Shares. Publi-T/ NextGrid Holding has also committed to exercise in the context of the Rights Offering all Preferential Rights it will receive on both its existing and newly issued PIPE shares. Pursuant to these commitments, ATLAS has committed to subscribe to 947,955 New Shares for a total of EUR 58,659,455.40, BlackRock has committed to subscribe to 473,970 New Shares for a total of EUR 29,329,263.60, CPP Investments has committed to subscribe to 473,979 New Shares for a total of EUR 29,329,820.52 and Publi-T/ NextGrid Holding has committed to subscribe to 9,770,902 New Shares for a total of EUR 604,623,415.76.

For more information, see Section "*Relationship of significant shareholders – Intention of the Existing Shareholders to participate in the Offering*". The remaining New Shares are subject to a hard underwriting by the Underwriters, see Section "*Plan of distribution and allocation of the New Shares – Underwriting Agreement*".

In addition, Publi-T and Publipart SA/NV ("**Publipart**") have entered into an agreement pursuant to which Publipart commits to sell to (at the discretion of Publi-T) Publi-T or NextGrid Holding all Class A Preferential Rights that it receives in the context of the Rights Offering and Publi-T commits to exercise such Preferential Rights, it being understood that upon the transfer of the Class A Preferential Rights to Publi-T or NextGrid Holding such Class A Preferential Rights shall automatically be converted to Class C Preferential Rights. Pursuant to this commitment, Publi-T will subscribe to 459,013 New Shares for a total of EUR 28,403,724.44.

Additionally, to the knowledge of the Company, Bernard Gustin, Geert Versnick and Frédéric Dunon intend to participate in the Offering, reinforcing their confidence in the Group's strategic direction. This means that they will subscribe to 832 New Shares for a total of EUR 51,484.16. In addition, to the knowledge of the Company, Interfin SC/CV intends to participate in the Offering for approximately 400,000 New Shares. For more information, see the Section "*Relationship with significant shareholders – Intention of the Existing Shareholders to participate in the Offering*" and the Section "*Management and governance – Intention of the directors and the members of the Executive Management Board to participate in the Offering*".

For estimates on the costs and expenses of the Offering, see Section "*Information on the Offering – Costs of the Offering*". For more information on the Group's projects, see Section "*The Group's business – Key Projects of the group*".

As at the date of this Prospectus, the Company cannot predict with certainty the amounts that it will actually spend on or allocate to finance the regulated investments in Belgium in accordance with the new regulatory framework or finance the regulated investments in Germany. The amounts and timing of the Company's actual expenditures will depend upon numerous factors. The Company's management will have flexibility in applying the proceeds from the issue of the New Shares and may change the allocation of these proceeds as a result of these and other contingencies within the limits of purposes stipulated in the special board report dated 29 March 2024.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the capitalisation and indebtedness of the Company as at 31 December 2024, 2023 and 2022. The financial information contained in this section has been extracted from the consolidated financial statements of the Group for the years ended 31 December 2024 and 2023 which are incorporated by reference in this Prospectus.

This table should be read in conjunction with the sections entitled "*Selected Financial Information*" and "*Operating and Financial Review*" of this Prospectus and the consolidated financial statements and related notes incorporated by reference in this Prospectus.

This table does not take into account the proceeds from the Offering.

	As at 31 December		
	2024	**2023**	**2022**
		(EUR million)	
Statement of capitalisation			
Current debt	**3,039.7**	**3,135.6**	**5,706.5**
Guaranteed	0.0	0.0	0.0
Secured	0.0	0.0	0.0
Unguaranteed/unsecured	3,039.7	3,135.6	5,706.5
Non-current debt	**14,206.8**	**9,507.7**	**7,936.7**
Guaranteed	0.0	0.0	0.0
Secured – principal amount	0.0	0.0	0.0
Unguaranteed/unsecured	14,206.8	9,507.7	7,936.7
Equity	**6,177.4**	**5,517.3**	**5,756.4**
Share capital	*1,823.3*	*1,823.3*	*1,823.1*
Share premium	*739.1*	*739.1*	*738.6*
Legal reserve	*183.4*	*180.3*	*173.0*
Other reserves	*2,294.5*	*1,829.9*	*1,883.6*
Equity attributable to ordinary shares	**5,040.3**	**4.572.6**	**4.618.3**
Equity attributable to hybrid securities holders	515.9	515.9	701.4
Non-controlling interest	621.2	428.7	436.7
Total	**23,423.9**	**18,160.6**	**19,399.6**

		As at 31 December		
		2024	2023	2022
			(EUR million)	
Statement of indebtedness[1]				
A.	Cash	210.0	204.4	634.6
B.	Cash equivalents[2]	1,820.3	1,163.7	3,516.6
C.	Other current financial assets[3]	0.0	0.0	0.0
D.	**Liquidity (A+B+C)**	**2,030.3**	**1,368.1**	**4,151.2**
E.	Current financial debt[3]	837.4	732.9	844.9
F.	Current portion of non-current financial debt	22.3	22.3	22.3
G.	**Current financial indebtedness (E+F)**	**859.7**	**755.2**	**867.2**
H.	**Net current financial indebtedness (G-D)**	**(1,170.6)**	**(612.9)**	**(3,284.0)**
I.	Non-current financial debt[3]	13,968.8	9,254.8	7,715.6
J.	Debt instruments	0.0	0.0	0.0
K.	Non-current trade and other payables	0.0	0.0	0.0
L.	**Non-current financial indebtedness (I+J+K)**	**13,968.8**	**9,254.8**	**7,715.6**
Total financial indebtedness (H+L)		**12,798.2**	**8,641.9**	**4,431.6**

Notes:

(1) Cash (A) is cash available on the current bank account, Cash equivalents (B) are mainly deposits on short term with different banks and the amount presented in other current financial assets.

(2) As at 31 December 2024 and 31 December 2023, the Group has cash and cash equivalents amounting to respectively EUR 2,030.3 million and EUR 1,368.1 million of which:

- EUR 2.4 million is restricted cash held by its subsidiary Elia RE; and
- EUR 360.5 million and EUR 352.6 million relate to excess cash coming from activities linked to levies/surcharges in Germany (EEG, KWK, stromNev – see Section "*The German legal framework*") as at 31 December 2024 and 31 December 2023 respectively.

(3) The indebtedness related to leasing is recognised in the consolidated financial statements. The current indebtedness amounts to EUR 16.3 million as at 31 December 2024 (EUR 14.6 million as at 31 December 2023 and EUR 13.2 million as at 31 December 2022) and the non-recurrent indebtedness amounts to EUR 73.4 million as at 31 December 2024 (EUR 73.5 million as at 31 December 2023 and EUR 77.0 million as at 31 December 2022).

Beside the amounts reflected in the statement of indebtedness here above, the Group has the following contingent indebtedness:

	As at 31 December		
	2024	**2023**	**2022**
		(EUR million)	
Net indebtedness related to Employee benefits[(1)]	**30.4**	**53.1**	**44.4**
Net liability linked to provisions for various employee benefit obligation (legal and constructive defined benefit obligations) linked to its employees in Belgian and German operations	65.0	89.9	78.1
A portion of this net liability is recoverable through the future tariffs in Belgium and this amount is recognised as a not-current financial asset in the consolidated financial statements	(34.6)	(36.8)	(33.7)
Indebtedness related to purchase commitments for capex projects[(2)]	**18,727.7**	**11,509.0**	**3,883.9**
Purchase contracts for the installation of property, plant and equipment for further grid extensions	18,727.7	11,509.0	3,883.9
Indebtedness related to dismantling provisions[(3)]	**161.6**	**156.3**	**132.0**
The Group is exposed to decommissioning obligations; most of which are related to realised offshore projects	161.6	156.3	132.0
Indebtedness related to capital commitment[(4)]	**154.5**	**0.0**	**0.0**
Capital commitment in energyRe Giga	143.6	0.0	0.0
Capital commitment in SET Fund	10.9	0.0	0.0

Notes:

(1) For more information please refer to the consolidated financial statements of 2024 see note 6.15 (for the years ended 31 December 2023 and 2022 see note 6.14 of the consolidated financial statements of 2022).

(2) For more information please refer to note 8.2 in the consolidated financial statements of 2024, 2023 and 2022.

(3) For more information please refer to the consolidated financial statements of 2024 see note 6.16 (for the year ended 31 December 2023 and 2022 see note 6.15 of the consolidated financial statements of 2022).

(4) For more information please refer to the consolidated financial statements of 2024 see note 8.2.

Please see Section "*Operating and Financial Review – Financing arrangements of the Group*" for an overview of the financing arrangements of the Group and the outstanding amounts thereunder.

As at 31 December 2024, the Company had available unutilised credit facilities of EUR 220 million. As at 31 December 2024, ETB had an undrawn EUR 1,260 million sustainability-linked revolving credit facility and Eurogrid GmbH had unused revolving credit facilities of EUR 3,750 million and an uncommitted overdraft facility of EUR 150 million. Furthermore, EGI has an unlimited straight loan of EUR 2.5 million.

In addition, the Group carried out two major financing transactions between 31 December 2024 and the date of this Prospectus. Eurogrid GmbH entered into a contract with twelve banks for a redeemable loan of EUR 1 billion with a term of ten years as part of 'green' syndicated financing supported by KfW in February 2025. The loan has 2.99 per cent. interest rate with linear amortisation over 9 years, starting in 2027. Also in February, the most recent EUR 850 million bond of Eurogrid GmbH was tapped by another EUR 200 million resulting in a combined EUR 1,050 million bond. It matures in 2035.

Other than as set out above,there has been no material change to the Group's consolidated capitalisation and net financial indebtedness since 31 December 2024.

Working capital statement

On the date of this Prospectus, the Company is of the opinion that, taking into account its available cash and cash equivalents, it has sufficient working capital to meet its present requirements and cover the working capital needs for a period of at least 12 months as at the date of this Prospectus.

THE GROUP'S BUSINESS

1 Introduction

The Company is a public limited liability company ("*société anonyme*"/"*naamloze vennootschap*") and was established under Belgian law by a deed enacted on 20 December 2001, published in the Appendix to the Belgian State Gazette ("*Moniteur belge*"/"*Belgisch Staatsblad*") on 3 January 2002, under the reference 20020103-1764. Its registered office is located at Keizerslaan 20, 1000 Brussels, Belgium (telephone number: +32 (0)2 546 70 11) and it is registered with the Brussels Register of Legal Entities under the number 0476.388.378. The Company's LEI is 549300S1MP1NFDIKT460. The Company holds stakes in various subsidiaries and its shares are listed on Euronext Brussels under the ISIN code BE0003822393.

ETB, a subsidiary of the Company, is the TSO for the Belgian extra-high (380kV – 110kV) and high-voltage (70kV – 30kV) electricity networks, and for the offshore grid in the Belgian territorial waters in the North Sea. The electricity transmission networks and related assets are owned by ETB's wholly owned subsidiary (minus one share), Elia Asset. ETB and Elia Asset operate as a single economic entity ("**Elia**").

Besides regulated activities in Belgium, the Company also owns regulated activities outside of Belgium.

In 2010, the Group expanded its activities on a broader European level by acquiring 60 per cent. of Eurogrid International, the holding company above 50Hertz, one of Germany's four grid operators active in the northeast part of the country, in joint control with Industry Funds Management ("**IFM**"). On 26 April 2018, the Company acquired an additional 20 per cent. of Eurogrid International from IFM. The acquisition increased the Company's total share in Eurogrid International to 80 per cent., allowing the Company to fully control and consolidate Eurogrid International. On 22 August 2018, the Company welcomed the German state-owned bank Kreditanstalt für Wiederaufbau ("**KfW**") as a new shareholder in Eurogrid International. This change in ownership followed the execution of the Company's pre-emption right on the remaining 20 per cent. of the shares in Eurogrid International which were sold immediately on the same terms and conditions to KfW. These transactions foster the Belgian-German cooperation regarding critical grid infrastructure. On 18 June 2019, Eurogrid International transferred 20 per cent. of its shares in Eurogrid GmbH to KfW. That same date, the Company acquired 20 per cent. of the shares in Eurogrid International, which was converted into an SA/NV. As a result of these transactions, the Company currently owns 100 per cent. of the shares in Eurogrid International, while the ownership of Eurogrid GmbH is now split between Eurogrid International (80 per cent.) and KfW (20 per cent.).

50Hertz is one of the four TSOs in Germany that owns, operates, maintains and develops a 400kV – 150kV transmission network with an installed capacity of around 69,244MW (thereof around 47,135MW renewables, thereof around 22,109MW onshore and offshore wind). 50Hertz's grid has a circuit length of around 10,838 km in an area covering the five former Eastern German states of Thuringia, Saxony, Saxony-Anhalt, Brandenburg and Mecklenburg-Western Pomerania as well as Berlin and Hamburg and also the grid connections of offshore wind farms in the Baltic Sea, in the future also in the North Sea. 50Hertz' control area covers approximately 110,000 km^2 (a third of Germany) with about 18 million inhabitants consuming approximately 20 per cent. of Germany's electricity. Maintenance of the transmission system, substations and switching stations is organised through five regional centres.

In 2024, renewable energy already accounts for approximately 73 per cent. of the electricity consumption in the 50Hertz-grid region. This share is expected to further increase over the next years following further investments in integrating photovoltaic generation, wind onshore and connecting the offshore wind farms in the Baltic and North Sea. Its administrative centre is situated in Berlin-Mitte. In addition, 50Hertz's network is situated at the crossroads between the Western and North Eastern European electricity markets due to the central location of its network between Denmark, Sweden, Poland, the Czech Republic and Central Western Europe ("**CWE**").

On 27 February 2015, a joint venture Nemo Link was set up between the Company and National Grid Interconnector Holdings Limited, a subsidiary company of National Grid, a

major UK company which owns and manages gas and electricity infrastructure in the UK and in north-eastern US. Nemo Link is active in the development, construction and operation of an electricity transmission interconnector (1,000MW) linking the electricity networks of Belgium and Great Britain. It consists of subsea and underground cables connected to a converter station and an electricity substation in each country, which allows electricity to flow in either direction between Belgium and the UK. Nemo Link is governed by a regulatory framework determined by OFGEM and the CREG. On 31 January 2019, the Nemo Link interconnector was taken into operation resulting in energy exchanges between the countries. It constitutes a crucial stage in the ongoing integration of the European power grid and constitutes a crucial link in the ongoing integration of the European power grids (part of the Trans-European Networks for Energy – TEN-E).

Besides the regulated business activities, the Company's non-regulated business activities are allowing it to develop the key competencies it needs to ensure a successful energy transition. They are helping the Group to embrace innovation, develop sustainable energy markets and shape growth opportunities that increase its societal relevance. EGI offers consultancy and engineering services related to energy market development, asset management, system operation, grid development and renewable energy sources ("**RES**") integration. As a wholly owned subsidiary of the Company and 50Hertz, EGI is able to harness the expertise of two large European system operators, each with a solid track record in delivering high-quality projects and many decades of experience. Its clients are mainly comprised of TSOs, but EGI also supports regulators, public authorities and private developers.

In 2020, the Group announced the official launch of re.alto-Energy SRL/BV ("**re.alto**"), its very own corporate start-up and the first European marketplace dedicated to the exchange of energy data and services. The start-up facilitates the exchange of energy data through its innovative Application Programming Interface ("**API**") platform, enabling the energy industry to take a huge digital leap forward towards a more widespread adoption of Energy-as-a-Service business models, ultimately hastening the establishment of a low-carbon society.

The Group's newest legal entity, WindGrid, focuses on the development of offshore and onshore electricity transmission projects in Europe and beyond. In February 2022, the Board of Directors approved the formation of this new subsidiary, solidifying the Group's commitment to accelerating the energy transition in the interest of society both in its home countries and abroad. In this respect, on 4 December 2023, WindGrid announced that it had entered into an agreement to acquire a 35.1 per cent. stake in energyRe Giga Projects, an independent developer which primarily focusses on transmission and transmission-led clean energy assets in the U.S. The acquisition of the minority equity interest in energyRe Giga was completed on 1 February 2024. This aligns with the Company's growth strategy in Europe and in the U.S., which is aimed at expanding its overseas activities and reinforcing the Company's commitment to the development of sustainable energy solutions. It is expected that the Company will invest US$400 million over three years into energyRe Giga. US$250 million out of the US$400 million have been paid in 2024 as part of the closing (25.25 per cent. stake) and the Company's equity stake will increase as the amount is deployed over time, reaching 35.1 per cent. once the US$400 million is fully deployed.

2 General information in relation to the Company

2.1 Corporate object

As at the date of this Prospectus, Article 3 of the Articles of Association of the Company stipulates the following with regards to the Company's corporate object:

- the main object of the Company is the management of electricity networks, whether or not through participations in undertakings that own electricity grids and/or are active in this sector, including related services. Furthermore, it can invest on an ancillary basis in other activities in the energy sector (including the production and supply of electricity), provided that these other activities do not conflict (in light of the applicable legislation and regulations, in particular the ownership unbundling rules) with the aforementioned main object of the Company;

- to this effect, the Company may particularly take on the following tasks relating to the electricity network or the electricity networks mentioned above:
- operation, maintenance and development of secure, reliable and effective networks, including interconnectors from them to other networks in order to guarantee continuity of supplies;
- improvement, study, renewal and extension of the networks, particularly in the context of a development plan, in order to ensure the long-term capacity of the networks and to meet reasonable demand for the transmission of electricity;
- management of electrical currents on the networks, having regard to exchanges with other mutually connected networks and, in this context, ensuring coordination of the switching-in of production plants and determining the use of interconnectors on the basis of objective criteria in order to guarantee a durable balance among the electrical currents resulting from the demand for and the supply of electricity;
- providing secure, reliable and effective electricity networks and, in this connection, ensuring availability and implementation of the necessary support services and particularly emergency services in the event of defects in production units;
- contributing to security of supply via an adequate transmission capacity and network reliability;
- guaranteeing that no discrimination arises among network users or categories of network users, particularly in favour of affiliated undertakings;
- collecting revenues from congestion management;
- granting and managing third-party access to the networks;
- in the context of the foregoing tasks, endeavouring and ensuring that market integration and energy efficiency are promoted according to the legislation and regulations applicable to the Company.

The Company may, provided it complies with any conditions laid down in the applicable legislation and regulations, both in Belgium and abroad, carry out any transaction that is such as to promote the achievement of its object as well as any public service task that might be imposed upon it by the legislator. The Company may engage on an ancillary basis in activities relative to the production or sale of electricity provided that these activities do not conflict (in light of the applicable legislation and regulations) with the main object of the Company as described above. The Company is particularly vigilant not to contravene the ownership unbundling rules imposed on it by the applicable legislation and regulations.

The Company may perform all operations generally of any nature, whether industrial, commercial, financial, relating to moveable or immoveable property, that is directly or indirectly related to its object. It may, in particular, own goods, moveable or immoveable, of which it performs the management or exercise or acquire all rights with respect to these goods such as are necessary to fulfil its mission.

The company may, provided it complies with any conditions laid down in the applicable legislation and regulations, participate, in any manner, in all other undertakings which are likely to promote the realisation of its object; in particular, it may participate, including in the capacity of shareholder, cooperate or enter into any form of cooperation agreement, whether commercially, technically or of any other nature, with any Belgian or foreign person, undertaking or company engaged in similar or related activities, without thereby contravening the ownership unbundling rules imposed on it by the applicable legislation and regulations.

The terms “producer”, “distribution system operator (DSO)”, “supplier”, “intermediary” and “subsidiary undertaking” have the meanings provided in Article 2 of the Electricity Law.

2.2 Proposed changes to the Articles of Association

An Extraordinary Shareholders' Meeting was held on 21 May 2024, to decide on the following two proposals to amend the Company's Articles of Association:

- an amendment of the object clause of the Company, through amending Articles 3 and 13 of the Articles of Association, in order to broaden and update the scope of the Company's object; and
- insertion of an article on authorised capital, through inserting a new text in Article 7 of the Articles of Association.

The amendment regarding the Company's object was effectively approved by the Extraordinary Shareholders' Meeting on 21 May 2024 (see Section "*Corporate object*" above). The insertion of the authorised capital was addressed and approved during a new Extraordinary General Meeting on 21 June 2024. See Section "*Description of Share Capital and Articles of Association – Capital Increase*".

Subsequently, another Extraordinary Shareholders' Meeting was held on 14 March 2025 to decide on several technical amendments that aligned the Articles of Association with the Electricity Law, as amended by the law of 5 November 2023 "*modifiant la loi du 29 avril 1999 relative à l'organisation du marché de l'électricité par rapport au gestionnaire du réseau*"/ "*tot wijziging van de wet van 29 april 1999 betreffende de organisatie van de elektriciteitsmarkt met betrekking tot de netbeheerder*", requiring changes to Articles 3, 4, 9, 13, and 17. Some of these amendments were also intended to facilitate Fluxys' entry into the Company's shareholding via NextGrid Holding. See Section "*Relationship with significant shareholders and related party transactions – Share ownership – Shareholding based on transparency notifications*".

On 6 March 2025, the Company agreed in the subscription agreement with CPP Investments whereby CPP Investments agreed to not exercise its voting rights in the Company until it either (i) ceases to control and electricity or gas producer and (ii) relevant prohibitions set out in Article 4.4 of the Articles of Association are amended or deleted so as to enable CPP Investments to exercise its voting rights. For more information see Section "*Information on the Offering – Information related to the PIPE*".

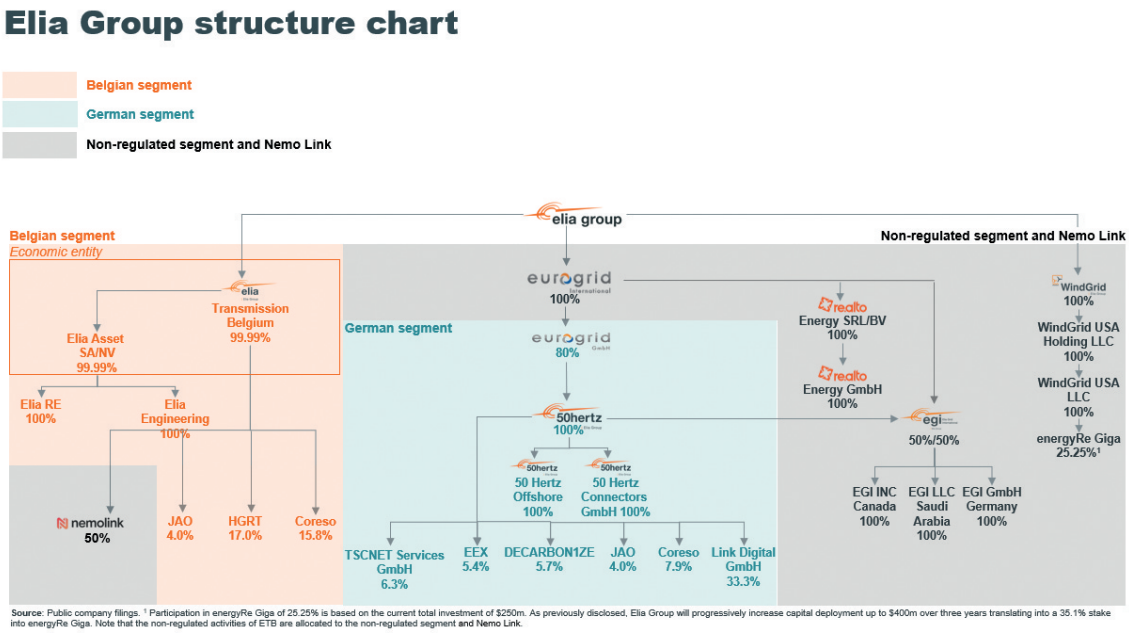
3 Organisational structure

3.1 Structure of the Group

"Elia Group SA/NV" (which is referred to throughout the prospectus as the "**Company**") is a holding company that qualifies as a listed company ("*société cotée*"/"*genoteerde vennootschap*") within the meaning of Article 1:11 BCCA. It is a company whose securities are admitted to trading on a regulated market within the meaning of Section 3, 7°, of the Belgian Act of 21 November 2017 on the infrastructures for markets in financial instruments and transposing Directive 2014/65/EU and is therefore subject to the provisions of the BCCA relating to listed companies.

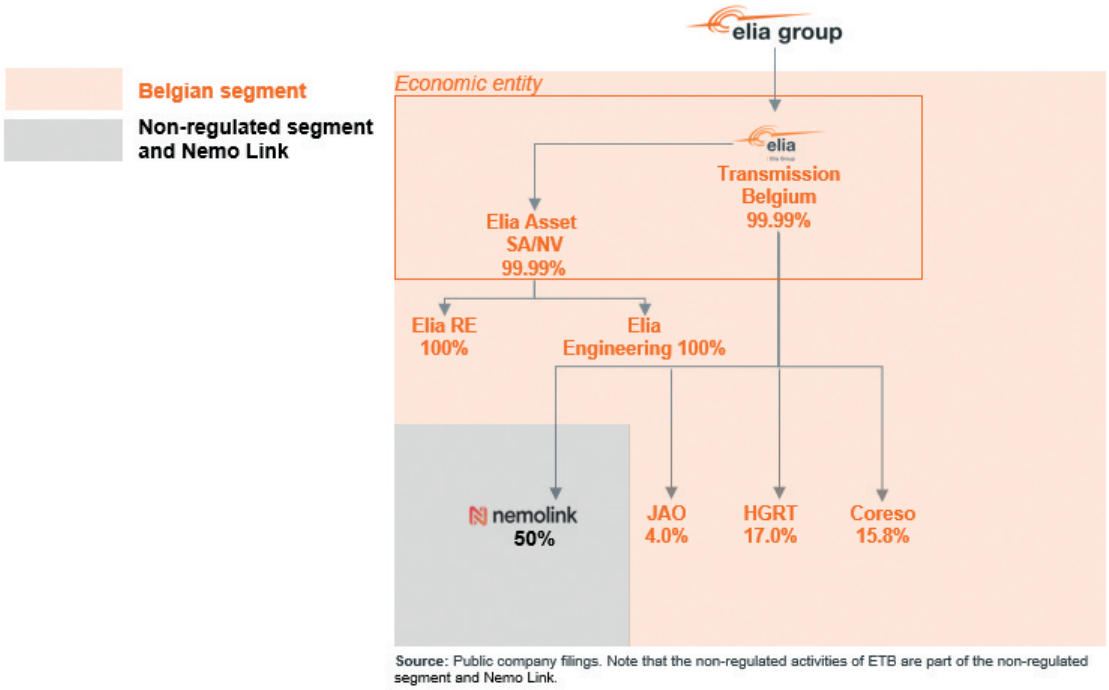
The Company holds stakes in various subsidiaries, including ETB (*i.e*. the Belgian TSO), Eurogrid International (*i.e.* comprising the activities of 50Hertz, the German TSO), EGI (*i.e.* the Group's international consultancy branch), re.alto (start-up launched in 2020 dedicated to the exchange of energy data and services) and WindGrid (entity set-up in 2022 with a focus on the development of international electricity transmission solutions). The main shareholder of the Company is NextGrid Holding, which is a joint venture between the municipal holding Publi-T and Fluxys.

The following diagram depicts, in simplified form, the organisational structure of the Group, as at the date of this Prospectus:



3.2 Belgian segment

The following diagram depicts, in simplified form, the organisational structure of ETB, including minority participations, as at the date of this Prospectus:



The subsidiaries, as indicated above and related to the role of the TSO in Belgium, Elia Asset, Elia Engineering and Elia RE S.A. ("**Elia RE**") are fully controlled by ETB.

3.2.1 ETB

(a) Belgian TSO

ETB, a subsidiary of the Company, is the TSO for the Belgian extra-high (380kV – 110kV) and high-voltage (70kV – 30kV) electricity networks, and for the offshore grid in the Belgian territorial waters in the North Sea. The electricity transmission networks and related assets are owned by ETB's wholly owned subsidiary (minus one share), Elia Asset. ETB and Elia Asset operate as a single economic entity.

ETB was appointed as Belgium's sole TSO by a ministerial decree of 13 January 2020, with effect from 31 December 2019, with the appointment published in the Belgian State Gazette on 27 January 2020 for a 20-year period.

ETB has also been re-appointed as a local TSO (operating the high voltage grid) in the Flemish Region by a decision of the Flemish Regulator for Electricity and Gas Markets (Vlaamse Regulator van de Elektriciteits- en Gasmarkt) ("**VREG**") of 18 December 2023 for a 12-year period (published in the Belgian State Gazette of 25 January 2024 and with effect as at 1 January 2024). This re-appointment is conditional upon meeting specific requirements by 1 January 2026. The requirements pertain to the independence of certain independent directors of ETB. Specifically, the VREG believes that those independent directors of ETB who also hold positions at the Company cannot be considered independent directors according to Flemish energy legislation. Currently, there are 9 directors common to both the Company and ETB. Out of these nine directors common, three are independent (Ms. Roberte Kesteman, Ms. Laurence de l'Escaille and Mr. Michel Allé), from the total of five independent directors at the level of the Company. ETB is currently exploring possible solutions to address this request of the VREG. See also the risk factor "*The TSO permits and certifications which are necessary for the Group's operations may be revoked, modified or become subject to more onerous conditions*". The Company has been informed of discussions that may result in a legislative proposal at the federal level, which, in line with the Flemish energy legislation, would prevent individuals serving as independent directors of ETB from also being directors of the Company (see Section "*Trend information and recent events*"). If this proposal is not enacted, ETB could still align itself with the VREG's requirements by having independent directors at the level of ETB who do not serve on the Board of Directors. This would result in a minimum of three independent directors at the Company, and six distinct independent directors at ETB and Elia Asset. The Company is currently contemplating various options and will take relevant measures by no later than 1 January 2026 to ensure continued appointed as a local TSO (operating the high voltage grid) in the Flemish Region.

Furthermore, ETB has been appointed as the local TSO in the Walloon Region for a 20-year period starting on 31 December 2019 (in its capacity as the national TSO) and has been appointed as the regional TSO in the Brussels-Capital Region by a decree of the Brussels Government of 19 December 2019 (published in the Belgian State Gazette of 14 February 2020) for a 20-year period starting on 31 December 2019.

ETB is allowed to ask for the renewal of these appointments for the same duration.

As a precondition to the appointment as national TSO, compliance with the unbundling requirements is assessed through a certification procedure run by the CREG. In a decision of 27 September 2019, the CREG confirmed, based on a notification file submitted by the Company that the (at that moment imminent) new group structure was not of a nature to call into question the core elements of the CREG's previous decision of 6 December 2012 certifying the Company as a fully ownership unbundled TSO, and that it was hence not necessary to proceed to a new certification of its subsidiary ETB. Hence, ETB,

is a fully ownership unbundled TSO with an obligation to stay in line and comply with the criteria and requirements to obtain and maintain such certification and is monitored for its compliance on an ongoing basis by the CREG (see Section "*The European legal framework – Appointments of ETB and 50Hertz as TSOs*").

(b) Governance

Following reorganisation of the Group in 2019, the governance structure of ETB, as current TSO, is a replica of the governance of the former ESO (consequently, ETB: (i) largely retained its previous structure, even though it is now a subsidiary of the listed Company rather than the Group's listed parent company; and (ii) has maintained largely the same board composition as the Company over the years, with currently 9 directors still serving on both the Company's and ETB's boards). As a result, the governance structure of ETB must comply with the requirements of the Electricity Law, the Royal Decree of 3 May 1999 "*relatif à la gestion du réseau national de transport d'électricité"/ "betreffende het beheer van het national transmissienet voor elektriciteit*" (the "**Corporate Governance Decree**") and all applicable regional legislation.

The Electricity Law and the Corporate Governance Decree provide for specific governance conditions that will apply to ETB, as a national TSO, including:

- only non-executive directors may be appointed;
- at least half of the directors must be independent and must be appointed partly for their financial management knowledge and partly for their useful technical knowledge;
- the CREG must give a uniform opinion on the independence of the independent directors;
- an audit committee, a remuneration committee and a corporate governance (or nomination) committee must be constituted, all of which must consist of a majority of independent directors;
- an executive management board must be created;
- the board of directors must consist of at least one-third of the opposite sex; and
- a linguistic balance must be achieved within the members of the board of directors and within the members of the executive committee.

The non-independent directors of ETB are elected on the basis of a list of candidates proposed by the holders of Class A Shares and Class C Shares, respectively, insofar as the classes A and C shares of the Company, alone or together, represent more than 30 per cent. of its capital. The number of non-independent directors to be elected by the shareholders' meeting of ETB on the basis of a list of candidates proposed by the class A and class C shareholders, respectively, will be determined *pro rata* based on the percentage that the respective Class A Shares and Class C Shares represent in the aggregate number of Class A Shares and Class C Shares. Such number will be six (6) directors if this percentage is greater than 85.71 per cent.

In addition, pursuant to Article 9bis of the Electricity Law, the board of directors and the executive management board of the TSO must consist of the same members as the board of directors and the executive management board of the subsidiary of the TSO that owns the infrastructure and equipment constituting the transmission system (*i.e.* Elia Asset).

For more information on the potential legislative proposal to amend the provisions related to the governance of ETB in the Electricity Law and the Corporate Governance Decree, please refer to Section "*Trend information and recent events*".

3.2.2 Principal subsidiary Elia Asset

To perform some of the tasks legally required to be performed by a TSO, regional and local TSO, ETB acts with its wholly owned (99.99 per cent.) subsidiary, Elia Asset, which owns the extra high-voltage and owns (or has rights to use assets owned by third parties) the high-voltage electricity network. Elia Asset is controlled by ETB, which owns all shares, with the exception of one share held by NextGrid Holding. Together, ETB and Elia Asset constitute a single economic unit (Elia) and has the role of a TSO in Belgium.

3.2.3 Elia Engineering

ETB, mainly through Elia Asset, acquired all shares in Elia Engineering on 26 December 2003. Elia Engineering manages all investment projects and major transformation works involving Elia Asset, as well as the connection of the customers' infrastructure and (electrical) asset-related projects ordered by industrial customers.

3.2.4 Elia RE

Following the events of 11 September 2001 in the USA, ETB's insurance policy covering the overhead network was terminated and the insurance premium relating to ETB's network-related assets coverage was significantly increased. ETB also faced market rates for insurance against industrial risks which it deemed unacceptable. As a response to these developments, ETB created a captive reinsurance company, Elia RE. Elia RE was incorporated in 2002, as a Luxembourg public limited liability company (*société anonyme*), for the purpose of reinsuring all or part of the risks of ETB. Elia RE is held by Elia Asset. Since its incorporation, ETB has entrusted Elia RE with three of its insurance programmes: buildings and civil liability, the overhead network and electrical installations. In practice, ETB enters into an insurance agreement with an insurer, which reinsures a portion of the risks with Elia RE. Therefore, there is no direct transfer of money from ETB or Elia Asset to Elia RE. Elia's – insurance premiums, as well as reinsurance premiums paid to Elia RE by insurers, correspond to standard market rates.

3.2.5 HGRT

ETB owns 17 per cent. of the shares in Holding des Gestionnaires de Réseau de Transport S.A.S., a French company ("**HGRT**"). The other shareholders are RTE (the French TSO), TenneT (the Dutch TSO), Swissgrid (the Swiss TSO), Amprion (a German TSO) and APG (the Austrian TSO). HGRT is the holding company of CWE TSOs, created in 2001, which currently holds a 49 per cent. equity stake in EPEX SPOT. The European Power Exchange EPEX SPOT SE and its affiliates are the leading exchange for the power spot markets at the heart of Europe. It covers Austria, Belgium, Denmark, Germany, Finland, France, Luxembourg, the Netherlands, Norway, Poland, Sweden, the UK and Switzerland. Striving for a well-functioning European single market for electricity, EPEX SPOT shares its expertise with partners across the continent and beyond. EPEX SPOT is a European company (Societas Europaea) in corporate structure and staff, which is based in Paris with offices or affiliates in Amsterdam, Bern, Brussels, Leipzig, London and Vienna. EPEX SPOT is held by EEX Group, part of Deutsche Börse, and HGRT.

3.2.6 JAO

On 1 September 2015, Joint Allocation Office S.A. ("**JAO**") was incorporated. It is a Luxembourg-based service company of 22 TSOs. The company was established following a merger of the regional allocation offices for cross-border electricity transmission capacities, being CAO Central Allocation Office GmbH (in which the Group had a 6.66 per cent. stake) and Capacity Allocation Service Company.eu SA (in which the Group had an 8.33 per cent. stake). JAO mainly performs the annual, monthly and daily auction of transmission rights across 27 borders in Europe and acts as a fallback for the European Market Coupling. The shareholders of JAO are ETB, 50Hertz and 20 other TSOs holding each 1/22 of the shares. ETB holds directly

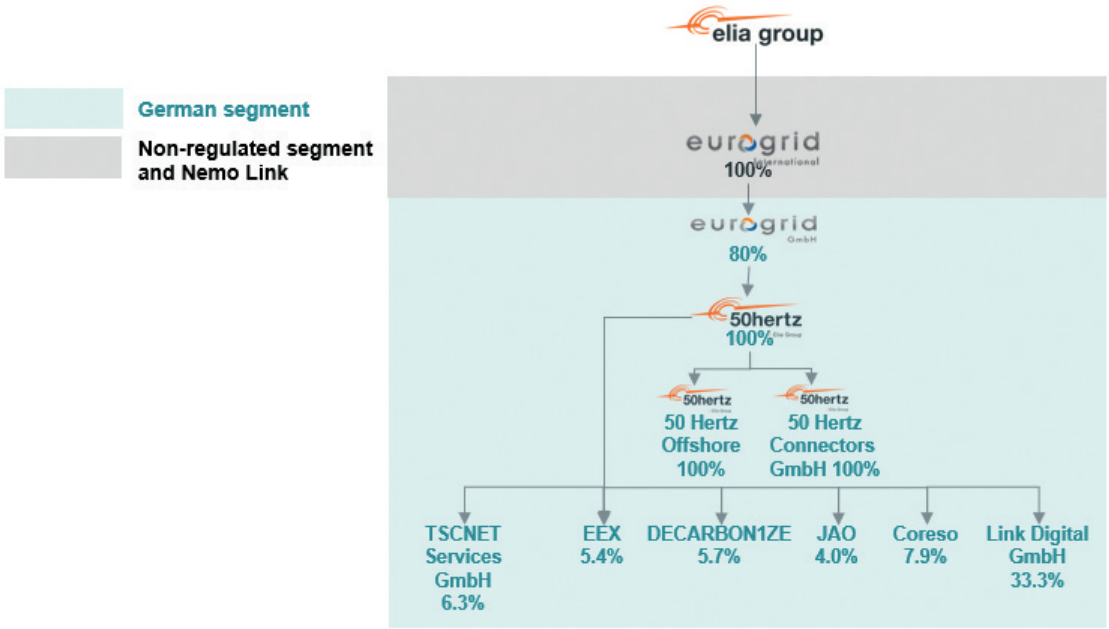
4.0 per cent. of the shares in JAO, and when including the participation held by 50Hertz, the Group holds a total participation of 7.2 per cent.

3.2.7 Coreso

The establishment of Coreso SA/NV ("**Coreso**") in 2008 by ETB, National Grid and RTE aimed at increasing the operational coordination between TSOs, in order to enhance the operational security of the networks and the reliability of power supplies in CWE. Coreso also contributes to a number of EU objectives, namely the operational safety of the electricity system, the integration of large-scale renewable energy generation (wind energy) and the development of the electricity market in CWE comprising France, Belgium, the Netherlands, Germany and Luxembourg. This geographical area is characterised by major energy exchanges and the co-existence of traditional generation facilities with an increasing share of renewable generation, whose output may fluctuate with changing weather conditions. Optimised management of electricity systems and corresponding network infrastructure, specifically interconnections between power networks, are very important in this context. ETB directly owns 15.8 per cent. of the shares in Coreso.

3.3 German segment

The following diagram depicts, in simplified form, the shareholder structure and the organisational structure of Eurogrid International and its subsidiaries, including minority participations, as at the date of this Prospectus:



Source: Public company filings.

3.3.1 Eurogrid GmbH

Eurogrid GmbH is a holding company and is owned 80 per cent. by Eurogrid International and 20 per cent. by KfW. The shareholder structure changed in 2019 (see Section "*The Group's business – Introduction*"). Under the mandate, KfW is fully covered by a guarantee provided by the Federal Republic of Germany against any economic risks resulting from its investment in Eurogrid GmbH. KfW's stake in Eurogrid GmbH is held via the holding company Selent (Selent Netzbetreiber GmbH), a 100 per cent. subsidiary of KfW. Selent's principal asset is its investment in Eurogrid GmbH. Selent's business purpose is to hold and administer participations in other companies, in particular in Eurogrid GmbH.

Eurogrid GmbH's principal asset is the investment in 50Hertz and its subsidiaries and Eurogrid GmbH is responsible for the structuring of the financing and liquidity needs for its affiliates. The relevant financing and liquidity instruments are provided without any guarantee from either Eurogrid International or the Company. A brief description of the organisational structure of Eurogrid GmbH, 50Hertz and its subsidiaries can be found below.

3.3.2 50Hertz

The registered share capital of 50Hertz amounts to EUR 200,000,000 comprising four shares with nominal values of EUR 25,000, EUR 149,975,000, EUR 49,000,000 and EUR 1,000,000, respectively. All four shares have been issued and fully paid up, and are owned by Eurogrid GmbH, which acquired 50Hertz from Vattenfall Europe AG on 19 May 2010. A brief description of the organisational structure of Eurogrid GmbH, 50Hertz and its subsidiaries can be found under "*Organisational Structure – Eurogrid GmbH*" below.

50Hertz owns 100 per cent. of 50Hertz Offshore and 50Hertz Connectors as well as a minority shareholding in JAO (4.0 per cent. ownership), CORESO (7.9 per cent. ownership), EEX (5.4 per cent. ownership), EGI (49.99 per cent. ownership), decarbon1ize (5.7 per cent. ownership), TSCNET Services GmbH (6.3 per cent. ownership) and LINK digital (33.33 per cent. ownership). Each is described further below.

3.3.3 50Hertz Offshore

Offshore was established in 2007 to facilitate the grid connection of the offshore wind farms to the control area of 50Hertz and operate these connections on behalf of 50Hertz as required now under Section 17d of the German Energy Industry Act (Energiewirtschaftsgesetz – "**EnWG**") in accordance with the 2006 Infrastructure Planning Acceleration Act (*Infrastrukturplanungsbeschleunigungsgesetz 2006*).

3.3.4 50Hertz Connectors

Connectors GmbH was established in 2023, in particular to plan, erect, construct, acquire, operate, maintain in particular interconnectors including offshore interconnectors both in Germany and in foreign countries.

3.3.5 EGI

EGI is a company founded by 50Hertz (49.99 per cent) and the Company (50.01 per cent) in 2014 offering consultancy and engineering services on the international energy market.

3.3.6 TSCNET Services GmbH

TSCNET Services is one of Europe's leading Regional Security Coordinators. The company based in Munich, the Bavarian capital in southern Germany, renders integrated services for power TSOs and their control centres to maintain the operational security of their electricity systems – 24 hours a day, seven days a week. The complexity of Europe's densely interconnected power grid is increasing at an enormous rate – more and more renewable energy, new production and transmission technologies and storage processes, and the predicted rise in e-mobility. TSCNET Services develops tailor-made coordination services for operational planning, forecast data merging, congestion assessment and capacity calculation for the control centres of TSOs in continental Europe. 50Hertz holds shares in the issued capital of TSCNET of 6.3 per cent. Other shareholders are European TSOs, namely Amprion (Germany), APG (Austria), ČEPS (Czech Republic), CREOS (Luxembourg), ELES (Slovenia), HOPS (Croatia), MAVIR (Hungary), PSE (Poland), SEPS (Slovakia), Swissgrid (Switzerland), TenneT TSO (Germany), TenneT TSO (the Netherlands), Transelectrica (Romania), TransnetBW (Germany) and VUEN (Austria).

3.3.7 EEX

European Energy Exchange AG is an energy exchange offering e.g. exchange trading of energy and energy related products as well as registration services. 50Hertz holds shares in the issued capital of EEX of 5.4 per cent.

3.3.8 decarbon1ze

decarbon1ze is a startup still in the seed phase. The objective of decarbon1ze is to accelerate the energy transition through sector coupling, exploitation of renewable electric energy and low-level inclusion of end-customers, the development, operation and distribution of energy management IT- and metering systems and the support and execution of energy management processes. 50Hertz holds 5.7 per cent. of the issued share capital of decarbon1ze.

3.3.9 JAO

JAO mainly performs the annual, monthly and daily auction of transmission rights across 27 borders in Europe and acts as a fallback for the European Market Coupling. Currently, 50Hertz holds shares in the issued capital of JAO of 4.0 per cent. (see also Section "*Organisational structure – ETB – JAO"*).

3.3.10 CORESO

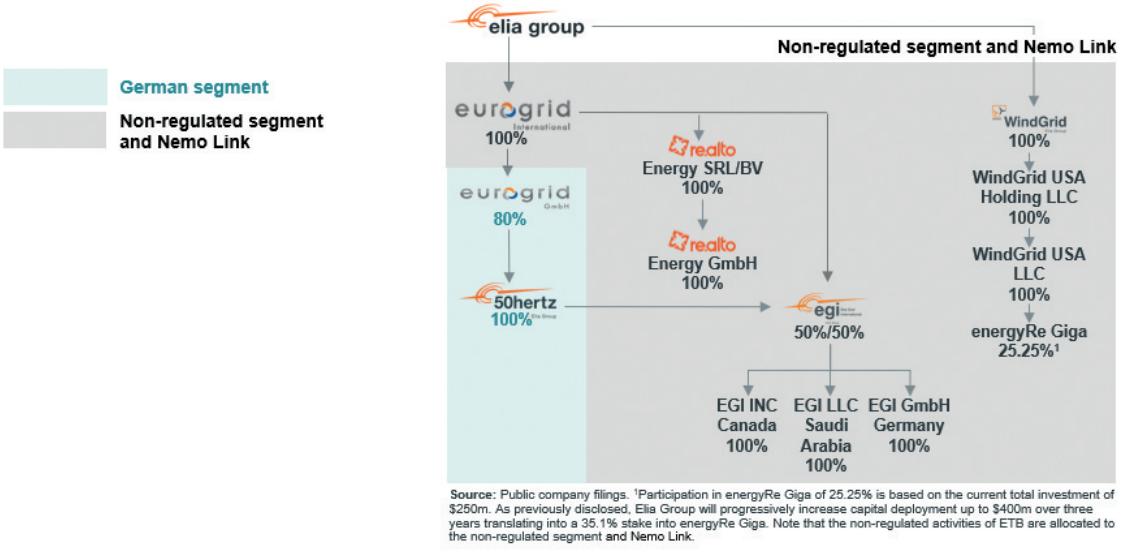
CORESO provides supporting services in the framework of security of supply *inter alia* by common system security calculations and coordination services between the respective customers or in cooperation with similar service providers; 50Hertz holds shares in the issued capital of CORESO of 7.9 per cent. (see also Section "*Organisational structure – ETB – CORESO"*).

3.3.11 LINK digital GmbH

LINK digital GmbH is a limited liability company founded in 2024 between TenneT, TransnetBW and 50Hertz (33.3 per cent. share each) to provide IT and digital support for relevant project processes for planning, permitting and implementation of large infrastructure projects, *i.e.* HVDC projects, acting as an exclusive full-service IT provider for complex grid expansion projects.

3.4 Non-regulated segment and Nemo Link

The following diagram depicts, in simplified form, the organisational structure of the other related activities of the Group, as at the date of the Prospectus:



Source: Public company filings. [1]Participation in energyRe Giga of 25.25% is based on the current total investment of $250m. As previously disclosed, Elia Group will progressively increase capital deployment up to $400m over three years translating into a 35.1% stake into energyRe Giga. Note that the non-regulated activities of ETB are allocated to the non-regulated segment and Nemo Link.

3.4.1 Nemo Link

ETB and National Grid signed a joint venture agreement on 27 February 2015 to move ahead with the Nemo Link interconnector between the UK and Belgium. Manufacturing and site construction began in 2016 and the link started commercial operations in the first quarter of 2019. The HVDC interconnector provides 1,000MW of capacity. The link runs for 140 km between Richborough on the Kent coast and Herdersbrug near Zeebrugge, using both subsea and subsoil cables, and a converter station on both sides to turn direct into alternating current for feeding it into the grid. Electricity flows in both directions between the two countries.

ETB and National Grid Interconnector Holdings. Limited both hold 50 per cent. of the shares in Nemo Link Limited, a UK company. This shareholding is accounted for as an “equity method – joint venture” in the financial statements.

3.4.2 Eurogrid International

Eurogrid International is a holding company that holds 80 per cent. of the shares of Eurogrid GmbH and 100 per cent. of the capital of re.alto. Besides holding these participations, the activities of Eurogrid International mainly consist of internal audit services and translations services towards the Company and its affiliates. A brief description of the organisational structure of Eurogrid GmbH can be found above, while the description of re.alto can be found below.

3.4.3 EGI

EGI offers consultancy and engineering services related to energy market development, asset management, system operation, grid development and RES integration. As a wholly owned subsidiary of the Company and 50Hertz, EGI is able to harness the expertise of two large European system operators, each with a track record in delivering high-quality projects and many decades of experience. Its clients are mainly comprised of TSOs, but EGI also supports regulators, public authorities and private developers. EGI has branches in Dubai and in Abu Dhabi. EGI has three wholly owned affiliates: Elia Grid International GmbH in Germany, Elia Grid International LLC in Saudi Arabia and Elia Grid International INC in Canada.

3.4.4 re.alto-Energy SRL/BV and re alto-Energy GmbH

re.alto was founded in August 2019 as a direct subsidiary of Eurogrid International. re.alto's aim is to become the main European digital energy marketplace/platform for data and digital services in order to accelerate innovation, the digital transition and the development of energy as a service. re.alto set up a second office (direct subsidiary) in Düsseldorf in 2020 (re.alto-Energy GmbH) in order to be closer to the German market. re.alto is the Groups own corporate start-up and the first European marketplace dedicated to the exchange of energy data and services. The start-up facilitates the exchange of energy data through its innovative API platform, enabling the energy industry to take a huge digital leap forward towards a more widespread adoption of Energy-as-a-Service business models, ultimately hastening the establishment of a low-carbon society.

3.4.5 WindGrid

The Group is active in the development, construction and operation of offshore transmission assets. During more than ten years in the offshore wind industry, twelve offshore wind farms have been connected to the grid and are being operated by the Group today. Among them are innovative solutions like the Krieger´s Flak Combined Grid Solution, the world´s first hybrid interconnector, and the Modular Offshore Grid I (MOG I), which connects four Belgian North Sea offshore wind farms by one plug-at-sea and three shared export cables with 220kV AC. The Group has a project track record with solid grid planning and engineering skills, leading asset technology and operations know-how and large-scale project management skills. This set of strengths is complemented by a strong expertise in analysing market designs and their regulatory frameworks and shaping grid solutions that maximise value for society. Even though there are still important projects in the pipeline today, the growth prospects in the Group´s regulated offshore projects in both the Belgian North Sea and the German Baltic Sea are limited, as all major generation sites in the Belgian North Sea and German Baltic Sea will be realised in the early 2030s.

By becoming active outside Belgium and Germany, the Group can use this expertise to continue its mission to support decarbonisation in the interest of society, deliver value to other markets and unlock further revenue streams. At the same time, the Group assures to remain at the forefront of offshore wind development towards a more holistic and meshed offshore grid and to maintain its relevance, also in the long term. However, the international offshore wind market is competitive and projects are usually being assigned in competitive tender processes to the bidder with the lowest price and/or most attractive offer. Consequently, the goal of winning competitive offshore tenders requires characteristics next to excellent engineering skills and a strong track record. Further principles like an entrepreneurial mind-set, speed in decision making and cost emphasis are essential. The entity WindGrid aims to build up and combine all these key capabilities and at the same time leverage from the know-how within the Group. By setting up WindGrid, the Group sends a strong signal towards the market regarding its commitment towards offshore wind development.

4 Elia Group's response to key energy sector trends

The Group's activities and ability to create value in the short, medium, and long term are significantly influenced by the operational context, including European and national targets and megatrends in the energy sector, society, and industry.

The Group identifies five key trends shaping the energy sector. Its strategic plan to address those key trends is as follows:

(I) **Decarbonisation:** This trend is driving the switch to renewable energy and electrification, aiming to enhance competitiveness and energy independence. The Group is expanding its grid through investment programmes which are validated by the Belgian Federal Development Plan and the German Network Development Plan. The Group explores employing innovative market designs to integrate renewable energy sources effectively, ensuring optimised pricing mechanisms, and improving market efficiency. Moreover, the Group is advancing meshed offshore grid concepts to

boost system flexibility and reliability, essential for managing the fluctuating nature of renewable energy sources. The Group's approach includes leveraging strategic cross-border planning to minimise wind turbine's wake effects and spatial footprints of infrastructure, fostering collaboration across European seas. These efforts enhance resilience and asset protection, safeguarding against disruptions and securing a stable energy supply while advancing Europe's decarbonisation goals. For more details on and the status of specific projects, please see Section "*The Group's business – Key projects of the Group*".

(II) **Flexibility:** There is a growing need for flexibility in managing the variability of renewable energy. the Group addresses this through activities to unlock energy system flexibility, focusing on consumers and increasingly on storage and generation. The Group conducts studies on adequacy, flexibility and PV incompressibility, the latter referring to situations where excess electricity cannot be stored or curtailed, necessitating its immediate use or export. The Group also integrates power-to-heat facilities exclusively within the 50Hertz area.

(III) **Digitalisation:** Accelerated by artificial intelligence, digitalisation is transforming energy systems. the Group is implementing smart grids, using AI across TSO activities, and deploying advanced digital tools like the Modular Control Center System ("**MCCS**") tool for future system operations. The Group is also enhancing remote inspection technology and establishing a sovereign IT technology platform to boost reliability and efficiency.

(IV) **Supply Chain Challenges:** Geopolitical tensions and rising costs have intensified supply chain challenges for energy transition components. the Group tackles these issues by intensifying partnerships with suppliers, focusing on early and bundled ordering, and standardising key components.

(V) **Regional Cooperation:** While regional cooperation offers opportunities for an efficient energy transition, fragmented national approaches pose challenges. the Group supports cross-border projects to optimise infrastructure and resource use, aiming to position itself as a European key player in multinational projects. It takes lead roles in North Sea and Baltic Sea alliances, develops innovative international approaches, pushes for joint projects with non-EU countries, and aims to expand beyond Europe.

5 Key Investment Highlights

The Group believes it has a number of inherent strengths and capitalises on these, including the following:

(I) Critical infrastructure at the heart of Europe, with exposure to markets with strong fundamentals

The Group is one of the leading European TSO groups providing core infrastructure to drive the European energy transition. The Group's distinct positioning is characterised by its presence and exposure to advanced countries with strong economic fundamentals and market outlook supporting the Group's growth ambitions. Through its operations (via subsidiaries like ETB, 50Hertz and WindGrid, etc.), the Group has exposure to strong sovereigns with high credit ratings (based on Standard & Poor's) – Belgium (AA), Germany (AAA) and USA (AA+).

Through its subsidiary ETB, the Group is the sole TSO for operating the national extra-high and high voltage networks both onshore and offshore in Belgium. 50Hertz is one of four TSOs in Germany and owns, operates, maintains and develops the 220kV – 380kV transmission network in an area covering the five former Eastern German states of Thuringia, Saxony, Saxony-Anhalt, Brandenburg and Mecklenburg-Western Pomerania as well as Berlin and Hamburg. Furthermore, 50Hertz also has the legal mandate to construct and operate the grid connections to the offshore clusters and wind farms in the German part of the Baltic Sea and North Sea that are connected to its control area. The Group also has exposure to the UK, via Nemo Link – a joint venture with National Grid. Nemo Link is the first subsea interconnector between Belgium and the UK spanning 140km from Bruges to Richborough, providing

a cable capacity of 1,000MW. The interconnector enhances electricity market flexibility and network integration between the two countries, facilitating renewable energy exchange and supporting grid stability. In 2022, the Group established "WindGrid", which focuses on the development of international electricity transmission solutions – solidifying the Group's commitment to accelerating the energy transition in both its home countries and abroad.

(II) Strategically positioned for electrification, energy transition and decarbonisation megatrends

The Group's core activities and ability to create value over the short, medium and long term are heavily influenced by the European and national contexts in which it operates as well as megatrends in the energy sector and broader industry. The anticipated rapid increase in future electricity demand (+55 per cent. – 60 per cent. expected increase between 2024 and 2035 in Belgium and Germany[5]) is expected to be fuelled by growth in electrification of industries, data centres, e-mobility, electrolysis and heating. As a response, the future electricity grid infrastructure needs to increasingly adapt to flexibility as the sector transitions to a more renewable, decentralised power mix with a growing momentum towards digitalisation of energy management systems.

The Group therefore believes it is well positioned to be a major enabler of the European energy transition, by facilitating grid decarbonisation via renewables integration and network expansion supporting the need for pan-European interconnections and increased European energy self-sufficiency. Leveraging its experience with consumer centricity as part of its regulated activities, the Group is exploring and contributing to foster a range of new opportunities.

(III) Growth acceleration driven by regulated capex

To facilitate the energy transition journey, the Group has established a solid investment programme driving value-accretive organic growth. The Group is currently one of the fastest growing publicly-listed TSO in Europe with an anticipated annual 2024-2028 RAB[6] growth above 20 per cent. driven by a EUR 31.6 billion investment programme[7] of which EUR 4.8 billion was invested in 2024. For the period 2025-2028 we expect to invest EUR 26.8 billion (of which EUR 7.5 billion is planned to be invested by ETB in Belgium and EUR 19.3[8] billion by 50Hertz in Germany) to support network growth requirements. As a result, the RAB is expected to double in size and to reach EUR 41.2 billion in 2028. The investment programme is driven by the increasing need for smart grids and interconnections between countries reflected in large transmission network infrastructure projects / energy islands to integrate increasing amounts of renewable energy generation, as well as efforts to further strengthen and reinforce the backbone, whilst further digitalising the electricity system.

Both ETB and 50Hertz are obliged to operate, maintain, optimise and expand their network systems and propose capex plans that must be approved by the regulators. ETB is required by law, to draw up a Federal Development Plan every four years for approval by the CREG and similarly 50Hertz is required to draw up a Network Development Plan every two years for approval by BNetzA. The Group's investment programme and capex growth is thus supported by robust regulatory framework in Belgium and Germany, where approved capex is included in the RAB from the moment it is spent and is, as such, remunerated. Based on capex investments derived from the Federal Development Plan 2024 – 2034 for ETB and the Network Development Plan 2037/2045 (2023) for 50Hertz, the Group expects to double the total Group RAB by 2028[9].

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5 Increase in electricity consumption in Belgium and Germany between 2024 and 2035

6 Considers 100 per cent. closing RAB for ETB and for 50Hertz, CAGR starting from year-end 2023 to year-end 2028.

7 Considers 100 per cent. Capex for ETB and 100 per cent. for 50Hertz.

8 Considers 100 per cent. Capex for ETB and 100 per cent. for 50Hertz

9 Considers 100 per cent. closing RAB for ETB and for 50Hertz and compared to the year-end 2024 RAB.

In Belgium, the Group continues to facilitate the offshore energy (e.g. Princess Elisabeth Island), to replace and reinforce the existing infrastructure to absorb the higher infeed of renewable energy (e.g. Ventilus and Boucle de Hainaut) and the further integration of the European electricity system (e.g. Brabo and Nautilus).

In Germany, the ongoing 'Energiewende' supported also by the increased targets for renewable energy production set by the German government, will further drive future investments by 50Hertz both onshore (e.g. SuedOstLink, SuedOstLink+, Berlin Kabel, NordOstLink) and offshore (e.g. Ostwind 3, Ostwind 4, Gennaker, LanWin3).

(IV) Robust returns across diverse regulatory frameworks

The Group's stable and predictable returns are backed by a strong combination of geographically diverse established regulatory regimes and length of regulatory cycles, resulting in a low business risk profile. In Belgium, the current regulatory period spans from 2024 to 2027 for ETB, while in Germany the current regulatory period is from 2024 to 2028 for 50Hertz. Nemo Link (in operation since January 2019) also operates under its own regulatory framework providing long-term visibility for 25 years until 2044. The Belgian regulatory framework is cost-plus with additional incentives for outperformance, while the Germany regulatory framework is a mix of cost-plus (for offshore) and incentive-based (for onshore), and Nemo Link has a revenue cap and floor framework.

In Belgium and Germany, notable improvements to the regulatory framework include the use of improving benchmarks for local risk-free rate parameters used to determine regulatory returns. Regulators in both governments have now ensured the risk-free rate benchmarks used (average 10-year OLO for Belgium and average 10-year historic rates from cost of debt "Umlaufrendite" in Germany) are more reflective of the local interest rate environment. Stable predictable RoE of 7-8 per cent.[10] is expected for ETB over the 2024-2027 regulatory period and 8-10 per cent.[11] for 50Hertz over the 2024-2028 regulatory period. In 2024, Elia Group realised a RoE (adj.) of 8.37 per cent.

(V) Strong total shareholder return proposition supported by a solid balance sheet

The Group expects to deliver value-accretive double-digit EPS CAGR[12] over period 2024-2028 supported by its strong organic growth in Belgium (which contributed EUR 213.8 million in net profit in 2024) and Germany (which contributed EUR 307.9 million (100 per cent.) in net profit in 2024) and other non-regulated activities (which contributed a loss of EUR 9.2 million in net profit in 2024) (including Nemo Link and WindGrid).

Since its incorporation, the Group has demonstrated a strong commitment to shareholder returns and has consistently delivered a stable, yet growing dividend per share pay-out in line with increases in the Belgian Consumer Price Index, providing consistent total shareholder returns.

The Group's ambitions are also supported by a strong investment grade rating (BBB/A-2, S&P) which solidifies the Group's capacity to invest in energy transition driven growth via network expansion and renewable energy projects development. Furthermore, the Group's rating commitment of BBB (at the Group and Eurogrid levels) and BBB+ at ETB levels will facilitate continued access to capital at competitive financing rates. The Group has demonstrated an excellent track record of meeting equity requirements and ability to tap into financial markets via a variety of funding tools including equity raises (via its previous capital increases), hybrids and bond issuances.

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[10] Average of 7-8 per cent. over the period of 2024-2027 based on average 10-year OLO of 3.27 per cent. RoE estimates inclusive of impact of IFRS adjustments.

[11] Average of 8-10 per cent. over the period of 2024-2028 factoring in base rate of 2.79 per cent. for regulatory return on equity as proposed by BNetzA. RoE estimates inclusive of impact of IFRS adjustments.

[12] EPS CAGR uses 2023 year-end EPS as a basis for its CAGR calculation and ending point year-end 2028.

(VI) Strong management and supportive core shareholders provide a stable backdrop for strategy execution

The Group is supported by stakeholders (including shareholders and management team) who are committed to facilitating the achievement of the company's ambitious growth targets. The Group is led by a well-experienced local management team with a proven track record of delivering on large scale and complex investment projects in networks, renewables development and integration initiatives as seen in the cases of Modular Offshore Grid or Kriegers Flak Combined Grid Solution project.

On 12 December 2024, the Group announced the appointment of Bernard Gustin as Group CEO (as from 15 January 2025) and Marco Nix as Group CFO (as from 1 April 2025). The Group demonstrates a strong commitment to strategic continuity, with the incoming CEO serving for many years as Chairman of Elia Group. Further to the announcement of the Group CFO of its willingness to change career direction, the Group has also decided to appoint the CFO Ad Interim as future Group CFO. The current Group CFO, Catherine Vandenborre will ensure a transition with Marco Nix, during the intermediate period.

Additionally, the Group is supported by a strong shareholder base, with NextGrid Holding (44.79 per cent. stake in Elia Group) and KfW (20 per cent. stake in 50Hertz) as shareholders at Group and subsidiary levels respectively, who have demonstrated commitment to the Group, providing a secure and stable financial base to accelerate future growth and facilitate the achievement of strategic targets. Publi-T, now through its new joint venture with Fluxys (NextGrid Holding), has been a shareholder of the Group since 2001 and has continually exercised all of its Preferential Rights and subscribed to New Shares in the Group's previous 2019 and 2022 rights issue. Similarly, KfW has been invested in 50Hertz since 2018 and has since supported the Group's ambitions. Additionally, the shareholder base has been reinforced with trusted cornerstone investments partners (ATLAS, BlackRock and CPP Investments) in the recent private placing.

6 Strategy

In line with its ambition, the Group aims to be a valuable global partner, driving the energy transition. Through large-scale investments in infrastructure, digitalisation, and sector coupling, the Group is contributing to Europe's challenging and complex ambition of becoming climate-neutral by 2050, as outlined in the European New Clean industrial deal which reconfirms the goals of the European Green Deal.

To that effect, the Group has developed a strategy for the activities carried out by the Group as well for its subsidiaries. In this context, 50Hertz aims to meet 100 per cent. of electricity consumption across its control area with renewable energy by 2032, while ETB targets its grid to be ready for a 50 per cent. increase in electricity consumption across its area by 2032.

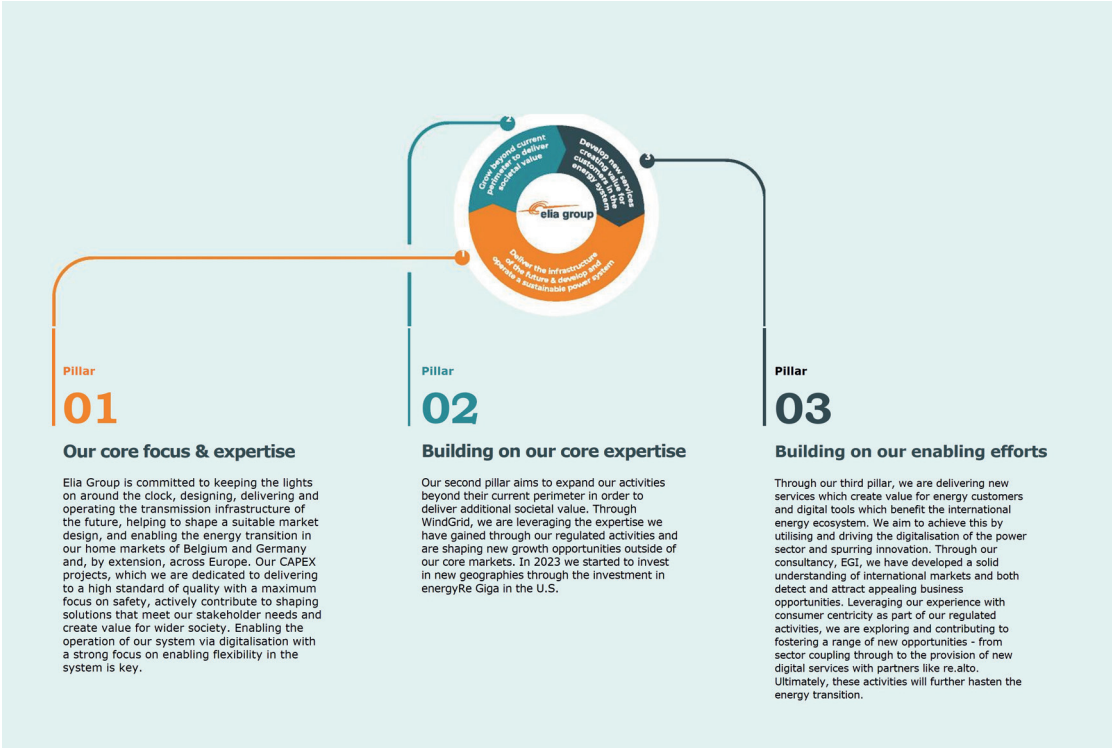
In the interest of society, the Company makes the energy transition happen and works towards the decarbonisation of energy systems by delivering the needed power infrastructure and shaping energy markets. The Company keeps the lights on by operating a reliable and sustainable system and innovates to meet evolving consumer needs in an efficient way and to protect people's safety. The Company creates further value for society in the changing energy landscape.

6.1 Vision and mission

A successful energy transition in a sustainable world. In the interest of society, the Group contributes to the energy transition and works towards the decarbonisation of energy systems by delivering critical power infrastructure and shaping energy markets. The Group keeps the lights on by operating a reliable and sustainable system and innovates to meet evolving consumer needs in an efficient way and to protect people's safety. The Group creates further value for society in the changing energy landscape.

6.2 Pillars of growth

The Group's strategy consists of three pillars of growth which show where the Group wants to be relevant. The three pillars of growth outline how, by continuously improving its activities to deliver excellent services, products and projects, it is both fulfilling its societal mission and increasing its relevance in a rapidly changing environment. These pillars ensure that the Group keeps working in the continuously evolving interest of society.



6.2.1 Pillar 1: Deliver the infrastructure of the future & develop and operate a sustainable power system

The Group is committed to keeping the lights on around the clock, designing, delivering and operating the transmission infrastructure of the future, helping to shape a suitable market design, and enabling the energy transition in its home markets of Belgium and Germany and, by extension, across Europe. The capex projects, which the Company is dedicated to delivering, actively contribute to shaping solutions that meet its stakeholder's needs and create value for wider society.

6.2.2 Pillar 2: Grow beyond current perimeter to deliver societal value

This pillar aims to expand its activities beyond its current perimeter in order to deliver additional societal value. Through its consultancy, EGI, the Group has developed a solid understanding of internationa'l markets and both detect and attract appealing business opportunities. Through WindGrid, the Company is leveraging the expertise it has gained throughout regulated activities and are shaping new growth opportunities. Areas the Company is exploring include offshore development beyond the maritime boundaries of Belgium and Germany in the North and Baltic Sea, respectively, as well as potential equity participation that creates additional value in combination with its current portfolio.

6.2.3 Pillar 3: Develop new services creating value for customers in the energy system

Through its third pillar, the Group is delivering new services which create value for energy customers and digital tools which benefit the international energy ecosystem. The Group aims to achieve this by utilising and driving the digitalisation of the power sector and spurring innovation. Through its consultancy, EGI, the Group has developed a solid understanding of international markets, detecting and attracting

appealing business opportunities. Leveraging its experience with consumer centricity as part of its regulated activities, the Group is exploring and contributing to fostering a range of new opportunities – from sector coupling through to the provision of new digital services with partners like re.alto. Ultimately, these activities will further support the energy transition.

6.3 The Group's digital transformation

Over the past few years, in order to navigate increasingly complex challenges linked to the decarbonisation of energy systems and the electrification of society – and harness the associated opportunities – the Group has been focusing on the digital transformation of its business. Between 2022 and 2023, the Digital Transformation Office ("**DTO**") played a pivotal role in embedding digitalisation and agility across the Group, laying the foundations for its transformational journey. Once the Group had reached the right level of maturity in this regard in November 2023, the DTO's responsibilities were then integrated into business reporting lines.

In 2024, the Group began shifting to a new way of working called the 'product operating model', under which teams of business and IT specialists work together to deliver products, or digital solutions, that deliver value for internal or external customers. This new organisation streamlines the Group's operations and helps to drive efficiency and innovation.

The Group is implementing this product operating model via its five current product clusters, and is supported by its strategy and controlling departments. The Digital Committee sets the ultimate goals for the organisation's digital transformation with approval from Elia Group's Management Board and Executive Committee.

This new governance model will help the Group to realise the following ambitions:

- meeting customer demands for projected electrification growth;
- maintaining system security while integrating high amounts of RES into the system;
- accelerating the development of its infrastructure;
- reducing the total cost of ownership of its assets;
- taking better decisions based on sound data analytics;
- increasing the impact and efficiency of its corporate activities;
- remaining resilient in the face of uncertainty.

Crucial to this digital transformation is the pursuit of a change in mindset, which the Group believes in turn will attract talented and skilled staff.

6.4 ActNow: The Group's sustainability programme

As the operator of two grid systems, the Group believes it plays a central role in advancing the energy transition. Sustainability is a cornerstone of the Group's business strategy, embedded through its ActNow programme introduced in 2021. This programme outlines specific targets and actions to integrate sustainability seamlessly into all aspects of its operations. These efforts are guided by the UN SDGs and are implemented through business roadmaps and plans, ensuring that the Group's organisational objectives align closely with global priorities.

A key contribution to sustainability is the Group's development of a resilient power grid and improved electricity market design. These initiatives support the integration of increasing amounts of RES into the system, enabling the electrification journey. The Group's first sustainability objective—decarbonising the power sector—anchors these efforts. However, its commitment to sustainability extends far beyond the grid. From reducing its own carbon footprint to embedding circular practices in its core processes and promoting equal opportunities across its workforce, the ActNow programme ensures that sustainability is a fundamental part of its operations and strategy.

Through ActNow, the Group demonstrates its dedication to supporting society during the decarbonisation process while working toward ambitious corporate objectives in a sustainable

and responsible way. This commitment is evident in its focus on climate action, environmental stewardship, and social and governance priorities.

The Group's dedication to sustainability is also reflected in its strong Environmental, Social, and Governance ("**ESG**") ratings from leading agencies. For example, Morningstar's Sustainalytics considers the Group to be at low risk of significant financial impact from ESG factors, ranking it as an ESG industry top-rated company, with a risk rating of 14.3.[13] Similarly, MSCI upgraded the Group's rating from AA (held from 2019 to 2023) to AAA in 2024.[14]

It is important to note, however, that ESG ratings vary across agencies due to differing methodologies. These ratings are not necessarily predictive of future performance and reflect assessments valid at the time of issuance. Prospective investors are encouraged to evaluate the relevance of this information independently when making investment decisions. Additionally, ESG ratings are not recommendations to buy, sell, or hold shares and are issued by agencies that are not currently subject to regulatory oversight. For further details on ESG rating methodologies, please refer to the respective agency's website (not included as part of this Prospectus).

7 Business overview

7.1 Elia Transmission Belgium (ETB)

7.1.1 Role as TSO in Belgium

ETB develops, operates and maintains the national extra-high-voltage electricity transmission system (380kV to 110kV) in Belgium, which is regulated at the federal level. In addition, ETB owns and operates a major part of the local and regional high-voltage electricity transmission systems (70kV to 30kV) in each of the Regions, which are regulated at the regional level (all transmission systems together, the "**grid**"). It provides the physical link between electricity generators, DSOs, suppliers and direct supply customers and manages interconnections with the electricity grids of neighbouring countries. It also manages the coordination of the flow of electricity across the grid in Belgium, to enable secure and reliable delivery from electricity generators to end customers.

[13] For more information on the rating and the rating methodologies, please refer to the website of Morningstar Sustainalytics: https://www.sustainalytics.com/esg-rating/elia-group-sa-nv/1030128328 (this hyperlink is not incorporated by reference, and is shared for information purposes only).

[14] For more information on the rating and the rating methodologies, please refer to the website of MSCI: https://www.msci.com/our-solutions/esg-investing/esg-ratings-climate-search-tool/issuer/elia-group-sa/IID000000002165146 (this hyperlink is not incorporated by reference, and is shared for information purposes only).

ETB fully owns (through Elia Asset) the Belgian extra-high-voltage electricity network assets as well as approximately 98 per cent. of the Belgian high voltage electricity network (and has a right to use in relation to the remainder).

The extended activities of the TSO to include offshore activities were incorporated in the Electricity Law in 2012. ETB owns, operates, maintains and develops in particular an offshore grid in the Belgian North Sea, called the Modular Offshore Grid ("**MOG**"). ETB assures the management of the system in the Belgian electrical zone and is responsible for the balancing between production injected in the grid and consumption taken off the grid within this zone. In addition to its activities relating to the operation of the network, ETB also aims to improve the functioning of the open electricity market by acting as a market facilitator, in close cooperation with the power market operator(s).

As part of ETB's strategy, ETB is preparing its grid to be ready for a 50 per cent. increase in electricity consumption across its control area by 2032. This trend of electrification is progressively impacting society. More importantly, for Belgium, increase in consumption is foreseen in the industrial sector, contributing 20 terawatt-hours (TWh), with notable increases in both mobility and heating sectors, each contemplated to add 10 terawatt-hours (TWh).

7.1.2 Transmission system operation

Transmission system operation refers to the regulated activity of operating the extra-high-voltage and high-voltage electricity networks and the management of electricity flows on these networks. The operator of such a network is called a TSO. The main users of these networks are the electricity generators, the traders, the DSOs, the commercial suppliers, and the large (industrial) off-takers and (end customers). As such, ETB plays a crucial role in the community by transmitting electricity from generators to distribution systems, which, in turn, deliver it to the consumer. ETB also plays an essential part in the economy, as its grid supplies power directly to major companies connected to the grid and indirectly to all consumers and its operations allows for a reliable electricity system around the clock.

TSOs, such as ETB in Belgium, operate their electricity network independently of electricity generators and suppliers. The extra-high-voltage electricity networks, such as the ones operated by ETB, are also used to import and export electricity internationally and for mutual assistance between TSOs according to international standards set by European legislation and by the European Network of TSOs for Electricity ("**ENTSO-E**") operating rules (grid codes). Belgium's extra-high-voltage electricity network is interconnected with the transmission systems of France, Luxembourg, the Netherlands, Germany and the United Kingdom.

7.1.3 Core business of TSO in Belgium

The role of the TSO is comprised of four different areas: grid management, system operation, market facilitation and trusteeship.

Grid management

This activity consists of: (a) ownership; (b) maintenance; and (c) development of the network to enable the transmission of electricity at voltages ranging from 380kV to 30kV. ETB plans to invest EUR 8.7 billion for the period 2024-2028, with EUR 1.2 billion invested in 2024. This results in a total investment programme of approximately EUR 7.5 billion in Belgium over the next four years (2025-2028). This investment relates to key new projects, ongoing projects, maintenance capex and IT investments to digitalise system operations.

(a) Ownership

ETB is Belgium's TSO (380kV to 30kV), operating over 8,903 km of lines and underground cables throughout Belgium. The grid, mainly owned (98 per cent.) and operated by ETB, is composed of three categories of voltage levels:

- the 380kV lines that are part of the backbone of the European network. Electricity generated at this voltage flows towards the Belgian regions and is also exported to neighbouring countries such as Germany, France and the Netherlands;
- the 220kV and 150kV lines and underground cables that are strongly interconnected with the 380kV level and carry electricity in and between the Belgian electricity areas; and
- the high-voltage network, consisting of the 70kV to 30kV lines and underground cables, which carries electricity from the higher-voltage levels to the off-take points used by the DSOs and large industrial customers that are directly connected to ETB's network.

The use of different voltage levels is the result of technical and economical optimisation. Extra-high-voltage is required for the optimal transmission of electricity over long distances with minimal energy loss, while lower voltages are optimal for shorter distances and lower quantities.

(b) Maintenance and replacement capital expenditures

ETB's policy with respect to network maintenance is based on a risk assessment approach that takes into account the meshed structure of its network. A sophisticated asset management strategy has been put in place to closely monitor the functioning of critical infrastructure components. The main objectives are to reach maximum availability and reliability of the network with the highest efficiency so as to minimise the total cost of ownership. To implement this policy, ETB extensively monitors the network and performs routine preventative inspections.

Like most European TSOs, ETB is facing the challenges of an ageing network that was developed in or even before the 1970s. To meet these challenges, ETB has developed a number of risk-based models that are aimed at optimising asset replacement strategies. Investment peaks are levelled out thanks to a balanced maintenance and replacement policy. As working methods evolve, staff need training to help them develop the requisite skills and techniques. In the upcoming years, a substantial part of the capital expenditure plan will be allocated to replacement investments. These capital expenditures are included in the Regulatory Asset Base (RAB) and as such remunerated under the tariff methodology.

(c) Grid development

ETB's network development is based on four investment plans: one federal plan and three regional plans. These investment plans identify the reinforcements to the networks that are required in order to achieve consistent and reliable transmission, to cope with the increase in consumption as well as new power plant requirements (conventional sources or RES), the connection and the integration of RES (onshore and offshore), and the increased import and export capacity with neighbouring countries.

The investment plans also take into account environmental and land-use constraints as well as applicable health and safety objectives (see risk factor "*The Group is subject to environmental and zoning laws, as well as increased public expectations and concerns, which may impair its ability to obtain relevant permits and realise its planned investment programme in a timely manner or result in additional costs*").

System operation

Given the growth in renewable energies and their variable generation, greater flexibility is needed within the electricity system to maintain a constant balance between supply and demand. Digitalisation and the latest technologies offer market players new opportunities to optimise their electricity management by selling their surplus energy or temporarily reducing consumption (demand flexibility). By opening the system to new players and technologies, ETB wants to create a more competitive energy market while maintaining security of supply at all times. To achieve this, ETB ensures that every market player has transparent, non-discriminatory access to the grid.

ETB monitors the electricity flows on its network and seeks to balance in real time the total electricity injected into and taken off its network, taking into account the power exchanged with neighbouring countries, through the procurement of the appropriate ancillary services. ETB also purchases electricity on the market to compensate for energy losses in the local transmission networks that are an unavoidable consequence of the transmission of electricity.

ETB's network is the essential link between the supply of and demand for electricity, both within Belgium and in the context of the EU's internal electricity market. To inject electricity into ETB's network, generation plants located in Belgium must be physically connected and receive access to (*i.e.* the right to use) the network. ETB's network is operated in such a way as to allow this electricity, as well as the electricity coming from neighbouring countries, to flow to the off-take points to which distributors, large corporate customers and foreign networks are connected. Parties accessing ETB's network are charged regulated tariffs based on their peak quarter-hourly demand and energy consumption.

As a system operator, ETB constantly monitors, controls and manages the electricity flows throughout the Belgian extra-high-voltage and high-voltage networks to ensure the reliability, continuity and quality of electricity transmission by maintaining the frequency and voltage within internationally determined limits.

ETB's network is monitored 24 hours a day, seven days a week by three control centres (one national and two regional). These control centres continuously monitor electricity flows, frequency, voltage at each off-take point, load on each network component and the status of each circuit breaker. When a network component is switched off, ETB's personnel take appropriate measures to reinforce the operational reliability of the network and to safeguard electricity supply to ETB's customers. ETB has the ability to remotely activate or deactivate certain network components.

ETB has adopted other measures designed to maintain reliability for its customers. These measures consist of both operational measures (such as capacity allocation, load flow forecasts and compliance checks) and emergency procedures. Some of these measures have been adopted in cooperation with neighbouring TSOs (and approved by their respective regulator) and/or with Coreso, the regional coordination service centre, in order to promote coordinated action.

Ancillary services contracts are granted in accordance with transparent, non-discriminatory and market-based rules. Part of the costs incurred by ETB as a result of the purchase of ancillary services are directly invoiced to the balance responsible parties ("**BRPs**"), while the ancillary services (such as compensation for the electricity losses) are reflected in the network tariffs.

Market facilitation

In addition to its two core activities described above, ETB aims to improve the functionality of the open electricity market by acting as a market facilitator, both in the context of a single European electricity market as well as in the framework of the integration of renewable energy and unlocking value for consumers, in accordance with national and European policies. It does so in close cooperation with the relevant power market operators (ETB is also an indirect shareholder of select market operators). Further to the legislative proposals in the Clean Energy Package, this cooperation will be further formalised and fine-tuned (see Section "*Third Energy Package, Clean Energy Package, Fit for 55 and Green Deal Industrial Plan*").

Due to the central location of the Belgian network within continental Europe and the intensive cross-border commercial exchanges following the deregulation of the European electricity market, ETB's network is intensively used by other market participants for cross-border import and export and for the transit of electricity. ETB wants to facilitate further market integration, both at the national and European level by giving new market players and technologies a chance to help them innovate their systems and introduce new market products.

ETB's income from or charges due under the inter-TSO compensation mechanism for EU cross-border trade are passed through to the home market participants by a tariff reduction or increase.

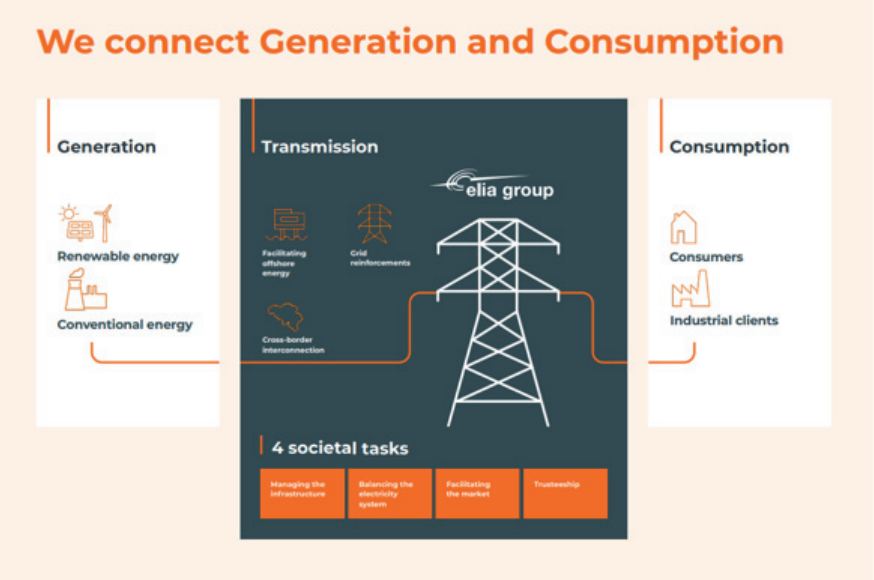
ETB has played an important role for many years in various market integration initiatives, such as: (i) the design and implementation of the Belgian power hub; (ii) the establishment of regional markets, initially CWE (*i.e.* France, Belgium, the Netherlands, Luxembourg, Austria and Germany) and subsequently the Nordic countries and North West Europe (*i.e.* Central West Europe, the Nordic countries and the UK); (iii) the establishment of the CORE capacity calculation region (CWE region together with Central Eastern Europe); (iv) day-ahead price coupling in the North-Western Europe region, stretching from France to Finland, operating under a common day-ahead power price calculation using the Price Coupling of Regions solution, the MRC Region (Multi Regional Price Coupling; (v) the creation of the first regional technical coordination centre for CWE, Coreso, in cooperation with RTE and National Grid (the French and UK TSOs); (vi) the creation of a market coupling between the Benelux countries and France; and (vii) the participation in the establishment of the future single day-ahead coupling and single intraday coupling (covering the EU). The Group is also a stakeholder in a number of European initiatives aiming to optimise market operation, *i.e.* HGRT and ENTSO-E.

ETB's initiatives which aim to enhance market facilitation and integration include:

- having an equity interest of 17 per cent. in Holding HGRT, which itself has a 49 per cent. equity stake in EPEX SPOT. The European Power Exchange EPEX SPOT SE and its affiliates APX and Belpex operate organised short-term electricity markets in Germany, France, the UK, the Netherlands, Belgium, Austria, Switzerland and Luxembourg. The Company was a founding shareholder of Belpex SA/NV (see Section "*Organisational structure – HGRT*");
- being a founding shareholder of Coreso. Coreso is the first regional technical coordination centre aiming to improve reliability across the CWE region. Coreso is shared by several TSOs and develops forecast management of electricity transits across this region (see Section "*Organisational structure – Coreso*"); and
- being a shareholder of JAO, a service company performing the annual, monthly and daily auction of transmission rights across 27 borders in Europe and acting as a fallback for the European Market Coupling (see Section "*Organisational structure – JAO*").

Trusteeship

The legal responsibility for processing the regional and national levy systems that promote the integration of RES into the energy system lie with ETB in Belgium and 50Hertz in Germany. ETB and 50Hertz therefore collect these levies as trustees, administrating them and coordinating their distribution.



7.2 50Hertz

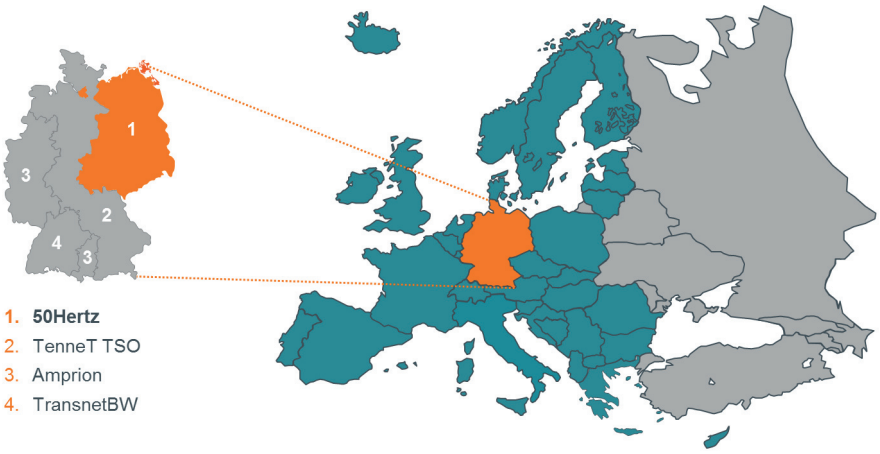
7.2.1 Role as TSO in Germany

50Hertz is one of four TSOs in Germany. 50Hertz has the same core business as ETB, as it owns, operates, maintains and develops a 380kV — 150kV transmission network with an installed capacity of around 70,000 MW in 2023 (thereof around 46,000 MW renewables, thereof around 22,500 MW wind onshore and offshore). The 50Hertz-grid has a length of around 10,838 km in an area covering the five Eastern German states of Thuringia, Saxony, Saxony-Anhalt, Brandenburg and Mecklenburg-Western Pomerania as well as Berlin and Hamburg and also the grid connections of offshore wind farms in the Baltic Sea, in the future also in the North Sea. 50Hertz's control area covers approximately 110,000 km^2 (a third of Germany) with about 18 million inhabitants. Maintenance of the transmission system, substations and switching stations is coordinated through five regional centres.

Renewable energy already accounts for over 70 per cent. of the electricity consumption in the 50Hertz-grid region. This share will further increase over the next years following further continued investments in integrating photovoltaic generation, onshore wind and connecting offshore wind farms to its control area in the Baltic Sea and the North Sea.

Its administrative centre is situated in Berlin-Mitte. In addition, 50Hertz's grid is situated at the crossroads between the Western and North Eastern European electricity markets due to the central location of its network between Denmark, Poland, the Czech Republic and CWE.

50Hertz's location within Europe and Germany is shown below:



7.2.2 Transmission System Operations

Under the German legal and regulatory framework, 50Hertz performs the following services:

- *Operate a safe, reliable and efficient transmission grid on a non-discriminatory basis:* 50Hertz has to operate, maintain and develop its grid, meeting the demands of its customers to the extent this is economically reasonable. In particular, the TSOs have to contribute to security of supply by providing appropriate transmission capacity and system reliability.
- *Provide grid connection and transport electricity through the high voltage grid*: 50Hertz is obligated to provide physical connection to its grid to final customers, level or downstream electricity supply grids and lines, as well as generation facilities (whose statutory priority feed-in might have to be considered in case of congestions) subject to technical and economic conditions that are appropriate, non-discriminatory, and transparent. In addition, and in accordance with regulated third-party access ("**TPA**") rules, 50Hertz

must also grant TPA to their grid on an economically reasonable, non-discriminatory and transparent basis.

- *Provide preferential grid connection to, and feed-in electricity produced from RES:* With regards to electricity generated from renewable energy facilities, TSOs in Germany are under the obligation to optimise, amplify and expand their grid and, as far as economically reasonable, to ensure the purchase, transmission and distribution of such electricity. Accordingly, 50Hertz is obligated to connect without undue delay all renewable energy facilities in its control area to its transmission grid and any delay in such connections may subject 50Hertz to potential damage claims. In particular, 50Hertz is obligated to construct connections to all offshore wind farms in its control area under the further prerequisites of the EnWG and to share the costs incurred thereby with the other German TSOs.
- *Provide system service:* 50Hertz has the responsibility to maintain a secure and reliable energy supply system. The development of the German electricity market in recent years has led to a disproportionate share of energy being consumed in the southern and western parts of Germany, whereas the majority of the renewable energy generation is located in the northern and eastern parts of Germany. Taking into account these regional differences in the generation of renewable energy and fluctuating feed-in from renewable energy facilities, 50Hertz is focused on maintaining a system balance between generation and consumption at all times. In order to continuously balance demand and supply of electricity, 50Hertz primarily relies on the use of different types of control power (primary, secondary and tertiary control power). In addition, 50Hertz conducts congestion management measures when required and manages grid losses in its transmission system by procuring energy.
- *Manage cross-border connections:* 50Hertz operates a number of cross-border interconnections to Poland, Denmark and the Czech Republic. Their management involves non-discriminatory and transparent transfer capacity allocation mechanisms under pertinent European legislation and under EnWG.

In addition to the core businesses with respect to system operation and transmission ownership mentioned above, 50Hertz has further roles in the German electricity market:

- It is responsible as trustee for managing cash-flows resulting from the German Renewable Energy Sources Act ("**EEG**"). Amongst others, the electricity generated from renewable installations in the 50Hertz control zone under the feed-in-tariff regime is sold by 50Hertz at the day-ahead and intra-day market of nominated electricity market operators.
- It is a facilitator for the development of the energy market, especially in the capacity calculation regions ("**CCRs**") Core, Hansa and Central Europe. Amongst others, 50Hertz is active in designing the European and national electricity market in a way that it best serves an efficient and secure system operation.

When the electricity price brake act came into force on 1 January 2023, far-reaching new tasks and obligations had to be established in the German energy market to mitigate the extreme increases in electricity prices for households and companies. The transmission system operators (and thus also 50Hertz) form a key position between the electricity supply companies and end consumers to be relieved and the plant operators and distribution system operators, who finance the relief by skimming off any excess revenues. Any differences between the amounts skimmed off and the amounts to be relieved were compensated by the Economic Stabilisation Fund of the Federal Republic of Germany. A public law agreement had been concluded between the Federal Republic of Germany and the transmission system operators to determine the precise details. The energy price brake act ceased to exist at the end of 2023.

7.3 50Hertz Offshore GmbH

50Hertz Offshore was formed to facilitate the connection of offshore wind farms to the 50Hertz control area and to provide for a transparent accounting of the costs and capital employed. 50Hertz Offshore is expected to incur all the capital expenditure and other related costs related to these offshore connections.

In accordance with EnWG, 50Hertz is obliged to construct the grid connections to offshore clusters foreseen in the Network Development Plan (*Netzentwicklungspläne* – "**NEP**") and as foreseen in the Site Development Plan, to connect wind farms to which the BNetzA has assigned capacity on the grid connection and operate the connection assets after commissioning. Furthermore, according to Section.17f of the EnWG, the German connecting TSOs are obliged to distribute the costs of constructing and operating the grid connections amongst the offshore wind farms according to the electricity supply volume in their respective control areas.

By way of a framework agreement signed in November 2008 between 50Hertz and 50Hertz Offshore, 50Hertz with its last amendment in 2021 has delegated its obligation to construct and operate the grid connections to the offshore clusters and wind farms to 50Hertz Offshore, granting at the same time the right of being reimbursed for all respective costs. For the avoidance of doubt, this delegation did not result in 50Hertz Offshore qualifying as a TSO, being itself as a company directly subject to regulation. 50Hertz Offshore currently has no employees and instead relies on services provided by 50Hertz pursuant to service contracts.

Key investment needs of 50Hertz Offshore primarily consist of the procurement and installation of sea and land cables and other electrical equipment to connect offshore wind farms. The first commercial offshore wind farm in the Baltic Sea ("**Baltic 1**") was connected to 50Hertz's transmission grid in 2011. A second grid connection ("**Baltic 2**") was finalised in 2015; a third offshore cluster connection ("**Ostwind 1***"*) was approved by the BNetzA in the offshore network development plan (Offshore-Netzentwicklungsplan – "**O-NEP**") in 2013, with a further approval in 2015. This grid connection consists of three cable systems and was allocated to two wind farms (Wikinger and Arkona). The commissioning of the grid connection was completed in 2019, in line with the foreseen completion dates. During the 2018 capacity auction, three additional offshore wind farms (Arcadis Ost 1, Baltic Eagle and Wikinger Süd[15]) in the Baltic Sea north of Lubmin were awarded. As a result, BNetzA has approved three additional cable systems and associated onshore and offshore substations in the Cluster Westlich Adlergrund ("**Ostwind 2**"). In 2023, 50Hertz Offshore commissioned the first grid connection system out of the three, followed by the remaining systems completed by end of 2024. In the 2019 grid development plan, the grid connection OST-1-4 was awarded. The site development plan foresees a single cable solution and a platform owned and operated by 50Hertz. The 2021 auction of the associated offshore site was held and awarded. In the fall 2022, BNetzA had awarded the grid connection OST-6-1 to 50Hertz for the Gennaker wind park under the legal framework for wind farms in the 12 nautical mile zone (§17d (6) EnWG). Preparatory works and tenders for major components were awarded. Several additional offshore projects are foreseen by 50Hertz Offshore, resulting in offshore connections planned for wind farms of about 8 GW in aggregate. Among those, the Site Development Plan 2035 (*Flächenentwicklungsplan – "***FEP***"*) (version 2021) has awarded two 2 GW HVDC grid connection systems, one in the Baltic Sea (OST-2-4– Ostwind 4) and one in the North Sea (NOR-11-1-LanWin 3).

The size of the offshore investment portfolio may fluctuate considerably over the coming years depending on the contents of the future FEP that shall determine a "balanced distribution of projects between North and Baltic Sea" for the period after 2025.

Based on German law, 50Hertz and 50Hertz Offshore may be subject to claims for damages in case of a culpable delay of grid connections or for interruption of their respective operation (see risk factor "*The specific liability regime applicable to offshore connections may adversely impact the Group's results of operations*").

[15] Wikinger Süd belongs to the Wikinger cluster but was awarded separately.

8 Key projects of the Group

Decarbonisation is one of society's most pressing challenges. As a system operator, the Group's activities are central to overcoming this challenge: its grid forms the backbone of the energy transition. The Group is strengthening its on- and off-shore transmission grid to facilitate the integration of increasing amounts of renewable energy into the system. It is also supporting digitalisation and sector convergence as well as shaping energy markets, supporting new market players to become active participants in the energy sector. As a driver of the energy transition, therefore, it is contributing to the establishment of a sustainable world. For more information on the allocation of the net proceeds of the Offering, please refer to the Section "*Rationale of the Offering and Use of proceeds*".

8.1 Key projects of ETB

In May 2023, the Belgian government approved ETB's Federal Development plan for 2024-2034. The rise in RES as well as the extensive electrification of mobility and heating have created emergencies that require additional investments to be made in the grid.

ETB plans to invest approximately EUR 8.7 billion over the period 2024-2028, with EUR 1.2 billion invested in 2024. This results in a total investment programme of EUR 7.5 billion over the next four years (2025-2028). This investment relates to key new projects, ongoing projects, maintenance capex and IT investments to digitalise system operations. The capex will mainly relate to the replacement or reinforcement of the existing infrastructure to absorb the higher infeed of renewable energy. The further integration of the European electricity system and the goal to further decarbonise the society drives important investments, marked by higher capex for projects like the Princess Elisabeth Island, Ventilus and Boucle de Hainaut, and this in the context of a tight supply market.

The most important projects are:

- **Princess Elisabeth Island:** The extension of the MOG (which is being referred to as MOG II), the design for which was approved by a Ministerial Decree of 7 September 2023 in accordance with the Electricity Law.

  The project consists of an alternating current (AC) part that can accommodate 2.1GW of offshore wind production capacity and a direct current (DC) part that can accommodate 1.4GW of capacity and the integration of a hybrid interconnection. Since its approval in 2023, the budget for the project has roughly doubled. This is mainly due to a combination of inflation, rising material costs and a scarcity of HVDC infrastructure as confirmed in a review commissioned by ETB's Audit Committee and performed by KPMG as well as by an analysis done by the CREG.

  The Group is carrying out the project in line with the appropriate legal framework but is aware of growing concerns about the increased cost of HVDC technology. Due to this unprecedented price increase, the board of ETB recently announced on 4 February 2025 — after close consultation with the authorities —that it would postpone the decision relating to the HVDC contracts.

  The Group is aiming to keep all options open by delaying this decision and is cooperating with the involved parties to weigh up different concepts and implement appropriate accompanying measures, taking into consideration the recommendations from KPMG's review and the CREG's report. Despite these challenges, the project remains strategically important for Belgium's energy infrastructure as a reliable means of connecting new offshore generation facilities to the mainland and will thus make a substantial contribution to facilitating RES integration in Belgium, as well as helping to meet Belgium's climate targets.

  Regardless of the chosen scenario, the Company estimates that this suspension will result in a delay of approximately 3 years for the DC part of the project. Additionally, depending on the chosen scenario, this may also affect the timing and design of the Nautilus project.

  In the meantime, the construction of the foundations of the artificial island and the implementation of the previously signed alternating current (HVAC) contracts continues. Some delays in completion can however not be excluded. Discussions are

currently ongoing with one of the main EPC contractors for the Princess Elizabeth Island who recently introduced a "variation request". Based on a preliminary analysis, ETB does not believe there to be grounds for such request and intends to formally reject this request. The analysis is, however, still ongoing and further information is being gathered. The contract contemplates the possibility for the parties to seek an amicable settlement of this issue, failing which, the contractor may pursue court proceedings in order to settle the matter;

- **Ventilus:** A new 380kV backbone and 220kV energy hub in the West-Flanders region, aims to provide reliable access to current and future renewable offshore and onshore wind energy. The Ventilus project will connect wind energy from the North Sea to a new electricity highway in West Flanders. Through its connections to other grid projects, Ventilus is expected to create a robust network for the transmission of renewable energy. This constitutes an important step towards a low carbon society. The zoning plan for Ventilus, which lays the spatial basis for the Ventilus project, was approved on 22 March 2024. A total of 25 annulment procedures were brought before the Council of State against the GRUP Ventilus, including 5 suspension procedures. The suspension procedures were rejected by the Council of State; the annulment procedures are currently ongoing, but do not have a suspensive effect, allowing the permit phase to proceed;
- **Boucle du Hainaut:** The 'Hainaut Loop' is one of ETB's largest infrastructure projects. With a view to achieving the energy transition and various climate objectives, this project plans the construction of a 380kV connection between Avelgem and Courcelles. The procedure for the revision of the regional zoning plan is ongoing with a view to initiating the permitting process once such revision will have been approved. As is the case with Ventilus, the decision to approve the revision may be subject to suspensive and annulment appeals, be it that as long as there is no effective suspension and/or annulment, the permitting process can be pursued;
- **Nautilus:** This subsea hybrid interconnector via the energy island will transport electricity between Belgium and the UK while facilitating offshore wind connections in the North Sea. Nautilus is expected to have two functions: connecting the grids of both countries and directly connecting offshore wind farms to the mainland. Not only would it enable better integration of renewable energy at sea, but would also allow more electricity flows between Europe and the UK while further enhancing electricity price convergence. This project is independent of Nemo Link but is a similar type of cross-border interconnector project, sharing similar characteristics. It will be subject to the current Belgian regulatory framework rather than a new one;
- **Gramme-Van Eyck:** The reinforcement of the 380KV Gramme – Van Eyck axis is a part of the general reinforcement of the internal 380kV backbone Centre-East, consisting of a ring structure between the substations Mercator, Van Eyck, Gramme and Courcelles, It involves the upgrading of the existing 380kV connection between the Gramme and Van Eyck substations by replacing the two existing line circuits with high-performance high temperature low sag -conductors;
- **Baekeland:** In the port of Ghent, a new 380kV substation Baekeland is being constructed. The substation will be looped into the 380kV high temperature low sag lines between Horta and Mercator. The new substation is important for creating hosting capacity for electrification in the Ghent port area and better management of flows on the 380kV network.

ETB plans to finance this investment programme in accordance with the optimal capital structure as defined in the regulatory framework (with a target equity/debt ratio of 40/60).

8.2 Key projects of 50Hertz

In March 2024, BNetzA published the final Electricity Network Development Plan ("**NDP**") 2037/2045, representing a significant achievement in grid development. This plan outlines an electricity transmission grid capable of supporting a climate-neutral energy system by 2045. The NDP includes approximately 4,800 kilometres of new lines and 2,500 kilometres of reinforced lines, with 50Hertz being involved in several key projects.

As Germany's electricity consumption is expected to double by 2045, 50Hertz is working on bolstering the country's energy infrastructure in line with the government's ambitious climate neutrality targets. 50Hertz plans to invest approximately EUR 22.9 billion over the period 2024-2028, with EUR 3.6 billion invested in 2024. This results in a total investment programme of EUR 19.3 billion over the next four years (2025-2028). HVDC corridors and the connection of further offshore wind farms are the main drivers of the capex plan. With that, 50Hertz is considered making an ambitious contribution towards reaching European and national climate targets while complying with social and political requirements.

50Hertz's most important projects are:

Offshore:

- **Ostwind 3:** A grid connection with a transmission capacity of 300MW for the offshore wind farm "Windanker" in the Baltic Sea, comprising a new offshore platform and a 220kV AC-cable connection to a new onshore substation. Permits were secured throughout the year for the 100 km offshore route, 4 km onshore route and the new substation in Stilow;
- **Ost-6-1:** This project is to connect the offshore wind farm "Gennaker" in the Baltic Sea with an estimated capacity of 900MW consisting of three 220kV AC cable systems and two 50Hertz owned and operated platforms as well as a new onshore substation.
- **Ostwind 4:** This HVDC offshore connection in the Baltic Sea will transport up to 2GW of offshore wind power from the north-east of Ruegen island to the mainland. For the transmission of the electricity, an offshore converter platform and an onshore converter station will be connected with a 525kV DC cable system.
- **LanWin3:** This HVDC offshore grid connection will be the first one in the North Sea transporting 2GW from a wind farm located in the north-west of Helgoland to the DC Links starting in the region of Heide. It will consist of an offshore converter platform, 200km of submarine cable systems with a voltage of 525kV and an Onshore underground cable system bridging the distance of 15km from the landfall in Buesum to the Onshore grid.
- **Bornholm:** An innovative project by 50Hertz and Energinet, designed to maximise the offshore wind potential in the Baltic Sea. This initiative will serve as a hub, connecting multiple offshore wind farms, thereby enabling the transmission of green electricity to both Germany and Denmark. The Bornholm Energy Island project will also facilitate cross-border electricity trading, marking a significant step in the green energy transition for both nations.

DC Links:

- **SuedOstlink:** This HVDC connection based on an 525kV underground cable system aims to transport 4GW of renewable energy from Wolmirstedt (Magdeburg) towards the load centres in Bavaria;
- SuedOstLink+: This 525kV HVDC underground connection is the northern prolongation of the SuedOstLink with a transmission capacity of 2GW aiming to transport renewable energies from North and Baltic Sea to Wolmirstedt and with the SuedOstLink to Bavaria;
- **NordOstLink:** This project is a HVDC connection between the landfalls of North Sea Offshore wind connections in the survey area near Heide in Schleswig-Holstein and Klein Rogahn in the west of Schwerin. The NordOstLink will be a 525kV underground cable system with a transmission capacity of 2GW in the first step and will be finally extended to 4GW;

Large AC Onshore projects:

- **Kabeldiagonale Berlin (Berlin diagonal power link):** This project will replace an existing line built decades ago by a new 380kV system, which is laid for the major

part in a newly built tunnel crossing the Western part of Berlin, significantly increasing the security of supply in the German capital;

- **Grid Connection Suedharz:** The existing 220kV overhead line connecting the substations Lauchstädt (near Halle), Wolkramshausen (near Nordhausen) and Vieselbach (near Erfurt) will be replaced by a powerful 380kV overhead line combined with the reinforcement of the existing substations as well as creating a new grid connection point with the distribution grid.

8.3 Key projects of WindGrid

The Company has already invested USD 250 million in 2024 in energyRe Giga through WindGrid and has committed to invest a further USD 150 million once relevant US transmission assets and opportunities have been identified.

The most important projects for WindGrid are, through its indirect participation via multiple participations in energyRe Giga. These currently comprise three projects: two onshore and a minor participation of 12,5 per cent. in an offshore project:

- **Clean Path New York:** a future 175-mile HVDC transmission line (50 per cent. stake) and 3.8GW onshore generation in New York (stake between 5-50 per cent.). The Tier 4 contract was cancelled in November 2024. Since then NYPA has submitted the request to have the Clean Path New York (CPNY) project nominated as a Priority Transmission Project (PTP). Instead of a Power Purchase Agreement (PPA), a PTP project is awarded a tariff, which is similar to a regulated return model in Europe (RAB x WACC) and benefits from an expedited permitting process. Such types of PTP tariffs are defined by the Federal Energy Regulatory Commission. The New York Public Services Commission is expected to make a decision in the first half of 2025. Following this, NYPA in their petition has mentioned that they may run a public process to identify the best-suited party to be able to expedite the project with them in due time. energyRe through Forward Power, would be very well positioned to become a partner of NYPA for the delivery of CPNY, thanks to some significant assets needed to keep the tight time schedule, including OEM contracts with appropriate production slots and interconnection position for the project, although it is subject to the potential public selection process.

- **SOO Green (40 per cent. stake):** a future 350-mile HVDC transmission line from Iowa (Midcontinent Independent System Operator) to Illinois (Pennsylvania-New Jersey-Maryland Interconnection). After having assessed the high value of SOO Green for the State of Illinois (since it would supply consumers with additional clean electricity and strengthen system adequacy in a State with high electricity growth rates) a piece of legislation has been introduced at the state level to get a rate-base model. The legislative windows to get the bill passed are in Spring and Fall 2025. Permit and securing land rights are progressing well.

- **Forward Power Offshore (50 per cent. stake):** which owns a 25 per cent. stake in Leading Light Wind, a 2.4GW offshore wind development project in the New York Bight. In January 2024, the New Jersey Board of Public Utilities (BPU) determined that the 2,400-megawatt Leading Light Wind project met criteria to be a Qualified Offshore Wind Project, via a Board Order. In light of industry-wide shifts in market conditions, and supply chain challenges, Leading Light Wind submitted a Motion for a Stay of Order to the BPU in July 2024. BPU Commissioners unanimously approved the Stay of Order through 20 December 2024 to allow Leading Light Wind additional time to continue ongoing discussions with the BPU and supply chain partners. Prior to the end of the initial stay, Leading Light Wind submitted a request for a 5-month extension of the project's Stay of Order through May 2025. The extension request is currently on the BPU's docket awaiting review by the Commissioners. This project is currently uncertain as a result of the executive orders issued under the Trump Presidency.

For Europe, WindGrid is building on the Group's experience and focusing on hybrid interconnectors, alongside other transmission system operators. In this respect, WindGrid is involved as project developer in the project HansaLink, a potential new hybrid interconnector

between Germany and Scotland. The project is part of the TYNPD 2024, which outlines area's where investments in Europe's electricity system are likely to generate economic, environmental or security of supply benefits for the continent as it decarbonised. The project is currently early stage and no formal investment decision has been taken.

9 Regulatory framework

9.1 Overview

The Group's risk profile is limited by the nature of its activities and the regulated environment in which it operates. The Group is active under three established regulatory regimes (for ETB, 50Hertz and Nemo Link) with separate regulators and with good visibility on the remuneration parameters within the regulatory cycles.

As set out, in more detail in the Section "*The Belgian regulatory framework*" below, the Belgian regulatory regime is fixed for a period of 4 years, and represents mostly a "cost-plus" model, whereby the non-controllable costs incurred by ETB (depreciation, financial costs and taxes) and approved by the regulator (CREG) are passed through the transmission tariffs. Those costs also include the shareholders' remuneration, which is mainly based on two key items. First, for the equity corresponding to the regulatory gearing, ETB receives a fair remuneration which is driven by the perspective of the Belgian 10-year linear bond ("OLO") estimated by the Federal Planning Bureau, on which a risk premium weighted with a beta factor is applied (as further set out in Section "*Tariff methodology applicable for the tariff period 2024-2027*"). The equity exceeding the regulatory gearing ratio (>40 per cent. of the RAB) is remunerated at the same referential OLO rate, increased with 70 bps. Additionally, the entire average equity will benefit from an additional remuneration if the annual daily average of the Belgian 10-year linear bond rate exceeds the risk-free rate of 1.68 per cent. Furthermore, this equity remuneration is complemented by an additional risk premium of 1.4 per cent. applicable to 40 per cent. of the Regulated Asset Base of the Modular Offshore Grid and the Princess Elisabeth Island. Secondly, various incentive components, linked to operational performance (*i.e.* specific costs and revenues over which ETB has direct control) have been defined in the current tariff methodology.

For 50Hertz, as set out in more detail in Section "*The German legal framework"* below, the basic principle of the regulatory regime in Germany is an incentive regulation with a revenue cap and a 5-year regulatory period. The revenue cap defines how much revenues a German system operator is granted for a certain year. It comprises two different revenue components: (i) influenceable costs updated every 5 years and (ii) non-influenceable costs updated on an annual basis. For the influenceable costs, a cost assessment is performed by the regulator of the year (t-3) for the regulatory period starting in year (t) and is subject to yearly adjustments by a general sector productivity factor, an individual efficiency factor and inflation. This basic principle is complemented by several cost positions that are considered permanently non-influenceable, and thus experience special treatment and which can be adjusted yearly. Firstly, as at 2024, the investment measures regime is replaced by a new Capital Cost Adjustment model ("**KKA regime**") that also foresees annual adjustments of capex investments. Secondly, several relevant cost positions like grid losses, balancing cost, reserves, congestion management and cost of European initiatives are subject to so-called voluntary commitments that allow for yearly adjustments based on planned cost with retroactive revision. Moreover, certain parts of HR-related costs are considered permanently non-influenceable. Finally, several surcharges complement the regulatory regime: Offshore costs are passed on to the end consumers including return on equity; renewable energy remuneration and management, combined heat power (CHP) subsidies and others are reimbursed on a cost basis.

As set out in more detail in Section "*Regulatory framework for interconnector Nemo Link*" below, a specific regulatory framework is applicable to the Nemo Link interconnector whereby a revenue-based cap and floor regime has been agreed for a term of 25 years.

9.2 Regulatory framework in Europe

The European framework is applicable to: (i) ETB (as the TSO in Belgium); and (ii) 50Hertz (as the TSO in Germany).

9.2.1 The European legal framework

Over the past two decades, the European Union has been promoting the "unbundling" of vertically integrated electricity (and gas) companies. The current Electricity Directive and Electricity Regulation (part of the so-called "Clean Energy Package" of 2019, as defined below, have continued the liberalisation trend establishing common rules for an internal market in electricity, as well as providing conditions for third-party access to networks for the cross-border exchange of electricity.

9.2.2 Third Energy Package, Clean Energy Package, Fit for 55 and Green Deal Industrial Plan

(i) Third Energy Package

The previous generation of European electricity market regulation, the so-called "Third Energy Package" of 2009 was composed, among others, of Directive 2009/72/EC, Regulation (EC) No 714/2009 and Regulation (EC) No 713/2009 establishing an Agency for the Cooperation of Energy Regulators (ACER), all as amended from time to time. These acts have been replaced in 2019 by the Clean Energy Package's Electricity Directive, the Electricity Regulation and ACER Regulation (each as defined below) respectively (see Section "*Clean Energy Package*" below).

Already under the Third Energy Package, for transmission activities, Member States have been required to implement provisions regarding: (a) the appointment/licensing of the TSO(s); (b) the separation of generation and supply activities from the (ownership and) operation of the network (ownership, legal, functional and accounts unbundling) and related certification requirements; (c) confidentiality of commercially sensitive information; (d) non-discriminatory third-party network access; and (e) the creation of independent regulators.

(a) Appointments of ETB and 50Hertz as TSOs

Member States are required to appoint one or more TSOs. Belgium has elected to appoint one single TSO for its entire territory, which is set out in the Belgian Electricity Law. The duration of the appointment is not specified by EU law and, consequently, is determined at the national level by each Member State.

ETB was appointed as the Belgian TSO for a (renewable) 20-year term as from 31 December 2019 by a Ministerial Decree of 13 January 2020. ETB has also been appointed as the regional TSO in the Brussels-Capital Region for the same period by a Decree of the Brussels-Capital Region's government of 19 December 2019 and as the local TSO in the Flemish Region. As to the Walloon Region, it follows directly from the Walloon electricity decree of 12 April 2001, as amended, (the "**Walloon Electricity Act**") that the national TSO (ETB) is also the local TSO. On 18 December 2023, the Company was re-appointed as local TSO in the Flemish Region by the VREG for a renewable term of twelve years. This re-appointment is subject to the condition, to be fulfilled no later than 1 January 2026, to meet a certain requirement regarding the independence of certain independent directors of ETB. More precisely, the VREG is of the opinion that the independent directors of ETB who also have a mandate in the Company cannot qualify as independent directors within the meaning of the Flemish energy legislation.[16] For more information, see Section "*The Group's business – Organisational structure – Belgian segment – ETB – Belgian TSO*" and risk factor "*The TSO permits and certifications which are necessary for the Group's operations may be revoked, modified or become subject to more onerous conditions*".

[16] It can be noted that pursuant to a change to the Electricity Law published on 24 November 2023, already ETB must have at least one independent director that is not a director of or performs any function or activity in service of the Company (see below).

50Hertz is permitted to operate as a TSO in Germany and, while this authorisation is not limited in time, it can be revoked by the Energy Authority of the State of Berlin (*Senatsverwaltung für Wirtschaft, Technologie und Forschung (Energiewirtschaft/Energieaufsicht)*).

(b) Unbundling

TSOs are required to be "unbundled" from electricity production and supply undertakings. More precisely, the person or company that is appointed as TSO must, at least in terms of its ownership (subject to historical exemption regimes in certain EU Member States), its accounting, its legal form, its organisation and its decision-making process, be independent from undertakings active in the production or supply of electricity (and gas). Cross-participations between transmission activities on the one hand, and production and supply (and associate) activities on the other, are in principle excluded.

The Electricity Law also provides that ETB cannot develop any activities with respect to the operation of distribution grids below 30kV and that neither ETB nor gas companies can hold any direct or indirect participation in each other. It can be noted, however, that a bill was approved by the federal parliament on 26 October 2023 and published on 24 November 2023, which amends these extended unbundling requirements amongst other things to bring them more in line with the requirements of the Electricity Directive and general EU law principles of proportionality[17]. Following the entry into force of this change in law, gas and electricity companies, other than companies active in production and supply, are no longer prohibited from holding stakes in each other[18]. A certification procedure applies as a condition to (re)appointment and is run by the competent national regulator together with the European Commission (and ACER) to verify compliance with the (ownership) unbundling requirements. The TSO must at all times continue to comply with those requirements. In addition to the restriction on operating distribution grids below 30kV as mentioned above, federal unbundling requirements directly applicable to ETB as a system operator (and therefore indirectly impacting the Company) include the following:

- the system operator must not exercise any form of control, directly or indirectly, over undertakings performing any of the functions of producing or supplying electricity and/or natural gas, or over distributors or intermediaries;
- the exercise of a function or activity in other legal entities by a member of the executive management board of the system operator shall not impair the independence of the transmission system operation;
- the system operator cannot be active in generation and supply except for its ancillary needs;
- the system operator cannot own nor operate energy storage facilities; and for metering purposes; and

[17] In addition to that, the bill amends requirements for independent board members of the TSO and members of its Corporate Governance Committee, Audit Committee and Executive Management Board. Reference is also made to Section 12 (Management and corporate governance).

[18] This change, which scales back Belgian law requirements that were stricter than what is required under EU law, aims at enabling a potential rapprochement between the (controlling) shareholders of the Belgian gas and electricity network operators Elia and Fluxys. A joint venture between Publi-T and Fluxys named NextGrid Holding has been incorporated on 10 January 2025. In their press release of 25 October 2024, Publi-T and Fluxys jointly announced that they signed a heads of agreement to establish a new subsidiary to enable Publi-T to follow future capital increases of Elia Group. For more information on NextGrid Holding, see section "*Relationship with significant shareholders and related party transactions – Share ownership – Shareholding based on transparency notifications*."

- the system operator must be the owner and operator of the metering devices used for access to the grid.

As local TSO in the Flemish region, ETB must also take into account that the unbundling requirements in the Flemish Region have been extended towards importers of foreign gas, intermediaries, energy service providers and ESCOs, aggregators and their affiliated/ associated companies. This means, among other things, that:

- ETB as a local TSO cannot hold any direct or indirect participation in importers of foreign gas, producers, suppliers, intermediaries, energy service providers, ESCOs, aggregators, including companies affiliated or associated with them. Its directors, executive officers and personnel can also not perform any function or activity (whether remunerated or not) for/in importers of any such entities;
- due to the importance of the right of access, the preparation of decisions with regard to some strategic and confidential matters, such as operation of the grid, access to the grid, accountancy, metering, data management, can only be done by ETB's own personnel, and the performance of related implementation tasks cannot be outsourced to importers of foreign gas, producers, suppliers, intermediaries, energy service providers, ESCOs, aggregators, including companies affiliated or associated with them; and
- except for its own use, ETB cannot own nor operate charging points.

A similar principle applies to 50Hertz and German laws impose that it has to respect all unbundling principles as set forth hereabove. BNetzA (the German regulator) has certified 50Hertz as an ownership unbundled TSO, but BNetzA may revoke the certification and/or impose fines on 50Hertz if it ceases to meet the unbundling provisions.

(c) Confidentiality of commercially sensitive information

TSOs must preserve the confidentiality of commercially sensitive information obtained in the course of carrying out their activities, and shall prevent information about their own activities (e.g., on network availability and capacity allocation) which may be commercially advantageous from being disclosed in a discriminatory way. This obligation goes along with and aims at protecting the right of non-discriminatory network access of the market players, whose commercial position must not be revealed to competitors. As regulated actors, TSOs must be trustworthy actors in the competitive non-regulated part of the energy market and must exchange information with the other TSOs and disclose certain information to the market as necessary to preserve effective competition and the efficient functioning of the market, while preserving the confidentiality of commercially sensitive information.

(d) Network access

EU law requires each Member State to implement a regulated third-party access regime based on pre-approved and published tariffs that are applied to all network users in a non-discriminatory manner. The tariffs, or at least the methodologies for their calculation, have to be pre-approved by an independent regulator and must allow for the investments necessary for the long-term viability of the network. Reference is made to Section "*The Belgian regulatory framework*" and "*The German legal framework*" for a detailed description of the currently applicable tariff methodology.

(e) Independent regulators

EU law requires that each EU Member State establishes (an) independent regulator(s) specific to the energy industry. The regulator's main task is to ensure non-discrimination among grid users and end customers and the efficient functioning of the market through, *inter alia*, the setting or approval of the transmission tariffs (or at least the methodology for their calculation) and monitoring the compliance of the electricity undertakings with their obligations under EU law and the laws of the Member State. In addition, the regulator must monitor the management and allocation of the interconnection capacity, the mechanisms for managing congested capacity and the level of transparency and competition in the market. Furthermore, the regulator may also act as the dispute-settlement authority for complaints made by grid users against the TSOs and DSOs.

In Belgium, ETB's main regulator is the federal regulator CREG. In addition, for certain matters in relation to its capacity as local/regional TSO in Flanders, Brussels and Wallonia, the regional regulators VREG, Brugel and CWaPE are competent. Reference is made to Section "*Regulatory authorities in Belgium*" below.

In Germany, 50Hertz is mainly regulated by the BNetzA. Reference is made to Section "*Regulatory agencies in Germany*" below.

(ii) Clean Energy Package

Under the Third Energy Package's successor, the so-called "Clean Energy Package", the key principles of the Third Energy Package (as described above) are maintained by the (recast) Electricity Directive, Electricity Regulation and ACER Regulation, each as defined below. Nonetheless, the recasts bring a number of important changes in how these principles are to be further implemented going forward, which affect the roles and responsibilities of, among others, the TSOs, the DSOs, ENTSO-E, the (new) EU DSO entity, national regulatory authorities ("**NRAs**") and ACER.

The Clean Energy Package is composed of a wider set of directives and regulations as further detailed below. Several of these directives and regulations have been or will be revised as part of the Fit for 55 package (see also Section "*Green Deal, Fit for 55 package and Recovery and Resilience Facility*" below):

- The (recast) Directive (EU) 2019/944, as amended (the "**Electricity Directive**")

  The Electricity Directive confirms the principle of market-based power supply, specifying under which circumstances for which period of time derogations are possible with a view to protecting energy poor and vulnerable household consumers. It also enables suppliers to offer dynamic electricity price contracts and provides the possibility for consumers to purchase and sell electricity via aggregation, independently of their electricity supply contract and without requiring their supplier's consent. By 2026 it must be possible for each consumer to switch its suppliers or aggregators within 24 hours.

  The Electricity Directive allows and provides incentives for DSOs to procure flexibility services with a view to improving efficiencies in the operation and development of the distribution system. It further requires the development of independent, free-of-charge price comparison tools for household consumers and micro-enterprises, and imposes detailed billing guidelines and information requirements. It also requires electromobility to

contribute to a better functioning of and foster the participation of end consumers to the market (with a potential role to be played by the DSOs if the market does not do it).

All final consumers must be able to act as active consumers (*i.e.* able to consume, store or sell self-generated electricity within their premises, or to participate in flexibility schemes) without being subject to disproportionate or discriminatory technical requirements, administrative requirements, procedures and charges, and to network charges that are not cost-reflective (meaning they are entitled to network charges accounting separately for the electricity fed into and taken off the grid, based on smart meters). They should be able to delegate the management of their installations and balancing responsibility to third parties. The Electricity Directive also creates citizen energy communities, open to voluntary participation by natural persons, local authorities and small and micro-enterprises.

The Electricity Directive promotes energy efficiency and empowers end consumers, amongst others through the further deployment of smart metering systems and by setting rules on the access of end consumers to their data. In particular, all end consumers have a right to get a smart meter installed, if they bear the associated cost. A systematic roll-out of smart meters can be linked to a positive cost-benefit analysis.

The Electricity Directive clarifies the DSOs' tasks, particularly relating to the use of flexibility, coordination with the TSOs and the creation of network development plans. The existing provisions for TSOs are largely maintained, with clarifications concerning energy storage, ancillary services and the new regional co-ordination centres (see below). The Electricity Directive further imposes constraints on the DSOs' and TSOs' right to own, develop, manage and operate EV charging, ancillary services and energy storage facilities. These are only possible if certain conditions are fulfilled (*i.e.* if the market fails to provide these functions), and subject to regular reassessments of the market situation.

Finally, the Electricity Directive reinforces and extends the powers of the NRAs.

- The (recast) Regulation (EU) 2019/943, as amended (the ("**Electricity Regulation**")

  On top of the objectives already put forward by the Regulation (EC) No 714/2009, the Electricity Regulation aims to: (i) set the basis for an efficient achievement of the objectives of the Energy Union and in particular the climate and energy framework for 2030 by enabling market signals to be delivered for increased efficiency, higher shares of renewable energy sources, security of supply, flexibility, sustainability, decarbonisation and innovation; and (ii) set fundamental principles for well-functioning, integrated electricity markets.

  In view of that, the Electricity Regulation defines principles on balance responsibility, non-discriminatory access to balancing markets and the settlement of the imbalance price having to reflect the real-time value of energy (*i.e.* reflecting the marginal cost of each imbalance in each quarter hour). The Electricity Regulation also enhances the cooperation between TSOs and nominated electricity market operators ("**NEMOs**") for the harmonised management of the integrated day-ahead ("**DA**") and

intra-day ("**ID**") markets and requires TSOs to issue long-term transmission rights ("**LTTRs**") to allow market participants to hedge price risks across bidding zone borders.

The Electricity Regulation further sets a prohibition on maximum and minimum limits to wholesale electricity prices, except for applying harmonised limits on maximum and minimum clearing prices for DA and ID timeframes under certain conditions. It also sets detailed rules on the non-discriminatory, transparent and market-based dispatching (subject to priority dispatching of renewables in limited cases) of generation and demand response, as well as redispatching (including reliability curtailment) and congestion management. As a rule, redispatching, curtailment and congestion management must be market-based, with non-market-based methods (such as transaction curtailment) to be used only in limited circumstances, in particular where renewable generators are concerned. TSOs requesting redispatch or curtailment must financially compensate the affected facilities and network planning can take into account re-dispatching up to 5 per cent. of the annually generated electricity from renewable sources directly connected to the grid. Capacity can be allocated via explicit or implicit auctioning (*i.e.* via bids including both the price for the energy and the capacity) and must be freely tradeable on the secondary market. At least 70 per cent. of interconnector capacity must be available for cross-zonal trade. The Electricity Regulation also provides for regular reviews of bidding zone configurations as a way to solve congestion.

An important innovation, the Electricity Regulation (in conjunction with the Risk Preparedness Regulation – see below) sets a framework for capacity remuneration mechanisms (CRMs) to address security of supply issues. CRMs must be justified by a resource adequacy assessment. They must be temporary, technology-neutral (including storage and demand-response) and open to (direct or indirect) cross-border participation where technically feasible. They must take the form of a strategic reserve unless such reserve cannot address the adequacy concern. The Electricity Regulation also lays down some sustainability (emissions) criteria (with a grace period), and grandfathering provisions for existing contracts.

Under the Electricity Regulation, tariffs for network connection and access cannot be distance-related or create disincentives for self-generation, self-consumption and demand-response. There can be no (positive or negative) discrimination against production connected at transmission and distribution level, nor against storage and aggregation capacity.

Last but not least, under the Electricity Regulation, the tasks of ENTSO-E have been extended and the regional security centres are replaced by regional coordination centres ("**RCCs**"). The RCCs will complement the role of the TSOs by performing tasks of regional relevance and fostering coordination between the TSOs. The Electricity Regulation also provides for the creation of an EU DSO entity, allowing the DSOs to coordinate, among other things, network planning, grid codes, the integration of renewables and demand-response, and digitalisation.

- The (recast) Regulation (EU) 2019/942, as amended (the "**ACER Regulation**") establishes a European Union Agency for the Cooperation of Energy Regulators ("**ACER**"), the purpose of

which is to assist the national regulatory authorities in exercising, at EU level, the regulatory tasks performed in the Member States and, where necessary, to coordinate their actions and to mediate and settle disagreements between them. ACER also contributes to the establishment of high-quality common regulatory and supervisory practices, thus contributing to the consistent, efficient and effective application of EU law in order to achieve the EU's climate and energy goals.

- Regulation (EU) 2019/941 on risk-preparedness in the electricity sector (the "**Risk-Preparedness Regulation**") aims at enhancing the cooperation between Member States with a view to preventing, preparing for and managing electricity crises and security of supply concerns in a spirit of solidarity and transparency and in full regard for the requirements of a competitive internal market for electricity. To that end, the Risk-Preparedness Regulation sets out methodologies to (i) assess security of supply; (ii) identify crisis scenarios in the Member States and on a regional level; (iii) conduct short-term adequacy assessments; and (iv) establish risk-preparedness plans and manage crises, including ex-post evaluation and monitoring.

- The (recast) Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources, as amended (the "**RES Directive**") establishes common principles and rules to remove barriers, stimulate investments and drive cost reductions in renewable energy technologies, and empowers citizens, consumers and businesses to participate in the clean energy transformation. At the heart of the RES Directive is the EU-wide objective of achieving a minimum RES share in the EU's gross final energy consumption by 2030. Member States can set their own individual targets towards achieving the EU-wide target. These targets have been increased as part of a recently approved revision of the RES Directive (Directive (EU) 2023/2413), published on 31 October 2023 as part of the Fit for 55 package (see Section "*Green Deal, Fit for 55 package and Recovery and Resilience Facility*" below). Notably the headline target for 2030 has been raised to a share of renewables reaching 42.5 per cent. of the EU's final energy consumption.

  To achieve these general objectives, the (revised) RES Directive sets out detailed rules, amongst other things, on RES support schemes, permitting, guarantees of origin, grid connection (including priority grid access for smaller installations, demonstration projects and renewable gas, but no longer applying to RES in a general way), renewable self-consumption and energy communities, and district heating and cooling.

- The Directive 2012/27/EU on energy efficiency, as amended including by Directive (EU) 2018/2002 and Directive (EU) 2018/844 (the "**EE Directive**"), lays out a common framework of measures for the promotion of energy efficiency within the EU in order to ensure the EU's 2020 and 2030 headline targets regarding energy efficiency could be met, and paves the way for further energy efficiency improvements beyond those dates. These targets have been updated under the recently approved recast of the EE Directive (Directive (EU) 2023/1791), published on 20 September 2023 as part of the Fit for 55 package, which will replace the current EE Directive with effect as from 12 October 2025 (see Section "*Green Deal, Fit for 55 package and Recovery and Resilience Facility*" below). Notably, the

headline energy savings target has been increased to a reduction of 11.7 per cent. in energy use by 2030 compared to the 2020 baseline scenario.

To achieve its objectives, the (recast) EE Directive introduces an "energy efficiency first" principle, next to strengthened rules designed to remove barriers in the energy market and overcome market failures that impede efficiency in the supply and use of energy. Member States must set indicative national energy savings targets for final energy consumption. Member States must also ensure that the total final energy consumption of all public bodies combined is reduced by at least 1.9 per cent. each year, when compared to 2021. The (recast) EE Directive also contains rules on extended consumer rights, including on smart metering, access to billing and consumption information.

The (recast) Directive 2010/31/EU on the energy performance of buildings, as amended including by Directive (EU) 2018/844 (the "**EPB Directive**"), supplements the EE Directive particularly for the real estate and construction sector (appreciating the fact that the biggest energy efficiency gains can be achieved from buildings). The (recast) EPB Directive covers topics including, amongst other things, renovation targets, energy performance certificates ("**EPCs**"), inspection, monitoring and control of energy use and the deployment of electrical vehicle ("**EV**") (re)charging points in buildings. The targets set under the (recast) EPB Directive were updated through another recast of the EPB Directive proposed in December 2021. The latest adopted recast EPB Directive (Directive (EU) 2024/1275) was published on 8 May 2024.

Amongst other things, the recast requires all new buildings to be zero-emission as at 2030 and all new buildings occupied or owned by public authorities by 2028, taking into account their lifecycle global warming potential. For residential buildings, Member States will have to put in place measures to ensure a reduction in average primary energy use of at least 16 per cent. by 2030 and at least 20 to 22 per cent. by 2035.

- The Regulation (EU) 2018/1999 on the governance of the Energy Union and Climate Action, as amended (the "**Governance Regulation**") establishes a governance mechanism to:

  (i) implement strategies and measures designed to meet the objectives and targets of the Energy Union and the long-term EU greenhouse gas emissions commitments consistent with the Paris Climate Agreement, for the first ten-year period, from 2021 to 2030, covering in particular the EU's 2030 targets for energy and climate;

  (ii) stimulate cooperation between Member States, including, where appropriate, at regional level, designed to achieve the objectives and targets of the Energy Union;

  (iii) ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of reporting by the EU and its Member States to the UNFCCC and Paris Climate Agreement secretariat; and

  (iv) contribute to greater regulatory certainty as well as contribute to greater investor certainty and help take full

advantage of opportunities for economic development, investment stimulation, job creation and social cohesion.

To achieve those objectives, the Governance Regulation, which covers the five dimensions of the Energy Union (*i.e.* decarbonisation, internal energy market, energy efficiency, energy security, research, innovation and competitiveness) introduces a new instrument in the form of the national energy and climate plans ("**NECPs**"). In practice, Member States had to submit their first NECPs by the end of 2019. Member States were then expected to submit draft updated NECPs for the 2021-2030 period by 30 June 2023 and were required to send in the final update of their NECPs to the Commission by 30 June 2024, also to reflect the new ambitions emanating from the Climate Law and the Fit for 55 package (see below).

The Governance Regulation is currently undergoing an evaluation process requiring the Commission to report to the European Parliament and to the Council on the functioning of the Governance Regulation (including its contribution to the governance of the Energy Union and to the long-term goals of the Paris Climate Agreement), within six months of each "global stocktake" under the Paris Climate Agreement. The first such global stocktake has taken place at the COP28 meeting (between 30 November 2023 and 12 December 2023). New legislative proposals may accompany the evaluation report of the Commission. Since the adoption of the Governance Regulation back in 2018, numerous evolutions and changes have swept the political and geopolitical context such as (amongst other things) Russia's war on Ukraine. Also, amongst other things, the release of the Green Deal and all related initiatives and legislation since 2019 entail implications for the governance of the Energy Union and of the EU's climate policy.

(iii) Green Deal, Fit for 55 package and Recovery and Resilience Facility

The European Union's vision to increase its climate ambitions in line with the Paris Climate Agreement was presented by the European Commission in its Green Deal[19] in December 2019. The Green Deal was presented as the new growth strategy for the EU and is regarded as laying "*down the blueprint for the transformational change*"[20] needed by the EU to meet its climate ambitions and become "*the first climate neutral continent by 2050*"[21].

In order to give teeth to the Green Deal, an EU Climate Law (the "**Climate Law**")[22], was adopted in June 2021. It imposes binding obligations both to the EU and the Member States and provides an overall framework for the EU's contribution to the Paris Climate Agreement. Amongst others, the Climate Law (i) sets out a binding objective of climate neutrality in the EU by 2050, (ii) sets out a binding intermediary target of a reduction of net greenhouse gas emissions by at least 55 per cent. compared to 1990 by 2030 and (iii) a second intermediary target still to be set for 2040.

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19 European Commission, Communication from the Commission, "The European Green Deal", Brussels 11.12.2019, COM (2019) 640 final.

20 European Commission, Communication, "Fit for 55 : delivering the EU's 2030 Climate Target on the way to climate neutrality", COM(2021) 550 final, Brussels. 14.07.2021, p. 1.

21 European Commission, European Green Deal: Commission proposes transformation of EU Economy and society to meet climate ambitions, Press Release, Brussels. 14th July 2021.

22 Regulation 2021/1119 establishing the framework for achieving climate neutrality and amending Regulations (EC) N°401/2009 and (EU) 2018/1999 ("European Climate Law"), OJ L 243/1, 9.7.2021

Taking stock of the Green Deal, and the legally binding targets put forward in the Climate Law, in July 2021, the Commission published the first part of its so-called "Fit for 55" package" to reduce greenhouse gas emissions by at least 55 per cent. compared to 1990 by 2030 (*i.e.* the intermediary target set in the Climate Law and confirmed by the European Council in December 2020). The package consists of a set of interlinked proposals, to support a "*fair, competitive and green transition*"[23]. This extensive package, which was complemented by a second series of legislative proposals in December 2021, entails the revision (in the form of amendments and recasts) of a wide array of existing energy and climate related legislations, as well as proposals for new pieces of legislation with relevance to the power markets and the Group.

Without being exhaustive, the package notably entails revisions of the RES Directive, the EE Directive, the EPB Directive, the Effort Sharing Regulation (EU) 2018/842 ("**ES Regulation**"), the EU Emission Trading System Directive 2003/87/EC ("**EU ETS Directive**"), the Energy Taxation Directive 2003/96/EC ("**Energy Taxation Directive**"), as well as of the current Gas Directive 2009/73/EC and Gas Regulation (EC) 715/2009. It also introduces a proposal for a carbon border adjustment mechanism ("**CBAM**") through a newly adopted Regulation (EU) 2023/956 ("**CBAM Regulation**") and repealed the Alternative Fuels Infrastructure Directive 2014/94, replacing it by the Alternative Fuels Infrastructure Regulation 2023/1804 ("**AFI Regulation**").

Further changes were proposed and folded into the same legislative process in the context of the REPowerEU plan, which builds on the Green Deal, the Climate Law and the Fit for 55 package in order to address both high energy prices and the dependence on Russian fossil fuels. The plan focused on the diversification of Europe's energy supplies, energy saving measures and increasing clean power.

As regards the Fit for 55 proposals published in July 2021 all final texts have now been agreed and most of them have been published and entered into force. The proposal for a revision of the Energy Taxation Directive has however not yet been agreed as it remains subject to much political debate.

As regards the additional Fit for 55 proposals published in December 2021, including the recast EPB Directive, the Hydrogen and Gas Decarbonisation package (revising the Gas Directive and Gas Regulation, including new rules on hydrogen) and a proposal for a Regulation on methane emissions reduction in the energy sector, the current status is as following: (i) The recast EPB Directive (EU) 2024/1275 was published on 8 May 2024, (ii) the Regulation (EU) 2024/1787 methane emissions reduction in the energy sector was published on 15 July 2024, and (iii the Hydrogen and Gas Decarbonisation package, consisting of Directive (EU) 2024/1788 and Regulation (EU) 2024/1789, was also published on 15 July 2024.

The aim of the Recovery and Resilience Facility ("**RRF**") is to mitigate the economic and social impact of the coronavirus pandemic and make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions. The RRF is a temporary recovery instrument. It allows the Commission to raise funds on the debt capital markets (by issuing bonds on behalf of the EU) to help Member States implement reforms and investments that are in line with the EU's priorities and that

[23] European Commission, Communication from the Commission: "Fit for 55": delivering the EU's 2030 Climate Target on the way to climate neutrality", 14.07.2021, COM(2021) 550 final, p.3.

address the challenges identified in country-specific recommendations under the European Semester framework of economic and social policy coordination. It coexists with other EU funding instruments (such as the Innovation Fund, which is funded through the sale of ETS allowances).

The RRF helps the EU achieve its target of climate neutrality by 2050 and sets Europe on a path of digital transition, creating jobs and spurring growth in the process. The reforms and investments in Belgium's Recovery and Resilience Plan (RRP), to which RRF funds will be allocated, aim for Belgium to become more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions. To this end, the plan consists of 105 investments and 35 reforms. They will be supported by EUR 5.9 billion in grants, out of which EUR 100 million is allocated to the construction of an artificial energy island in the North Sea (the Princess Elisabeth Island) to integrate offshore wind and further international interconnections (see below).

(iv) Green Deal Industrial Plan and Electricity Market Design Reform

As part of its Green Deal Industrial Plan[24], the European Commission on 14 March 2023 published a proposal[25] to reform the EU's power market (the "**Electricity Market Design Reform**" or "**EMDR**"), which chiefly consists of targeted amendments to the Electricity Regulation (EU) 2019/943 and the Electricity Directive (EU) 2019/944. The resulting amending Regulation (EU) 2024/1747 and amending Directive (EU) 2024/1711 were adopted on 21 May 2024 and entered into force on 16 July 2024. The EMDR aims amongst other things at accelerating a surge in renewables (and accommodating grid access for increasing volumes of electricity from intermittent sources) and the phase-out of gas, making consumer bills less dependent on volatile fossil fuel prices, better protecting consumers and stabilising energy prices by providing more predictable long-term price signals. It also seeks to empower consumers and suppliers to participate more actively in the power and balancing markets, among other things through demand-response and storage solutions.

Corporate off-takers and renewable and low-carbon power producers will be able to achieve price stability and predictability either through (corporate) power purchase agreements, which may be backed by market-based credit support guarantees, for projects that are privately funded, or two-way contracts for difference ("**CfDs**"), for projects that receive public funding in the form of direct price support. The latter system offers producers a revenue guarantee, while on the other hand allowing governments to skim and redistribute windfall profits to final consumers. Two-way CfDs (or equivalent schemes with the same effect) is now the only possible public support mechanism for infra-marginal technologies (*i.e.* wind, solar, geothermal, hydropower without reservoir and nuclear) going forward, and shall apply to contracts under direct price support schemes for investments in new generation concluded on or after 17 July 2027, or, in the case of offshore hybrid assets projects connected to two or more bidding zones, 17 July 2029. Revenues above the strike price (increased by a margin) will be redistributed to final consumers, although Member States retain flexibility as to how that should occur.

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[24] Next to the proposed EMDR, the Green Deal Industrial Plan includes proposals for a Net-Zero Industry Act (NZIA), a Critical Raw Materials Act (CRMA) and a state aid Temporary Crisis and Transition Framework.

[25] Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2019/943 and (EU) 2019/942 as well as Directives (EU) 2018/2001 and (EU) 2019/944 to improve the Union's electricity market design, COM(2023) 148 final, 14.03.2023.

Forward contracts are enhanced as another way to achieve price stability by allowing producers to hedge against future price fluctuations. To enable this, TSOs shall issue long-term transmission rights (LTTRs) or have equivalent measures in place. In the meantime, by 17 January 2026, the European Commission will carry out an assessment of the impact of possible measures, covering amongst others possible changes to the frequency allocation of LTTRs, in maturities of LTTRs (in particular maturities extended up to three years), to the nature of LTTRs; as well as ways to strengthen the secondary market and the possible introduction of regional virtual hubs for the forward market. Based on this assessment, by 17 July 2026, the European Commission is expected to adopt an implementing act to further specify those measures and tools. Depending on the outcome, this may impact the Group's operations and the congestion revenues collected by the Group when allocating cross-border/zonal transmission capacity.

Linked to the above point, congestion revenue can also be allocated – depending on regulatory decision – for compensating offshore renewable electricity generation plant operators in an offshore bidding zone directly connected to two or more bidding zones, in case access to interconnected markets has been reduced (this is the so-called "Transmission Access Guarantee", or TAG). This will apply when, in validated capacity calculation results, one or more TSOs either have not made available the capacity agreed in connection agreements on the interconnector, or have not made available capacity on the critical network elements pursuant capacity calculation rules laid down in Electricity Regulation's Article 16(8), or both. Details of the compensation mechanisms and the methodology for its implementation will be further elaborated in an implementing act including, where relevant, through amendments to Commission Regulation (EU) 2015/1222.

Tariff methodologies for TSOs and DSOs are updated, amongst other things by recognising and incentivising not only capital expenditures (CAPEX) but also operational expenditures (OPEX), as well as anticipatory investments (thus supporting a grid-leading approach to enable seamless connection of intermittent renewables and increased demand for electricity).

On the other hand, the proposal supports **consumer empowerment** by allowing the use by TSOs and DSOs of data from dedicated metering devices (sub-meters and embedded meters) for observability and settlement of flexibility services provided amongst other things by demand response and energy storage; and by enshrining the right of consumers to have multiple energy supply contracts in place (allowing for so-called "peak shaving").

To improve the EU's responsiveness in the face of a future energy crisis, such a crisis can be declared, based on a set of criteria linked to wholesale and retail electricity prices reaching certain thresholds. Following such a declaration, Member States' national governments will be able to take temporary measures, including setting price caps for SMEs and energy-intensive industrial consumers.

Accompanying the EMDR proposal, the Commission also proposed a revision[26] of Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency ("**REMIT**") with the aim of ensuring competitive markets and transparent price setting by providing ACER and national regulators with an enhanced ability to monitor energy market integrity and transparency. The resulting amending Regulation (EU) 2024/1106 was adopted on 11 April 2024 and entered into force on 7 May 2024. The revised REMIT proposal amongst other things strengthens the role of ACER (alongside national regulators) in investigations of potential market abuse cases of cross-border nature, and allows Member States more flexibility in setting administrative fines. It also includes limited updates to the ACER Regulation for the sake of coherence with the REMIT revision.

(v) The Clean Industrial Deal and related initiatives by the European Commission

On 26 February 2025, the European Commission published a Communication entitled "The Clean Industrial Deal: a joint roadmap for competitiveness and decarbonisation" ("**CID**"). The CID is a non-legislative initiative that outlines the Commission's roadmap to enhance competitiveness and accelerate the decarbonisation of industry in Europe, with the focus on energy-intensive i'ndustries and the clean-tech sector. As part of the Action Plan for Affordable Energy, also published on the same date, the European Commission will put forward a European Grid Package (timing Q1 2026) to simplify Trans-European Networks for Energy to ensure cross-border integrated planning and delivery of project, especially on interconnectors, streamline permitting, enhance distribution grid planning.

9.2.3 Regulation on cross-border exchanges and on trans-European infrastructure

Cross-border exchanges in electricity

The Electricity Regulation determines conditions for access to the network for cross-border exchanges in electricity. It provides rules applicable to cross-border capacity allocation methods and to the establishment of a compensation mechanism for cross-border flows of electricity. It also provides the basic principles applicable to setting cross-border transmission charges. These charges must be transparent, take into account the need for network security, reflect actual, not unreasonable costs, be applied in a non-discriminatory manner and not be distance related. Furthermore, any revenues resulting from the allocation of capacity must be taken into account by regulatory bodies when setting the transmission tariffs. The principles on cross-border exchanges set out in the Electricity Regulation have been further developed in the European grid codes (see Section "*Grid codes*" below).

Trans-European infrastructure

Regulation (EU) 2022/869 on guidelines for trans-European energy infrastructure ("**TEN-E Regulation**") determines the structure and process to establish lists of projects of common interest ("**PCIs**") developed by project promoters. The selection is done based on a number of factors, including an energy system-wide cost-benefit analysis. The selected projects receive priority treatment in the permit-granting process and specific treatment for cost allocations and may receive incentives and European subsidies under the Connecting Europe Facility ("**CEF**").

Among the key elements of the new TEN-E Regulation (which replaced the old one from 2013) are:

[26] Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) No 1227/2011 and (EU) 2019/942 to improve the Union's protection against market manipulation in the wholesale energy market, COM(2023) 147 final, 14.3.2023

(i) strengthened cross-border cooperation in offshore infrastructure developments, smart electricity grids and hydrogen;

(ii) a mandatory sustainability assessment for all eligible projects; and

(iii) new provisions for projects of mutual interest ("**PMIs**") connecting the EU with third countries, in the interest of security of supply.

ETB has already received the label of PCI for many of its cross-border projects in the past. In the most recent list of the European commission (dated 28 November 2023) the projects of Triton-Link, Nautilus, Brabo II & III, Bornholm Energy Island and Lonny-Achène-Gramme are identified as PCI or PMI.

9.2.4 Grid codes

A grid code contains the rules governing the connection and access to the electricity network, the provision of ancillary services by the network users (generators, distributors, suppliers and end consumers directly connected to the network) and their respective rights and duties, as well as the rights and duties of the TSOs. There are seven national grid codes in Belgium (one federal and six regional), four of which apply to ETB[27]. All codes deal with similar issues, mostly technical, but apply to different networks: they establish, among other matters, the procedure for the connection of a user to the network, the rights and duties of each network user, the parties' balancing obligations, the procedure for measuring the volume of electricity transmitted and emergency procedures in the event of an incident or an anticipated blackout. In Germany, for the same purpose, four laws and six regulations are relevant to 50Hertz.

At European level, the Electricity Regulation sets out the areas in which European grid codes have been and are being developed. These codes are developed by ENTSO-E in cooperation with ACER and are submitted to the European Commission to go through comitology and receive legislative force as Commission Delegated Regulations. The EU DSO entity contributes to the development of network codes which are relevant for the distribution systems and the DSOs. The European Commission can also approve grid codes in its own right, in certain areas. The European grid codes are sets of rules that apply to one or more parts of the energy sector. To date, eight European grid codes and guidelines have entered into force: "Capacity Allocation and Congestion Management", "Requirements for Generators", "Demand Connection", "HVDC", "Forward Capacity allocation", "Emergency and Restoration", "Electricity Balancing" and "System Operations". A ninth network code on "Cybersecurity" or Commission Delegated Regulation (EU) 2024/1366 was adopted by the European Commission on 11 March 2024, entered into force on 13 June 2024 and will be progressively implemented.

The website of ENTSO-E gives a status update of the development and implementation of all the European network codes: https://www.entsoe.eu/major-projects/network-code-development/updates-milestones/Pages/default.aspx[28].

Following the entry into force of the European grid codes and guidelines, the Belgian federal and regional grid codes applicable to ETB have been and are being updated to ensure the consistency of the various sets of rules. Nonetheless, the development of European grid codes and guidelines remains without prejudice to the rights of EU Member States to establish and maintain national grid codes, to the extent their content does not adversely interfere with the cross-border trade of electricity. Similar principles apply under the German legislation and to 50Hertz which also has to respect these grid codes.

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[27] Note that the previously existing Federal Grid Code has been split into the new Code of Conduct established by the CREG, and the remaining provisions of the Royal Decree of 22 April 2019 containing the technical regulations for the operation of the transmission system and access to it (the Technical Regulations) – see Section "*General overview*" below.

[28] See: ACER's Process on the grid connection NCs amendment. The information on this website is not incorporated in, and does not form part of, this Prospectus.

9.3 The Belgian regulatory framework

9.3.1 General overview

The Belgian electricity market is regulated both at federal and regional level, in accordance with the division of competencies as detailed in the Special Law of 8 August 1980 on the reform of the institutions.

The Third Energy Package has been transposed into law through amendments of the Electricity Law at the federal level, and of the regional legislation in place at the Flemish, Brussels-Capital and Walloon levels, each within their respective areas of competence. Following a judgement of the Court of Justice of the European Union ("**CJEU**") of 3 December 2020 in an infringement procedure brought against the Belgian State, the federal Electricity Law was amended on 21 July 2021 to bring it in line with Directive 2009/72/EC as to the designation of the TSO, the powers of the CREG to approve the terms and conditions for the access and connection to the grid and for ancillary services and to impose penalties (see below regarding the CREG's newly adopted Code of Conduct). Subject to completing the split of the Federal Grid Code as set out below, the implementation into Belgian law of the European grid codes (see Section "*Grid codes*" above) has been mostly completed. The Clean Energy Package has for the most part been transposed into Belgian law at the federal level and in all three Regions. Recent EU law changes (as resulting amongst others from the Fit for 55 package and the EMDR) will need to be transposed in due course. The amending Directive (EU) 2024/1711 was adopted on 21 May 2024, entered into force on 16 July 2024 and had to be transposed by Member States into law by 17 January 2025 (apart from the articles related to the freedom to have more than one electricity supply contract or energy sharing agreement at the same time and related to energy sharing, for which the transposition deadline is 17 July 2026). As at the date of this Prospectus, most of the Member States, including Belgium, have not yet formally adopted national transposition measures in this respect.

With respect to the transmission grid and the local/regional transmission grids operated and owned by ETB (and Elia Asset), cost control and tariff matters are the responsibility of the federal State for the entire grid, whereas technical, operational and organisational (including unbundling) matters regarding access and connection to the grid fall under the responsibility of the Regions for voltages equal to or below 70kV (local and regional transmission systems) and of the federal State for voltages above 70kV (the national transmission system). The three Regions are also responsible for low- and medium-voltage public distribution networks (including distribution tariffs).

At federal level, the Electricity Law forms the overall basis of and contains the main principles of the legal framework applicable to ETB, including unbundling and the transmission tariffs. In addition, the Belgian federal government has enacted several royal decrees governing, amongst others, aspects of the generation of electricity, the technical operation of the transmission network and appointment, rights and obligations of the TSO (including the Royal Decree of 22 April 2019 containing technical regulations for the operation of the transmission system and access to it, as amended, the "**Technical Regulations**"), public service obligations and accounting requirements with respect to the transmission network and market monitoring and supervision by the CREG. Pursuant to the aforementioned law of 21 July 2021 amending the Electricity Law, the CREG has been given the competence, with effect as from 1 September 2022, to establish a code of conduct setting out, amongst other things, the conditions for (i) on a proposal of the TSO, the connection and access to the transmission system; (ii) the provision of ancillary services; and (iii) the access to cross-border infrastructure, including the capacity allocation and congestion management (CACM) procedures (in accordance with the European CACM grid code). On 20 October 2022, with effect from the date of publication on its website, the CREG approved its electricity code of conduct (the "**Code of Conduct**"). While the Code of Conduct has meanwhile entered into force, the Technical Regulations have yet to be updated to reflect the split (likely resulting in the repeal of most chapters of the Technical Regulations, where they now overlap with the scope of the new Code of Conduct). The CREG has indicated that further consistency changes the

scope of the new Code of Conduct may follow the amendment of the Technical Regulations in order to finalise the split. The chapter of the Code of Conduct related to the connection to the transmission grid is currently being reviewed. The Technical Regulations (as amended) and the Code of Conduct are together referred to as the "**Federal Grid Code**".

The Electricity Law entrusts the operation of the national extra-high and high-voltage electricity network to one single TSO, to be designated by the federal Minister for Energy for a renewable period of 20 years, upon the proposal of the historical network owners. According to the Electricity Law, the federal Minister for Energy designates the single national transmission system operator the undertaking that (i) satisfies all applicable legal requirements, (ii) is certified as ownership unbundled, (iii) directly or indirectly, has full possession or ownership of the transmission system assets concerned and which form part of or coincide with the transmission system situated within the national territory. These conditions are currently satisfied by ETB, whose federal TSO designation was renewed for 20 years as at 31 December 2019 (see above).

Besides these considerations and the transposition of EU law, the Electricity Law has been amended several times, among others to create subsequent capacity mechanisms to better incentivise the participation of demand-side response to balancing and ancillary services, to adapt the support and connection mechanisms for the development of offshore wind farms and to create domain concessions for offshore transmission and storage installations, and to cover the cost of public service obligations.

A CRM has been introduced to guarantee the country's security of supply beyond 2025. With a decision of 18 March 2022 and following an agreement reached between the federal government and the operator of the nuclear power plants in Belgium ENGIE Electrabel in June 2023, the federal Council of Ministers decided that the two most recent nuclear units (Doel 4 and Tihange 3) can remain operational after 2025. Nonetheless, by the same decision, the government reconfirmed the need for additional capacity auctions through the CRM (including to bridge any capacity gaps during upgrade and maintenance of the extended nuclear units between 2025 and 2028).

The CRM has been introduced into the Electricity Act by a Law of 22 April 2019, as amended. Under that framework, several providers of capacity (consisting of both existing and new capacity, and of generation as well as demand-response and storage equipment), which have been prequalified and selected in a competitive auction, have entered into a capacity contract with ETB, under which they are remunerated for making that capacity available as and when called upon within the agreed timeframe. Following a recent law change, for future auctions, foreign indirect capacity providers can offer a price in a pre-auction taking place prior to the prequalification procedure. All capacity providers, subject to limited exceptions for demand-response that can be provided for by royal decree, have a payback obligation for the positive difference between the reference price (fixed on the basis of projections about the future market price for electricity) and a strike price (based on the offer of the capacity provider), and are penalised in case they are proven not to be available (both pre-emptively and at the time of the obligation).

The first Y-4 auction held in October 2021 resulted in 4,447.70 MW of capacity contracted for delivery year 2025-2026, part of which the necessary permits to build and operate such capacity had not been obtained. An additional Y-1 auction has taken place in 2024 to fill the gaps (e.g. because certain capacity that received a contract in the Y-4 auction does not get built on time, and to allow smaller capacity providers to participate, including with other technologies such as large-scale storage and demand-response).

On 28 February 2022, the Electricity Act was again amended to allow a re-run of the auction to replace capacities that were awarded a capacity contract in the initial auction of October 2021 and which could not obtain the relevant (final) permits to

build and operate the relevant capacity by 15 March 2022. This has led to the early termination of the capacity contract for the additional capacity of a proposed project in Vilvoorde and the instruction to launch the rerun. The result of the rerun was published on 13 April 2022 and resulted in a capacity contract being awarded to a project in Seraing to replace the one in Vilvoorde.

As per Ministerial Decrees of 30 March 2022 and 30 March 2023, Elia received instructions to organise the Y-4 auction for the delivery periods starting on 1 November 2026 and 1 November 2027 respectively. The results of those auctions are published on ETB's website. Furthermore, at the end of March 2024, Elia was notified of an instruction for the Y-4 auction (for delivery starting on 1 November 2028) and the Y-1 auction (for the delivery starting on 1 November 2025). It is worth noting that the 2024 Y-1 was also the first in which indirect foreign capacity was allowed to participate. The results of these auctions have also been published on the Company's website.

ETB monitors the status of the capacity during each pre-delivery period and applies financial penalties, so as to have the committed units available during each relevant delivery period. Each year, an additional Y-1 auction is organised to contract existing capacities or new capacities for the next delivery year (*i.e.* 2026, 2027 etc.). The volume for the auctions is set by the federal Energy Minister based on an adequacy assessment carried out by the Group, which takes into account the prolongation of two nuclear power units, and a proposal from the CREG. The Electricity Law and the functioning rules have been amended to also allow Y-2 auctions. However, the organisation of the Y-2 auction has to be implemented in 2025.

To bridge any gaps in supply security until the start of the first delivery period under the CRM in November 2025, the law also provides the government (acting via Royal Decree) with a possibility to organise targeted auctions, whereby the procedure, parameters, criteria and capacity contract offered by the government are to be based as much as possible on those applying to the CRM.

All these developments are important steps towards avoiding power blackouts in Belgium.

At regional level, the Walloon Electricity Act was amended in 2012 and has subsequently been amended from time to time to transpose, amongst other things, the Third Energy Package and the (old) Energy Efficiency Directive 2012/27/EU (meanwhile replaced by the EE Directive) and most of the Clean Energy Package, to allow flexible access, to adapt the support level of certain types of renewables, to set up subsequent banking operations in 2015 ("*mise en reserve*") and in 2017 ("*temporisation*"), the latter having been extended in 2021, and a (albeit never implemented) refinancing and securitisation ("mobilisation") mechanism in 2019, all meant to limit the transmission tariffs and regional budget impact of the (re)purchase obligations for green and CHP certificates by ETB (see also risk factor "*Through its two TSOs, the Group is subject to certain trustee obligations which may negatively impact its working capital*").

In the context of the public service obligations, the Walloon Electricity Act in 2019 has introduced a more structural and final solution to address the imbalance in the certificates market, and to avoid the cost for the Walloon region and the consumers from rising too high. This new regime, which has not however been implemented to date, would enable a refinancing and securitisation ("mobilisation") of ETB's historic green certificates debt (resulting both from the initial purchase and from the subsequent repurchase obligations under the consecutive banking regimes). In the same context, in 2021, the exemption of the green certificate levies was regularised and the second banking mechanism ("t*emporisation*") has been extended (applying now to certificates bought by ETB until the end of 2024), with a possibility for the Walloon Government to order new banking operations on a quarterly basis (as opposed to annually before). The Walloon Electricity Act has also partially transposed the RED Directive with the creation of the concept of renewable energy communities.

Other amendments concern the organisation of the Walloon Commission for Energy (*Commission wallonne pour l'Energie*) ("**CWaPE**") and residential consumers.

The Flemish Energy Act of 8 May 2009 (the "**Flemish Energy Act**") was amended in 2012 and has subsequently been amended from time to time to transpose, among other things, the Third Energy Package, the (old) Energy Efficiency Directive 2012/27/EU (meanwhile replaced by the EE Directive) and most of the Clean Energy Package. It has been further amended, to introduce an objective liability regime in case of power interruption and power quality problems, to introduce a proper right of way regime for installing and operating electrical installations, to amend the process for adopting the technical regulations, to modify the support levels and mechanisms for renewables and combined heat-power (CHP), and to modify the role and supervising powers of the Flemish regulator VREG and the Flemish Energy and Climate Agency (part of the Flemish administration). An Act of 14 July 2023 has amended the Energy Act, amongst other things, to have the possibility for the local transmission system operator and the TSO to develop other activities than the ones assigned to them under the Flemish Energy Act, the implementing Energy Decree and Regulation 2019/943, depend upon the assessment by the VREG of the necessity of these other activities to perform their obligations under the Flemish Energy Act, the implementing Energy Decree and the Regulation 2019/943 task and upon the subsequent authorisation by the Flemish Government[29]. Other amendments have been made to the Flemish Energy Act since 2019, amongst other things in relation to the green and CHP certificates, guarantees of origin and the roll-out of smart (digital) meters, alongside dispositions relating to corporate governance of the distribution and local transmission system operators (including ETB). In 2019, the Flemish Energy Act has also been aligned with the GDPR. A Flemish Act of 2 April 2021 (some articles of which are yet to enter into force) has partially transposed the RES Directive and the Electricity Directive for the energy communities, peer-to-peer trade and energy sharing. Many other smaller changes were made in the past couple of years, which are mainly of a more technical or institutional nature and/or which primarily concern distribution system operators and are therefore less relevant for ETB.

The Brussels ordinance of 19 July 2001, as amended (the "**Brussels Electricity Ordinance**") has been amended, among other things, to transpose the Third Energy Package and the (old) Energy Efficiency Directive 2012/27/EU and to extend the role and tasks of the Brussels regulator Brugel. Article 24ter, §2, first paragraph of the Brussels Electricity Ordinance which relates to the mandatory installation of smart meters, as that paragraph had been introduced by an Ordinance, of 23 July 2018, has been annulled by the Constitutional Court in its judgement No 162/2020 of 17 December 2020, insofar as it did not foresee in an adequate arrangement for electro-sensitive persons. Furthermore, an appendix 2 related to CHPs has been added to the Brussels Electricity Ordinance and the tax procedure for surcharges applicable to suppliers has been amended.

In addition to the fact that the scope of the grid was extended to the territorial waters of Belgium, Belgium opted for a fully ownership unbundled TSO regime under the Third Energy Package. The certification procedure as provided for under Directive 2009/72/EC (which remained unchanged under its successor Electricity Directive) has been fully transposed. The certification process of Elia Group first took place between March and December 2012. The CREG's final decision of 6 December 2012 confirmed that Elia Group complies with the full ownership unbundling rules. This positive decision was notified by the Belgian government to the European Commission and has been published in the Official Journal of the European Union.

Following the reorganisation in 2019, whereby ETB, as a wholly owned subsidiary of Elia Group, took over the Belgian transmission system operation activities, the certification of ETB as the new TSO was confirmed by the CREG in a decision of 27 December 2019, following which ETB was appointed as the national TSO by a Ministerial Decree of 13 January 2020, for a period of 20 years starting on 31 December 2019.

[29] The federal government has filed an annulment request against the Act of 14 July 2023 with the Constitutional Court.

9.3.2 Regulatory authorities in Belgium

The CREG is a public, independent body established at federal level in Belgium as the regulator for gas and electricity markets. The functions of the CREG include the supervision of the TSO and the monitoring of the application of (national and European) grid codes and public service obligations at federal level. These missions include the approval of the transmission tariffs and the control of accounts of certain undertakings involved in the electricity sector (including for the purpose of calculating the excess profit tax). More specifically, with regards to ETB, the CREG is competent, amongst other things, for:

- establishing the Code of Conduct;
- the approval of the terms and conditions of standard industry contracts used by ETB at federal level, the connection contract, the access contract and the T&Cs used for various system services, including balance responsible parties (BRPs), balancing service providers (BSPs), (reactive) voltage and restoration service providers (VSPs/RSPs) scheduling agents (SAs) and outage planning agents (OPAs), and the cooperation agreement with DSOs;
- the approval of the capacity calculation, capacity allocation and congestion management (CACM) methodologies for interconnection capacity at the borders of Belgium;
- the approval of the appointment of independent members of the Board of Directors;
- the approval of tariffs for connection and access to, and use of, ETB's network, as well as the approval of the imbalance tariffs applicable to the BRPs; and
- monitoring the compliance with the energy regulation at large, taking investigative measures and imposing administrative fines and sanctions in case of non-compliance.

The operation of electricity networks with voltages equal to or below 70kV (other than the transmission tariffs) falls within the jurisdiction of the respective regional regulators: the VREG for the Flemish Region, the CWaPE for the Walloon Region and the Brussels Commission for Energy ("*Bruxelles Gaz Electricité"* "B*russel Gas Elektriciteit"*, "**Brugel**") for the Brussels-Capital Region.

Their role includes the issuance of regional supply licenses, establishing grid codes for distribution and local/regional transmission grids (with a voltage level equal to or below 70kV), certification of cogeneration (CHP) facilities and facilities which generate renewable power, issuance and management of green power and CHP certificates and supervision of the respective local or regional TSO (*i.e.* in each case, ETB) and the DSOs. Each of them can require any operator (including ETB) to abide by any specific provision of the regional electricity rules under the threat of administrative fines and other sanctions. The regional regulators also have the authority with regard to distribution tariff setting for DSOs.

9.3.3 Public service obligations

Public authorities define public service obligations in various fields (promotion of renewables and the rational use of energy, social support, fees for use of roads, etc.) to be performed by network operators. Costs incurred by such operators in respect of those obligations are covered either by tariff surcharges applied at the level of the entity that has imposed the public service obligation or by a direct contribution made by that entity (see below).

ETB can ask the CREG annually to adapt tariffs to cover any gaps between expenses and tariff revenues caused by the performance of public service obligations (see below). To the extent that there would be a timing difference between the incurrence and the recovery of such costs, the costs would have to be pre-financed by ETB and, consequently, may negatively impact ETB's cash flow (see risk factor

"*Through its two TSOs, the Group is subject to certain trustee obligations which may negatively impact its working capital*").

The short-term liquidity risk is managed on a daily basis with the funding needs being fully covered through the availability of credit lines and a commercial paper programme. Other risk mitigation measures include being involved in the design of public service obligation mechanisms aiming to support the development of renewable energy. Once these mechanisms are in place, performing good forecasts on end-user consumption, RES infeed, market prices, the expected number of sales of green and CHP certificates at a guaranteed minimum price, as well as reporting and communicating issues to governments and regulators can contribute to mitigating the potential impact on ETB's cash position.

At the end of 2021, the Electricity Law was amended to the effect that the cost of the public service obligations relating to the CRM and the federal green certificates scheme incurred by the TSO are no longer covered by surcharges on the transmission tariffs, but directly by the federal State (financed through a specific excise duty on all taxpayers and its general budget). This reform has already been implemented. A convention signed by the federal government, the CREG and ETB sets out the process to be followed for the determination of the eligible costs recoverable through the levy, as well as the payment modalities.

The existing nine offshore wind parks have received support through green certificates issued for each MWh produced during a period ranging between 17 and 20 years, with an obligation on the TSO to purchase those certificates at a guaranteed minimum price. Recent royal decrees of 23 and 26 May 2023 brought changes to this system for the five most recent wind parks, requiring developers to repay the Belgian government part of the upside if the market price is substantially higher than a certain strike price. The future wind parks of the Princess Elisabeth Zone will be supported through the same type of two-way contracts for a 20-year period, in accordance with future EU law (see Section "*Green Deal Industrial Plan and Electricity Market Design Reform*"). Following several amendments to the Electricity Law (amongst others the law of 19 December 2023 and the law of 26 April 2024) a royal decree has been adopted on 3 June 2024 setting out the tender rules for the awarding procedures in relation to the Princess Elisabeth Zone. The tender for the first lot of the new offshore wind farm ('Kavel Prinses Elisabeth I' – 700 MW) has been officially launched on 25 November 2024. The bids have to be submitted ultimately by 24 August 2025 and the allocation of the first lot is expected to occur by 26 December 2025.

In accordance with the Electricity Law, all future offshore wind projects within the Princess Elisabeth Zone will be connected offshore to the Modular Offshore Grid operated by Elia, which will be expanded for this purpose ("**MOG II**"), and export cables will be drawn to bring the power to land. If MOG II is delayed or, once in operation, if it becomes unavailable, ETB will need to pay compensation to the wind project developers, similar to the compensation mechanism already in place with respect to the original Modular Offshore Grid (as from time to time amended). This compensation can be recovered through the transmission tariffs on certain conditions (see Section "*Tariff methodology applicable for the tariff period 2024-2027*" below)

In the Walloon region, the Government in 2017 introduced a second banking scheme, designed to alleviate pressure on ETB to increase the surcharge to be paid by consumers in the Walloon region (as a result of the TSO passing on the costs of its obligation to purchase "green certificates"). The second banking scheme foresees a phased purchase of such "green certificates" by the Walloon Governmental Agency for Climate and Air (AWAC), initially between 2017 and 2021, but this has been extended until 31 December 2024. These are also placed in reserve ("*temporisation*") for a maximum period of 9 years (or such shorter period as the Walloon Government may decide) and are being gradually released back into the market between 2022 and 2033 (on a quarterly basis, as and when ordered by the Walloon Government based on ETB's and the energy administration's predictions about the evolution of the certificates market). Unlike the first banking scheme, this temporisation scheme is funded out of the general budget of the Walloon Region, rather than through a

surcharge on the transmission tariffs. Each scheme is intended to delay the TSO's obligation to purchase "green certificates" by several years. Both schemes require administrative support of ETB and, ultimately, ETB may still be required to purchase a large amount of "green certificates" from the Walloon region.

As a more structural solution for this issue, in 2019 a new regime was introduced, enabling a refinancing and securitisation ("*mobilisation*") of Elia's historic green certificates debt (resulting both from the initial purchase and from the subsequent repurchase obligations under the consecutive banking regimes). In very broad terms, this scheme would allow ETB to refinance the cost of its purchase and repurchase obligations by creating a so-called "green energy claim (GEC)" against each of these (re)purchased certificates and selling those GECs to a financial counter party (the Company), financed by a long-term bond issued by the Company in the capital markets and backed by the future tariff revenues of ETB when the GECs become payable, thus allowing ETB (and the Walloon Government) to spread the surcharge associated with ETB's various (re)purchase obligations (and their effect on the consumers' power bills) over a longer period in time. This scheme has however not been implemented to date.

To the extent that: (i) the TSO is required to purchase a large amount of "green certificates"; and (ii) there is a delay in recovering the costs incurred in purchasing such "green certificates", the costs would have to be pre-financed by ETB and, consequently, there may be a negative impact on ETB's cash flow.

ETB does not provide any guarantees to third parties involved in these transactions.

9.3.4 General principles of tariff setting

The essential part of ETB's income and profits come from regulated tariffs charged for the use of the electricity transmission system.

Transmission tariffs are set pursuant to specific regulations and approved by the CREG, based on a methodology, which, in turn, is based on tariff guidelines set out in the Electricity Law. These tariff guidelines have been amended several times, amongst others, to incentivise demand-side response and storage and to increase the competitiveness of the electro-intensive industry, the efficiency of the market and the energy system (including energy efficiency).

Once approved, tariffs are published and are non-negotiable between individual network users and ETB. If the applicable tariffs are, however, no longer proportionate due to changed circumstances, the CREG may require ETB to, or ETB may at its own initiative, submit an updated tariff proposal for approval to the CREG.

The actual volumes of electricity transmitted may differ from the forecasted volumes. Deviations between real volumes of electricity transmitted and budgeted volumes and between effectively incurred costs/revenues and budgeted costs/revenues can result in a so-called "regulated debt" or a "regulated receivable", which is booked on an accrual account. This mechanism applies to all of the abovementioned key parameters for tariff-setting (*i.e.* fair remuneration, controllable elements, non-controllable elements, influenceable costs and other incentive components). The financial settlement of any such deviations is taken into account when setting the tariffs for the next period.

Such deviations are currently accounted for in the Group's consolidated accounts as a regulatory asset or liability, as the case may be. The IFRS standard setting body is currently working on the so-called "rate regulated activities" standard, defining new accounting principles, which may also lead to a change in presentation of different items affecting potentially the financial position (P&L) of the Group.

Regardless of deviations between forecasted parameters and actually incurred costs and revenues, the CREG takes the final decision as to whether the incurred costs and revenues are deemed reasonable, in order to be included in the tariff calculation. This decision can result in the acceptance or rejection of such costs or revenues. To

the extent that certain elements are rejected, the corresponding amounts will not be taken into account for the setting of tariffs for the next period.

9.3.5 Tariff methodology applicable for the tariff period 2024-2027

This section describes the tariff methodology that applied from 2024 to 2027. As foreseen by the Electricity Law, the CREG and ETB agreed in December 2021 on the formal process in relation to the organisation to the steps to be taken (i) to define the tariff methodology for the period 2024-2027 and (ii) to define the effective tariffs applicable for the tariff period 2024-2027.

The process relating to the definition of the tariff methodology for the period 2024-2027 was completed on 30 June 2022. On that date, the CREG published its tariff methodology for the period 2024-2027. Following a public consultation organised at the end of 2023, the tariff methodology for the period 2024-2027 was adopted by the decision of the CREG of 29 February 2024 in order to (i) reevaluate the remuneration with respect to the calculation of the fair margin and (ii) introduce a regulatory framework for the expansion of the Modular Offshore Grid ("**MOG II**") (see below).

The tariff methodology for the period 2024-2027 is very similar to the previous tariff methodology (2020-2023), but the parameters of the fair margin calculation and the incentive framework have been reviewed with one significant change: the risk free rate (OLO) used in the calculation of the fair margin is no longer fixed as in the period 2020-2023 – and as initially planned in the June 2022 decision – but has become floating.

The methodology is "service driven" (cost +) and is largely determined by a "fair remuneration" mechanism combined with certain "incentive components". The tariffs are based on budgeted costs reduced by non-tariff revenues and based on the estimated volumes of electricity transported through the grid. The different drivers for tariff setting are determined based on the following key parameters: (i) fair remuneration; (ii) "non-controllable elements" (costs and revenues not subject to an incentive mechanism); (iii) "controllable elements" (costs and revenues subject to an incentive mechanism); (iv) "influenceable costs" (costs and revenues subject to an incentive mechanism under specific conditions); (v) "incentive components"; and (vi) the settlement of deviations from budgeted sales volumes.

Fair remuneration

For the fair margin, the tariff methodology for the period 2024-2027 contains the following parameters:

- the OLO(n) or risk-free rate is floating with a floor set at 1.68 per cent.;
- a beta (β) factor set at 0.69; and
- a risk premium maintained at 3.5 per cent.

The formula which includes the risk-free rate, the beta (β) factor and the risk premium applies to the equity component applied to 40 per cent. of the RAB of the relevant year. Any equity above 40 per cent. threshold is remunerated at the risk-free rate plus 0.70 per cent.

Non-controllable elements

A number of costs are considered to be non-controllable by the tariff methodology. These include items such as depreciation of tangible fixed assets, ancillary services (except for the reservation costs of ancillary services excluding black start, which qualify as influenceable costs), costs related to line relocation imposed by a public authority, and taxes, partially compensated by revenues from non-tariff activities (for example cross-border congestion revenues). The costs related to seabed surveys and the repair of offshore installations are also considered non-controllable. Finally, the costs relating to the European integration (e.g. Coreso and JAO) are also non-controllable.

ETB is deemed to have very limited or no impact on these items. Accordingly, they can be covered by the transmission tariffs whatever the amount, as long as they are considered to be "reasonable". Under the previous tariff methodology, certain exceptional costs specific to offshore assets (e.g. the Modular Offshore Grid) have been added to the list of non-controllable costs (see above). This was maintained under the new methodology (relevant e.g. for MOG II). Non-controllable costs also include financing costs incurred in relation to indebtedness to which the so-called "embedded debt principle" is applied. As a consequence, all actual and reasonable financing costs related to debt issued by ETB are included in the tariffs.

Controllable elements

Controllable elements are costs that are considered by the tariff methodology to be under the ETB's control. The CREG pre-defines a yearly allowance for the period 2024-2027, taking inflation into account. The Company is incentivised to decrease these costs compared to the pre-defined allowance, meaning that they are subject to a sharing rule of productivity and efficiency improvements which may occur during the regulatory period. The sharing factor remains at 50 per cent. Therefore, ETB is encouraged to control its costs and revenue for those controllable elements.

The possible reduction of this pre-defined amount leads to an additional profit equivalent to 50 per cent. of the reduction. The remaining 50 per cent. is reflected in a reduction of future tariffs. Conversely, cost overruns are non-recoverable (and therefore at the expense of the ETB's shareholders) for 50 per cent. and covered by the (future) tariffs for the remaining 50 per cent.

Influenceable costs

The reservation costs for ancillary services, except for black-start and voltage control, and the costs of energy to compensate for grid losses are considered as influenceable costs, meaning that budget overruns or efficiency gains will create a negative or positive incentive, insofar as they are not caused by a certain list of external factors. 20 per cent. of the difference between a reference established for the period and the year Y (corrected by external factors) constitutes a profit (pre-tax) for ETB. The established reference includes a "natural" improvement factor of 10 per cent. every year making the saving more difficult to reach year after year. For each of the two categories of influenceable costs (power reserves and grid losses), the total annual amount of the incentive before taxes cannot be negative or exceed EUR 5,000,000 per year.

Other incentive components

- Market integration and continuity of supply: This incentive consists of three elements: (i) financial participations, (ii) increase of cross-border commercial exchange capacity and (iii) the timely commissioning of investment projects contributing to market integration. These incentives can contribute positively to the ETB's profit (EUR 0 to EUR 33.8 million for cross-border capacity (including a new incentive on the intra-day capacity optimisation), EUR 0 to EUR 8.4 million for timely commissioning). The profit (dividends and capital gains) resulting from financial participations in other companies, which the CREG has accepted as being part of the RAB, is allocated as follows: 60 per cent. is allocated to future tariff reductions and 40 per cent. is allocated to the ETB's profit (amounts are pre-tax).
- Network availability: The incentive for ETB consists of: (i) if the AIT reaching a target predefined by the CREG, ETB's profit (pre-tax) could be impacted positively with a maximum of EUR 8.8 million; (ii) in case that the availability of the Modular Offshore Grid is in line with the level set by the CREG, the incentive could contribute to ETB's profit from EUR 0 to EUR 4.2million; and (iii) ETB could benefit from EUR 0 to EUR 3.4 million in case that the predefined portfolio of maintain and redeploy investments is realised in time and on budget (amounts are pre-tax).

- Innovation and grants: The content and the remuneration of this incentive covers: (i) the realisation of innovative projects which could contribute to ETB's remuneration for EUR 0 to EUR 5.4 million (pre-tax); and (ii) the subsidies granted on innovative projects could impact ETB's profit with a maximum of EUR 0 to EUR 1 million (pre-tax).
- Quality of customer-related services: This incentive relates to three sub-incentives: (i) the level of client satisfaction related to the realisation of new grid connections which can generate a profit for ETB of EUR 0 to EUR 2.3 million; (ii) the level of client satisfaction for the full client base which would contribute with EUR 0 to EUR 4.2 million to ETB's profit; and (iii) the data quality that ETB publishes on a regular basis which can generate a remuneration for ETB of EUR 0 to EUR 8.4 million (amounts are pre-tax).
- Enhancement of system balancing mechanisms: ETB gets a reward if certain projects related to system balancing as defined by the CREG are realised. This incentive can generate a remuneration between EUR 0 and EUR 4.2 million (pre-tax).
- An incentive relating to the improvement of the energy efficiency of ETB's substations, amounting to a maximum of EUR 0.8 million.

Based on hypotheses of performance, the contribution of the incentive is estimated at a net remuneration of 1.3-1.4 per cent. to be applied to 40 per cent. of the RAB, as long as ETB succeeds in reaching a reasonable target of 65-70 per cent. of the maximum amount on average for all the incentives.

For the specific investments already made in MOG I, the CREG confirmed the regulatory framework as defined in the previous tariff methodology (see above). On 29 February 2024, following a public consultation, the CREG has proposed a regulatory framework for the expansion of the Modular Offshore Grid ("**MOG II**" or "Princess Elisabeth island"), which is similar to the regulatory framework for the MOG I infrastructure (see below).

The CREG has estimated the risk premium for MOG II at 1.4 per cent. (applicable to 40 per cent. of the MOG II Regulated Asset Base). For the island, the CREG proposes a depreciation period of 60 years. For MOG I and II, ETB expects that the risk premium will contribute around 0.2 per cent. to the regulatory return on equity of ETB depending on the capex profile for MOG II.

In the context of the tariff setting process for 2024-2027, a specific agreement has been reached between ETB and the CREG taking the current context on the financial markets into account, positively affecting the expected remuneration (see below).

Based on this agreement and the tariff methodology 2024-2027, ETB has submitted a tariff proposal for the same period on 12 May 2023. On 9 November 2023, the CREG approved ETB's updated tariff proposal for the period 2024-2027, which has been published together with a press release on 14 November 2024. On 30 November 2024, an additional decision was taken to approve tariffs for ETB's public service obligations, taxes and surcharges applicable from 1 January to 31 December 2024. The tariff agreement between ETB and the CREG included a commitment by the CREG to start the process for enacting an adaptation to the tariff methodology 2024-2027. The purpose of this is double:

- on one hand, to complete the methodology with a new additional remuneration mechanism linked with the evolution of the Belgian ten-year linear bond rate, as further described below; under "*Characteristics of the additional remuneration mechanism*"; and
- on the other hand, to formally integrate it into the MOG II parameters.

On 23 November 2023, the CREG initiated a public consultation. This public consultation was closed on 22 December 2023 and turned into a final tariff methodology for the period 2024-2027 which was published on 29 February 2024.

Characteristics of the additional remuneration mechanism

For each year of the new tariff period 2024-2027, the annual daily average of the Belgian ten-year linear bond rate ("OLO10Y") is determined. Depending on the OLO10Y, the fair margin will be determined based on a three-step, cumulative assessment:

- Step 1: as long as the OLO10Y falls within the range of 0 to 1.68 per cent., the fair margin remains fixed at 4.1 per cent., as initially outlined in the tariff methodology. This establishes the baseline, ensuring a minimum rate of return of 4.1 per cent.;
- Step 2: if the OLO10Y fluctuates between 1.68 per cent. and 2.87 per cent., the entire average equity will receive an additional compensation equal to the difference between the OLO10Y and 1.68 per cent. At the upper end of this range, this translates into an additional remuneration of 1.19 per cent.; and
- Step 3: if the rate surpasses 2.87 per cent., the entire average equity will benefit from the remuneration of step 1 & step 2, plus a contribution proportional to the difference between the OLO10Y and 2.87 per cent. Hereby, the CREG has decided to differentiate the remuneration between the old RAB and the new RAB. The old RAB, *i.e.* assets commissioned until and including 31 December 2021, will receive 50 per cent. of the difference, while the new RAB, *i.e.* assets commissioned on or after 1 January 2022, will receive the full 100 per cent. of the difference.

Based on the parameters as described in the tariff methodology for the period from 2024 to 2027, the average regulatory return on equity for that period is expected to be around 7.2 per cent., depending in part on the actual results, the evolution of the annual daily average of the 10-year Belgian linear bond rate (assuming a OLO10Y of 3.27 per cent. over the period 2024-2027), the performance in relation to the various incentives, the respective weight of the new and the old RAB and assuming a target equity/debt gearing ratio of 40/60. Where the assumptions in relation to any of such elements are not met, this can have an adverse impact on the expected average regulatory return on equity. This could in particular be the case if the OLO10Y were to fall (and be lower than 3.27 per cent. over a sustained period, which has been assumed for purposes of arriving at an expected average return of 7.2 per cent. for ETB). For 2024, ETB realised a regulatory RoE of 7.36 per cent. on its reference equity (40 per cent. RAB).

9.4 The German legal framework

9.4.1 The German legal framework

In order to understand the business of 50Hertz, which operates in a regulated environment, an overview of the applicable regulatory framework is provided below:

The German legal framework for electricity markets is laid down in various pieces of legislation. The key act is the EnWG, which defines the overall legal framework for the gas and electricity industry in Germany. The EnWG is supported by a number of laws, ordinances and regulatory decisions, which provide detailed rules on the current regime of incentive regulation, regulatory accounting methods and network access arrangements. In 2021 the Court of Justice of the European Union (CJEU) ruled *inter alia* that German legislation regarding the competences of BNetzA is not compliant with higher European Union law. With the aim to foster BNetzA's competences with regard to tariff setting and BNetzA's independence and impartiality the EnWG and central parts of subordinated regulations were respectively amended or in part terminated, including but not limited to the ordinances listed below. BNetzA is obliged to replace the terminated Ordinances by their own regulations and decisions in due time:

- The Ordinance on Electricity Network Tariffs (*Verordnung über die Entgelte für den Zugang zu Elektrizitätsversorgungsnetzen* (*Stromnetzentgeltverordnung* — "**StromNEV**")), which establishes, *inter alia*, principles (*Grundsätze*) and

methods for the network tariff calculations and further obligations of network operators (expiry date 31 December 2028);

- The Ordinance on Electricity Network Access (*Verordnung über den Zugang zu Elektrizitätsversorgungsnetzen* (*Stromnetzzugangsverordnung* — "**StromNZV**")), which, *inter alia*, sets out the further detail on how to grant access to the transmission systems grids (and other types of grids) by way of establishing the balancing account system (*Bilanzkreissystem*), scheduling of electricity deliveries, control power and further general obligations, e.g. capacity shortage (*Engpassmanagement*), publication obligations, metering, minimum requirements for various types of contracts and the duty of certain network operators to manage the balancing account system for renewable energy (expiry date 31 December 2025); and
- The Ordinance on Incentive Regulation (*Verordnung über die Anreizregulierung der Energieversorgungsnetze* (*Anreizregulierungsverordnung* – "**ARegV**"), which sets out the basic rules for incentive regulation of TSOs and other network operators (as further described below in "*Tariff Setting in Germany*"). It also describes in general terms how to benchmark efficiency, which costs enter the efficiency benchmarking, the method of determining inefficiency and how this translates into yearly targets for efficiency growth (expiry date 31 December 2028).

All TSOs in Germany with control area responsibility are subject to a number of obligations as a result of, *inter alia*, the following laws and ordinances (please note that the legal framework will be amended to implement the above mentioned CJEU ruling:

- *Network expansion obligations:* All German network operators are obliged to operate, maintain and, in line with demand, optimise and expand their network systems (Section 11 paragraph 1 EnWG). Based on this more general obligation, the German TSOs with control area responsibility are obliged to set up NEPs every two years in order to safeguard a coordinated development and the expansion of the German network systems. The NEP is subject to consultation and confirmation by the BNetzA. By confirmation of the NEP BNetzA confirms the network expansion projects included in the NEP. At least every four years, BNetzA provides the confirmed NEP to the Federal Government as draft for the federal demand plan (*Bundesbedarfsplan*) which is binding for the TSOs as to implementing the confirmed expansion measures as well as for the planning authorities as to the planning law and energy law related necessity of the measures. Further statutes, such as the Network Expansion Acceleration Act (*Netzausbaubeschleunigungsgesetz*) and Energy Line Expansion Act (*Energieleitungsausbaugesetz*), further promote the network expansion. The costs associated with such network expansion measures can be included in the network fee calculation.
- *EEG and Erneuerbare-Energien-Verordnung ("**EEV**") obligations*: To promote the use of renewable energy facilities, the former Renewable Energy Sources Act (2009) provided for a system of fixed tariffs for electricity generated from renewable sources which has been replaced for new facilities by so-called market premiums according to the current EEG that came into effect as at 1 January 2017. New wind, biomass and solar plants above a certain size will receive a bonus only if they have previously won in a tender procedure. The German TSOs with control area responsibility have to take off the energy generated by renewable energy facilities either connected directly to their network or being connected to DSOs who then pass the electricity on to the TSO level and pay such fixed tariffs or market premiums to the plant operators or reimburse prior DSO payments if the facility is connected to their network. Taking into account regional differences in the generation of renewable energy, the EEG provides in Section 58 EEG in conjunction with the newly created Energy Financing Act (EnFG) for a nationwide equalisation mechanism amongst the TSOs with control area responsibility for the costs associated with

this obligation. As a result, the four TSOs in Germany with control area responsibility share these costs amongst themselves based on an agreed mechanism, technical proceedings and necessary information exchange. After the costs resulting from the EEG were fully financed by the EEG surcharge collected by the TSOs until 2021, a federal subsidy was introduced in 2022, which covered part of the costs. Since 2023, the costs resulting from the EEG have been financed entirely by a grant from the Federal Republic of Germany. The conditions for the subsidy payment are regulated between the TSO and the Federal Republic of Germany in a public law contract (according to Sec. 9 EnFG). Under the EEV, the TSOs with control area responsibility must market the feed-in from renewable energy facilities that they have been supplied with on the day-ahead or intraday markets on the power exchange. The costs related to meeting the EEG obligations, including the associated costs of managing and financing them, are treated as pass-through costs. In cases when there is a difference between actual costs and actual revenues in a given year, the net costs are recovered in the following years.

- *Connection obligations in respect of power generation facilities*: The EnWG sets the general rules for connection of power generation facilities. According to these rules, the German TSOs with control area responsibility must connect power generation facilities to their network on technical and economic conditions that are appropriate, non-discriminatory, transparent, and no less favorable than the network operator would apply to itself or to affiliated companies. TSOs can refuse a connection if they can prove that the connection is not possible or unreasonable for operational, technical or economic reasons. The details of the procedures are laid down, *inter alia*, in the *Kraftwerks-Netzanschluss-Verordnung*.

- *Offshore Grid planning under the NEP Framework*: Offshore grid planning is based on the Network Development Plan (N*etzentwicklungsplan*), NEP, which is drawn up by the Transmission System Operators and confirmed by the BNetzA. For offshore wind energy, the NEP takes into account the requirements of the so called Spatial Development Plan (Raumordnungsplan, "**ROP**") and the Site Development Plan (Flächenentwicklungsplan, "FEP") of the Federal Maritime and Hydrographic Agency (BSH). While the ROP defines all spatial restrictions in the EEZ, the FEP makes concrete spatial, technical and planning specifications for offshore wind turbines and offshore grid connection system to realise the specifications of the Offshore Wind Energy Act (Windenergie auf See-Gesetz, WindseeG). The BNetzA invites tenders for the capacities for wind farms specified annually in accordance with the requirements of the WindSeeG. These wind farms are to be connected by the TSO at their expense in accordance with Section 17d of the German Electricity and Gas Supply Act (Gesetz über die Elektrizitäts- und Gasversorgung, EnWG) in line with their control area responsibility. The costs incurred in connection with this obligation are covered via the offshore grid surcharge. Since 2023, the collection of the "Offshore-surcharge" has been regulated by the EnFG. The TSOs with control area responsibility are responsible to collect the Offshore-surcharge from the electricity-intensive network customers within the meaning of Sec. 12 EnFG directly.

- *Combined Heat and Power Act ("**CHP**" Act* or *"**KWKG**"):* The declared purpose of the law is to make a contribution", particularly in the interests of energy saving and climate and environmental protection, the transformation to support sustainable and greenhouse gas-neutral energy supply in the national territory of the Federal Republic of Germany, including the German exclusive economic zone (federal territory), which is completely based on renewable energies. To ensure this aim, the KWKG defines a support mechanism for CHP plants and certain newly built or expanded heat networks. The law places a duty on network operators to connect certain eligible types of CHP plants and to prioritise the feed-in of their electricity. Whilst operators of a CHP plant with a CHP capacity exceeding 100 kW are obliged to direct marketing, operators of

smaller CHP plants may opt for the purchase of the CHP energy by the network operator. The production of electricity from CHP is promoted up to a certain amount with a bonus payment to be paid by the network operator to whose network the CHP plant is connected, depending on the kilowatt-hours generated and in some cases on whether the plants have won a tender issued by the BNetzA. If such a CHP plant is connected to the DSO level, occurring costs of the DSO can be passed on to the upstream TSOs who share them *pro rata* to ensure that financial burdens are equally shared amongst all network operators. The equalised costs are then passed back to the downstream networks in form of a uniform nationwide "KWK-surcharge" which will then be paid by the end consumers together with the respective network fees. Since 2023 the collection of the "KWK-surcharge" has been regulated by the EnFG. The TSOs with control area responsibility are responsible to collect the KWK-surcharge from the electricity-intensive network customers within the meaning of Section 12 EnFG directly. The costs related to meeting the KWKG obligations are treated as pass-through costs.

- *Obligations in context with individual grid tariffs according to StromNEV:* Grid users can apply for so-called individual grid tariffs which are, compared to the standard grid tariffs, lower and take into account that particularly huge industrial grid users contribute to a permanent and steady usage of the network system. The TSOs are obligated to reimburse DSOs for loss of income resulting from such lower individual grid tariffs. The TSOs then balance their respective compensation payments towards DSOs and their own loss of income amongst each other according to a specific distribution key. The financial burden is then passed back to the downstream networks in the form of a uniform nationwide "Section 19 StromNEV surcharge" which will then be paid by the end consumers together with the respective network fees.
- *Obligations according to Electricity Market Act:* In July 2016, the Electricity Market Act (*Strommarktgesetz*) entered into force. Main aspects with relevance to the TSOs were the introduction of several kinds of reserves (the so-called grid reserve and the grid stability units for the purpose of congestion management, voltage stability and black start capability, the capacity reserve to ensure generation adequacy and the security reserve that shall allow for a phase-out of lignite power plants and also ensure generation adequacy in the meantime). The costs resulting from these reserves are permanently non-influenceable costs in terms of the incentive regulation and therefore can be charged within the network tariffs without efficiency requirements.
- *Obligations according to the Digitalisation Act (Gesetz zur Digitalisierung der Energiewende):* In May 2023, the Digitalisation Act, the core of which is the new German Smart Meters Operation Act *(Messstellenbetriebsgesetz – "***MsbG**") was redesigned. The main aspects of the renewed Digitalisation Act which could have an impact on the TSOs is that grid operators will share in the costs arising from the rollout of smart meters. The extent to which the costs can be passed on has not yet been determined. Furthermore, the redesign of communication systems and processes to ensure the processing of a high volume of smart meter data will have an impact. The responsibility for the aggregation of the metering data for better balancing energy generation with consumption is given to the TSOs.

In 2021 the Court of Justice of the European Union ("**CJEU**") ruled *inter alia* that German legislation regarding the competences of BNetzA was not compliant with raking higher European Union law. The German legislation had thus to be amended as a result of the CJEU's ruling. With the aim to foster BNetzA's competences with regard to tariff setting and BNetzA's independence and impartiality, the EnWG and central parts of subordinated regulations were respectively amended. As a result, the BNetzA has started a process to adapt the regulatory framework, initially for DSOs and gas network operators, and will extend this to TSOs in the second half of 2024. The BNetzA's timetable envisages completing most of the framework and

methodology definitions by the end of 2025 and then carrying out the individual definitions. There is as yet no concrete information on the structure of the new regulatory framework, which is why the effects on 50Hertz will only become apparent in the course of the process and will then have to be assessed. However, there is a risk that a decision or regulatory ordinance by BNetzA could negatively affect 50Hertz's financial result for the onshore or offshore business, respectively (see risk factor "*The Group is subject to an extensive set of regulations and its income is in large part dependent on the applicable tariff methodology in its core markets, which is subject to potential changes and periodic revisions"*).

9.4.2 Regulatory agencies in Germany

The regulatory agency for the energy sector in Germany is the BNetzA in Bonn for network systems to which 100,000 or more network users are directly or indirectly connected and the specific regulatory authorities in the respective federal states for network systems to which less than 100,000 network users are directly or indirectly connected. The regulatory agencies are, *inter alia*, in charge of ensuring non-discriminatory third-party access to networks and monitoring the tariffs levied by the TSOs. 50Hertz is subject to the authority of the BNetzA.

9.4.3 Tariff setting in Germany

The tariff regulation mechanism in Germany is currently determined by EnWG, StromNEV and ARegV. The grid tariffs are calculated based on the revenue cap (Section 17 ARegV) and comprise the onshore business. The revenue cap is determined by the BNetzA for each TSO and for each regulatory period. The revenue cap can be adjusted to account for specific cases provided for in the ARegV. The network operators are not allowed to retain revenue in excess of their individually determined revenue cap. If network operators nevertheless retain revenues in excess of their individually determined revenue cap, a compensation mechanism applies that leads to the reduction of future tariffs (Section 5 ARegV). Each regulatory period lasts five years, and the fourth regulatory period started on 1 January 2024 and will end on 31 December 2028. Tariffs are public and are not subject to negotiation with customers. Only certain customers (under specific circumstances that are accounted for in the relevant laws) are allowed to agree to individual tariffs according to Section 19 StromNEV (for example, in the case of sole use of a network asset). The *Netzentgeltmodernisierungsgesetz* ("**NEMoG**"), which entered into force in July 2017 and the *Verordnung zur schrittweisen Einführung bundeseinheitlicher Übertragungsnetzentgelte* of 5 April 2018, introduce a step-by-step implementation of nationwide uniform network tariffs for all German TSOs with control area responsibility. This step-by-step approach started in 2019 with a nationwide uniform share of 20 per cent. of the individual cost basis of each TSO and led to nationwide uniform network tariffs in 2023. Moreover, the NEMoG introduces the transfer of offshore grid connection and operation costs as at 2019 to the former offshore liability surcharge which consequently was renamed offshore grid surcharge (*Offshore-Netzumlage)*.

For the purposes of the revenue cap, the costs incurred by a network operator are classified into two categories as follows:

- Permanently non-influenceable costs ("**PNIC**"): these costs are generally direct pass-through costs to customers and are recovered in full, albeit with a two-year time lag, unless stated otherwise. The cost items recognised in the PNIC are defined in the ARegV and include a selected number of allowed cost items, such as worker council costs, operational taxes and costs and revenues resulting from so-called procedural regulations (see below). Until the end of the regulatory period in 2023, the regulation provides for a specific remuneration regime for predefined onshore transmission network investments called investment measures ("IMs"). The capital investments that were allowed in the investment measures ("**IMs**") were also considered as PNIC until certain conditions were fulfilled and the investments became a part of the RAB. However, the ARegV revision in 2021 introduced the KKA regime as the new remuneration regime for onshore transmission network investments. The new

regime will replace the regime of IMs in 2024. In this context, the capex part of the already deducted claw backs for the third regulatory period (2019-2023) were refunded without interest via the regulatory accounts 2019 to 2021. Furthermore, several procedural regulations also considered as PNIC are in place covering such cost items, *inter alia*, relating to control power, onshore grid losses and redispatch as well as costs from European initiatives, ITC, grid reserves and auction revenues and redispatch costs on interconnectors.

- Temporarily non-influenceable costs ("**TNIC**") and influenceable costs ("**IC**"): TNIC and IC are all costs that do not classify as PNIC, e.g. maintenance costs. TNIC are all respective costs which are deemed fully efficient. They are included in the revenue cap, taking into account an annual adjustment for inflation and the Xgen. The Xgen reduces the revenue cap as part of the regulation formula and was set by Section 9 ARegV at annually 1.25 per cent. in the first regulatory period and annually 1.5 per cent. in the second regulatory period. Pursuant to Section 9 paragraph 3 ARegV BNetzA prior to the third regulatory period had to determine a new Xgen. On 28 November 2018 it set the Xgen for power network operators at 0.90 per cent. (cf. BK4-17-056). 50Hertz appealed against the decision concerning the power sector in front of the OLG Düsseldorf. Currently, 50Hertz is not actively leading the procedure, but waits for a final decision in other model proceedings. A first decision in a model proceeding was taken in 2021: On 9 July 2019, OLG Düsseldorf revoked in a model procedure the corresponding BNetzA decision in the gas sector (cf. BK4-17-093). BNetzA successfully appealed against OLG Düsseldorf's decision at the BGH. BGH confirmed on 26 January 2021 BNetzA's determination of Xgen (cf. EnVR 101/19). In the model proceeding, BGH decided in favor of BNetzA – no change regarding the determination of Xgen. On 20 December 2024, the regulator published a decision for the Xgen for the fourth regulatory period with a value 0.86 per cent. This value remains nearly unchanged compared to the 0.90 per cent. for 2019-2023. The IC are also included in the revenue cap. The IC are annually adjusted with regard to inflation and a general productivity factor, but, in addition, IC are also subject to Xind (with 50Hertz being deemed 100 per cent. efficient for the third (2019-2023) and fourth (2024-2028) regulatory period, there are no IC and no inefficient costs). The efficiency factor provides an incentive to the TSO to reduce or eliminate the inefficient costs over the course of the regulatory period. If a grid operator is deemed 100 per cent. efficient, the full respective cost volume is allocated to TNIC, thus the cost basis (excluding PNIC) is only adjusted with regard to the general productivity factor and inflation by a general inflation factor computed based on a statutorily fixed formula. In addition, the current incentive mechanism provides for the use of a quality factor which could also be applied vis-à-vis the TSOs but the criteria and implementation mechanism for such a quality factor for TSOs is yet to be established by the BNetzA. Both TNIC and IC include the capital costs (*i.e.* remuneration for return on equity (based on a cap of 40 per cent.), cost of debt (also subject to a cap), depreciation and imputed trade tax for assets which are included in the base year and do not qualify as PNIC).
- The costs of capital surcharge (*Kapitalkostenaufschlag* or "**KKauf**") is a new remuneration regime for onshore transmission network investments which provides for an annual adjustment of the revenue cap as from 2024. However, this is neither a PNIC nor a TNIC or an IC. The KKauf is calculated in accordance with Section 10a ARegV. In simple terms, it consists of the sum of the imputed depreciation, imputed interest and imputed trade tax calculated on the basis of the acquisition and production costs of the assets required for operations. The KKauf is an application procedure. The application for the KKauf can be submitted annually by June 30. When calculating the KKauf, the capitalised assets necessary for operations are taken into account if they were capitalised from 1 January of the year following the base year of the revenue cap to be adjusted and are expected to be capitalised by 31 December of the

year for which the KKauf is approved. Only investments in plants that are operationally necessary in accordance with Section 10a ARegV are approved via the purchase of assets. On 7 March 2024, 50Hertz notified the BNetzA that all investment measures will be transferred to the KKA with retroactive effect from 1 January 2024.

With regard to return on capital, the BNetzA provides separate revenue allowances for the return on equity and cost of debt. The return on equity rate is redetermined by the BNetzA for every regulatory period. In October 2021 BNetzA determined the equity remuneration for the fourth regulation period starting 2024. The return on equity was determined at 5.07 per cent. (post tax being 4.13 per cent.) for investments realised after 2006 (3.51 per cent. for investments until 2006). 50Hertz appealed against BNetzA's decision regarding the determination of the return on equity for the fourth regulatory period. On 18 December 2024, the court ruled in favour of BNetzA. With respect to the cost of debt, the allowed cost of debt related to TNIC/IC is capped if it cannot be proven as being in line with the market (*marktkonform*). The allowed cost of debt related to PNIC incurred by approved investment measures is capped at the lower of the actual cost of debt or cost of debt as calculated in accordance with a BNetzA determination – unless exceeding cost of debt is proven as being in line with the market.

On 24 January 2024, the BNetzA announced the final decision regarding the regulatory return on equity (RoE) for onshore investments in response to an unexpected and substantial rise in interest rates. According to this decision, the RoE for new onshore investments starting in 2024 will be determined annually, incorporating a fixed risk premium (3 per cent.) and an updated base interest rate ("**Base Rate**") for that specific year. This Base Rate is not fixed and will depend on the performance of the risk-free rate in the underlying year published by the German Federal Bank. This would mean a preliminary adjustment from 4.13 per cent. to 5.78 per cent. after tax (which corresponds to 7.09 per cent. before corporate income tax) for the year 2024. As for existing investments up to 2023 and projects that have already been realised, the initial unadjusted rate of 4.13 per cent. after tax (which corresponds to 5.07 per cent. before corporate income tax) will be applied throughout the entire regulatory period. Following discussions with the BNetzA, it appears that the same regulations may also be extended to offshore assets. On 2 October 2024, the BNetzA published its final determination of the return on equity for new offshore investments for the 4th regulatory period. The determination remains unchanged compared to the consulted draft version and the determination for the onshore sector. This means that the adjustment of the equity interest rate only applies for new investments from 2024 onwards. Investments up to 2023 are excluded from the regulation. The TSOs concerned, Amprion, TenneT and 50Hertz, have filed an appeal with the Higher Regional Court in Düsseldorf against the BNetzA decision.

In addition to the grid tariffs, costs and revenues regarding the offshore business are subject to the Offshore Grid Surcharge as of 2019. The Offshore Grid Surcharge comprises CAPEX (including return on equity) and actual OPEX according to the StromNEV and the ARegV as well as payments to offshore wind farms following the offshore liability provisions established in the EnWG to compensate for interruptions or delays of offshore grid connections. The Offshore Grid Surcharge is calculated annually based on planned costs for year t with a later actual cost settlement in year t+1 and corresponding compensation for deviations between planned and actual costs in the Offshore Grid Surcharge of the year t+2.

In addition to the grid tariffs and the Offshore Grid Surcharge, 50Hertz is compensated for costs incurred related to its renewable energy obligations, including EEG and KWKG, and other obligations like the individual grid tariffs mechanism according to StromNEV subject to surcharges.

Based on the parameters as described in the tariff setting for the period from 2024 to 2028, the preliminary regulatory return on equity for new investments starting in 2024 is set to 5.78 per cent. after tax depending on the evolution of the Base Rate in the underlying year. Where the assumptions in relation to any of such elements are not

met, this can have an adverse impact on the expected regulatory return on equity and consequently the liquidity and profit of the Group. For 2024, the final regulatory return on equity was 5.65 per cent. (after tax).

On 5 March 2025, the BNetzA published a key elements paper for the future regulatory framework for TSOs in Germany. This paper is the first step in a determination process that will redefine the regulatory framework over the next two years for the period from 2029 onwards. BNetzA is planning to consult the following key elements:

The regulation for the Onshore and Offshore business areas shall be harmonised on the basis of a cost-plus scheme complemented by specific incentive elements. The capital and operational expenditures are to be adjusted annually based on planned values, with deviations balanced in the following year. For the calculation of capital costs, the introduction of a WACC model (40 per cent. equity / 60 per cent. debt) is planned. The return on equity will be uniformly set for TSOs and DSOs for 5 years, or prospectively 3 years (from 2034 onwards). Cost of debt will be determined annually through a reference series, whereby the TSO's individual rating could be taken into account. Existing incentive systems for ancillary services are likely to be continued, and additional incentive elements, such as acceleration of grid expansion or innovation incentives, could be implemented.

Essential parameters of the regulatory framework will now be discussed and further developed with the BNetzA within the next months. The new regulatory framework for TSOs will be defined by the regulator in several determinations on the framework and the methodology. It is currently expected that the process will be completed in 2026. It is not yet possible to predict whether and to what extent this has an impact on the financial position of the Group.

9.5 Regulatory framework for interconnector Nemo Link

- A specific regulatory framework is applicable to the Nemo Link interconnector from the date of operation which took place on 31 January 2019. The framework is part of the tariff methodology issued on 18 December 2014 by the CREG. The cap and floor regime is a revenue-based regime with a term of 25 years. The national regulators of the UK and Belgium (Ofgem and the CREG, respectively) determined the return levels of the cap and floor ex-ante (before construction) and these remain largely fixed (in real terms) for the duration of the regime. The cap return level can be increased or decreased with maximum 2 per cent. on availability incentives. Consequently, investors will have certainty about the regulatory framework during the lifetime of the interconnector.
- The interconnector is currently operational (as from 31 January 2019) and as a result the cap and floor regime has started. Every five years, the regulators will assess the cumulative interconnector revenues (net of any market-related costs) over the period against the cumulative cap and floor levels to determine whether the cap or floor is triggered[30]. Any revenue earned above the cap is returned to the national TSOs in the UK (National Grid) and in Belgium (ETB) on a 50/50 basis. The TSOs can then reduce the network charges for network users in their respective jurisdictions. If revenue falls below the floor, then the interconnector owners are made whole by the TSOs which top up the difference. The TSOs can, in turn, recover those costs through the national transmission tariffs in their respective jurisdictions.
- Each five-year period will be considered separately. Cap and floor adjustments in one period will not affect the adjustments for future periods, and total revenue earned in one period will not be taken into account in future periods A new 5-year assessment period started in 2024.
- The high-level tariff design is as follows:

[30] Interconnector owners generate revenue (congestion revenue) by auctioning interconnector capacity. As long as there is a price difference between the two interconnected markets, there will be demand for the capacity and a revenue stream will be generated.

Regime length	25 years
Cap and floor levels	Levels are set at the start of the regime and remain fixed in real terms for 25 years from the start of operation. Based on applying mechanical parameters to cost efficiency: a cost of debt benchmark is applied to costs to deliver the floor, and an equity return benchmark to deliver the cap.
Assessment period (assessing whether interconnector revenues are above/below the cap/floor)	Every five years, with infra-period adjustments if needed and justified by the interconnection company (Nemo Link Ltd). Infra-period adjustments will let the interconnector company (and its shareholders) recover revenue during the assessment period if revenue is below the floor (or above the cap) but will still be subject to true-up at the end of the five-year assessment period.
Mechanism	If revenue is between the cap and floor at the end of the five-year period, no adjustment is made. Revenue above the cumulated cap is returned to the end consumers (via a reduction of the national transmission tariffs by the TSOs) and any shortfall of revenue below the cumulated floor will be topped up by the network users (via an increase of the national transmission tariffs by the TSOs).

- The cap and floor revenue levels for Nemo Link were fixed by Ofgem and the CREG on 17 December 2019. Nemo Link is the first interconnector project to be regulated under the cap and floor regime and reached at the end of 2019 the final assessment stage of the regime, the Post Construction Review (PCR), where Ofgem and the CREG determined the values of the Post Construction Adjustment (PCA) terms that formed the final cap and floor levels for the project. The determined values for the final cap and floor levels are £77.0 million and £43.9 million respectively (in 2013/14 prices).

Operating under a cap and floor regime allows Nemo Link to pay a sustainable dividend to its shareholders (dividend attributable to ETB: EUR 12 million in 2020, EUR 29 million in 2021, EUR 32 million in 2022, EUR 20 million in 2023 and EUR 31 million in 2024). Additionally, in 2024, Nemo Link contributed for 2 per cent. to the Group's EBITDA.

10 Outlook 2025

10.1 General

This paragraph includes forward-looking statements which, although based on assumptions that the Company considers reasonable, are subject to risks and uncertainties which could cause events or conditions to materially differ from those expressed or implied by the forward-looking statements.

On 7 March 2025, the Company reaffirmed its net profit Elia Group share long term guidance from the Capital Markets Day in the range of EUR 490 million and EUR 540 million for 2025.

The expected range of between EUR 490 million and EUR 540 million net profit Company share (determined as the net profit attributable to owners of ordinary shares) is based on the principal assumptions as further set out herein. This compares with a net profit Company share of EUR 421.3 million in 2024. The net profit Company share is composed of the net profit of the regulated activities in Belgium and Germany and the non-regulated segment which comprises Nemo Link. The guidance does not take into account any potential M&A transactions.

- **In Belgium**, the Group aims to achieve a net profit ranging between EUR 255 million to EUR 285 million, factoring in a Belgian 10- year OLO of around 2.8 per cent. over

the year, while also planning to invest approximately EUR 1.7 billion in 2025. The realisation of this investment programme is always prone to external risks.

- **In Germany (assuming a 100 per cent. stake)**, the Group aims to achieve a net profit ranging between EUR 380 million to EUR 420 million, factoring in a base rate of 2.3 per cent. for regulatory return on equity, while also planning to invest approximately EUR 3.8 billion in 2025. The realisation of this investment programme is always prone to external risks.
- **The non-regulated segment and Nemo Link**, which comprises the return of Nemo Link, the return of the non-regulated activities (mainly re.alto, EGI, WindGrid and energyRe Giga) and the operating costs inherent in the management of a holding company, is expected to report a loss to the Group's result in the range of -EUR 35 million to -EUR 45 million. This loss includes Nemo Link, which is expected to contribute around EUR 25 million, contingent on the availability.

The basis of preparation for the different segments is set out below.

This outlook for 2025 has been compiled on a basis which is both comparable with historical financial information and consistent with the Company's accounting policies.

The Group expects, based on the principal assumptions set out herein, to end 2025 with a Regulatory Asset Base (RAB) of EUR 23.2 billion. The RAB at Group level, represents a closing RAB and includes 100 per cent. of the RAB of ETB and 50Hertz. Nemo Link is not included in the RAB as it is remunerated under a specific separate regulatory framework.

The RAB outlook for 2025 is based on: the realisation of EUR 5.5 billion of investments (EUR 1.7 billion in Belgium and EUR 3.8 billion in Germany), adjusted for depreciation of assets in accordance with accounting principles and changes in working capital linked to the ordinary course of business.

10.2 Belgium

In Belgium, a net profit between EUR 255 million and EUR 285 million is expected. This compares with a net profit 2022, 2023 and 2024 of, respectively, EUR 156.9 million, EUR 180.9 million and EUR 213.8 million. This outlook for 2025 is based on the following main assumptions:

- The capital has been increased with the amount of the Rights Offering and a EUR 1,050 million contribution to a capital increase of ETB as set out in the Section "*Rationale of the Offering and use of proceeds*";
    - Drivers for the determination of net profit as described in section "*The Group's business – tariffs applicable for the tariff period 2024-2027", being*:
        - the fair remuneration driven by the (i) the perspective of the 10-year OLO estimated by the Federal Planning Bureau at 2.8 per cent. for 2025, on which a risk premium weighted with a beta factor is applied, (ii) the evolution of the average regulatory equity assuming the contribution of the EUR 1,050 million proceeds from the Rights Offering and (iii) the average Regulatory Asset Base driven by an estimated realisation of the investment programme of EUR 1.7 billion in 2025;
        - various incentives mainly linked to operational performance that have been defined under the current tariff methodology; and
        - with, in general, budgeted costs and investment programme (as mentioned above) based on estimates made by the project team and reviewed by the management, and which could be impacted by external factors beyond the control of ETB.
    - Besides the regulated return on equity (BEGAAP), the result is also impacted by the result of the accounted investees and some IFRS adjustments which relate mainly to borrowing costs on assets under construction, liabilities for employee benefits, and the activation of the costs for the capital increase (proportional to the equity injection to ETB).

10.3 Germany

In Germany, a net profit (assuming a 100 per cent. stake) between EUR 380 million and EUR 420 million is expected. This compares with a net profit 2022, 2023 and 2024 of, respectively, EUR 236.1 million, EUR 218.5 million and EUR 307.9 million. This is based on the following main assumptions:

- An increase of the capital of Eurogrid GmbH in 2025 by EUR 600 million following the Rights Offering, and EUR 480 million would be contributed by the Company to a capital increase of Eurogrid GmbH and assuming a further pro-rata participation by KfW in an amount of EUR 120 million.
- Drivers contributing to net profit (see Section "*The Group's business – Tariff setting in Germany*") are:
  - for the Regulatory Asset Base, the return on equity capped at 40 percent is defined at 4.13 per cent. (post-tax) for investment added prior to 2024; for investments built and/or commissioned in 2024, the remuneration includes a base rate of 2.65 per cent. and is set at 5.65 per cent. (post-tax); for investments as of 2025, the remuneration includes a base rate of 2.3 per cent. leading to an expected return on equity of 5.3 per cent. (post-tax);
  - the realisation of the investment programme estimated at EUR 3.8 billion for 2025;
  - the outperformance on the influenceable costs, covered in the base year revenues, is under control of 50Hertz and is estimated based on the experience of 50Hertz and aligned with the budget;
  - for the debt remuneration, an outperformance on interest rates may occur if the effective interest rate is lower compared to the synthetic rate, depending on interest rate developments during the year used by the BNetzA;
  - with, in general, budgeted costs and investment programme (as mentioned above) based on estimates made by the project team and reviewed by the management, and which could be impacted by external factors beyond the control of 50Hertz.
- Besides the regulated return, the result is also impacted by some IFRS adjustments which relate mainly to borrowing costs on assets under construction, liabilities for employee benefits, and the discounting of long-term provisions.

10.4 Non-regulated segment

The non-regulated segment and Nemo Link comprises the return of Nemo Link, the return of the non-regulated activities (mainly re.alto, EGI and WindGrid) and the operating costs inherent in the management of a holding company. The non-regulated segment is expected to report a loss to the Group's result in the range of – EUR 35 illion to – EUR 45 million. This loss includes Nemo Link, which is expected to contribute around EUR 25 million, contingent on the availability. This is based on the following main assumptions:

- the capital has been increased with the amount of the Rights Offering and the EUR 150 million earmarked for WindGrid being gradually used to finance WindGrid and/or reimburse the term loan;
- the return on equity of Nemo Link takes into account the parameters as described in section "*The Group's business – Regulatory framework for interconnector Nemo Link*". Nemo Link has been commissioned in January 2019 and for this outlook its contribution is estimated at EUR 25 million for 2025 (within the cumulated cap and the floor level);
- financing costs linked to the EUR 1.7 billion of debt at the holding and comprising a EUR 500 million hybrid bond, EUR 900 million senior bond and a EUR 300 million term loan; these costs will be partly offset by interest income from the proceeds of the Rights Offering and for the portion not allocated to ETB and Eurogrid GmbH in 2025; and

- the return on the non-regulated activities (mainly re.alto, EGI and WindGrid) and the operating cost inherent in the management of a holding company, with a contribution to the net result estimated to be in line with 2024.

10.5 Main factors within and beyond the control of the Group

The main factors, which could change the outcome on the net profit for 2025 and which the members of the administrative, management or supervisory bodies can influence, are:

- for Belgium, related to (i) the timely realisation of the capex, as the capex drives the level of the Regulated Asset Base in the calculation of the fair remuneration, (ii) the realisation of the various incentives, and (iii) the progress of the assets under construction impacting the capitalised borrowings costs;
- for Germany, related to (i) the timely realisation of the capex, as the capex drives the level of the Regulated Asset Base in the calculation of the investment remuneration, (ii) the operational outperformance on the onshore Opex costs compared to the allowed costs included in the revenue cap, and (iii) the progress of the assets under construction impacting the capitalised borrowings costs:
- the level of operating costs for WindGrid (including energyRe Giga); and
- the level of operating costs to manage a holding company.

In addition, the following factors, which could change the outcome the net profit for 2025 and which are exclusively outside of the influence of the members of the administrative, management or supervisory bodies, are:

- the evolution of the risk-free rate in Belgium (OLO 10-year) and the base rate in Germany which impact the regulatory return on equity;
- for Belgium, the availability of MOG I;
- for Nemo link, related to the electricity price difference between Belgium and the UK and the availability of the interconnector;
- certain IFRS adjustments as referenced above, relating in particular to increased interest rates which result in a higher discounted value and therefore lower net present value of the relevant IFRS liabilities; and
- changes to the tax regulations that affect the corporate tax rates.

11 Trend information and recent events

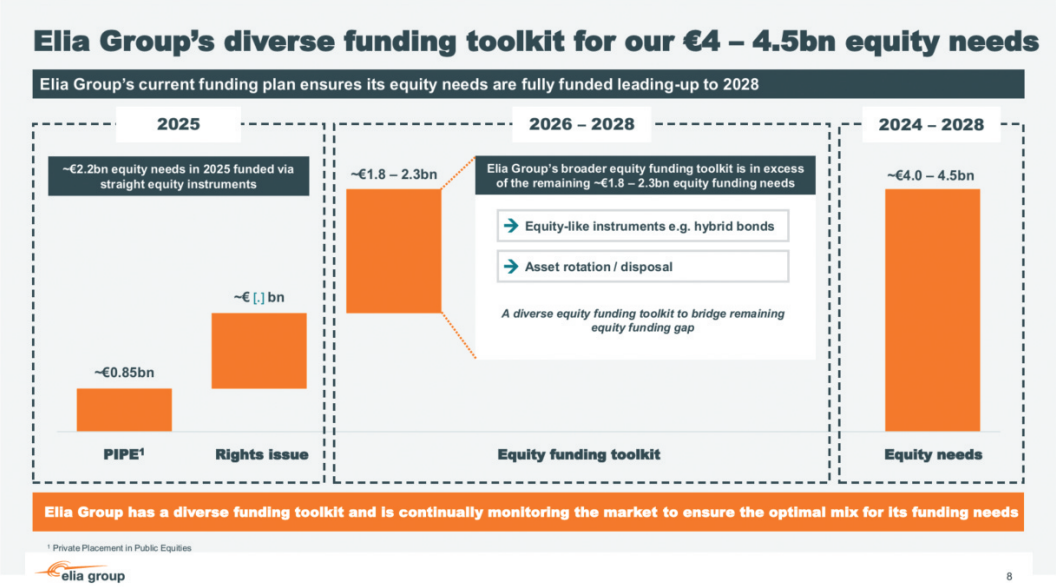
11.1 PIPE

On 7 March 2025, the Company announced the PIPE and issued a press release entitled "*Elia Group announces a EUR2.2 billion equity package including a secured EUR850 million via private placement to fund infrastructure investments, ensuring grid reliability and advancing clean energy competitiveness*". For more information on the PIPE, see Section "*Information on the Offering – Information related to the PIPE"*.

11.2 Equity funding plan

In the same press release, the Company clarified that the PIPE and subsequent Offering is expected to complete the EUR 2.2 billion target straight equity raise for 2025 and to meet the straight equity requirements of the current investment programme, providing the Company with the necessary equity funding to meet its key financial objectives in the lead-up to 2028.

The investor presentation prepared in connection with the Rights Offering contains the following slide which sets out in more detail the contemplated funding toolkit available to the Company with a view to funding its EUR 4 and EUR 4.5 billion equity needs in the lead up to 2028:



11.3 Contemplated Electricity Law amendment

The Company has been informed of discussions that may result in a draft legislative proposal to amend provisions related to the governance of ETB in the Electricity Law and the Corporate Governance Decree. The aim of such proposal would be to make the governance model for grid management more aligned with the BCCA and the 2020 Belgian Corporate Governance Code (the "**Corporate Governance Code 2020**"). Additionally, it seeks to enable the potential entry of a minority third-party investor into the capital structure of ETB if the Group were to decide to pursue this option as part of its future equity funding plan.

The legislative proposal that is being discussed aims to, among other things: (i) abolish the obligation for ETB to have at least half of its board comprising independent directors, instead requiring a minimum of three independent directors, (ii) abolish the obligation for ETB that all directors have to be non-executive, instead requiring a majority of non-executive directors, (iii) change the composition of the Company's Audit Committee by decreasing the minimum number of independent directors to at least one and removing the requirement for the president of the Audit Committee to be an independent director, (iv) amend the concept of "dominant shareholder" (which did not include the Company) and replace it with the concept of "important shareholder" (which now includes the Company), to provide that a director cannot qualify as an independent director on the board of ETB if he or she also serves on the Board of Directors, and (v) repeal the Corporate Governance Decree as most of its provisions have already been inserted in the Electricity Law. It is currently not clear when such legislative proposal would potentially be enacted. If any such legislative proposal would be enacted, the Company shall consider how its provisions are to be implemented in the articles of association of ETB.

12 Legal and arbitration proceedings of the Group

As any other company and as part of the ordinary course of its operations, the Group is involved in a number of civil and administrative litigation proceedings or claims as a defendant. The Group has provisions for litigations which, as of 31 December 2024, amounted to EUR 4.3 million in total. These provisions do not cover claims initiated against the Group for which damages have not been quantified or in relation to which the plaintiff's prospects are considered by the Group as being remote.

The summary of legal proceedings set out below, although not an exhaustive list of claims or proceedings in which the Group is involved, describes what the Group believes to be the most significant of those claims and proceedings. Subsequent developments in any pending matter, as well as additional claims (including additional claims similar to those described below), could arise from time to time.

The Group cannot predict with certainty the ultimate outcome of the pending or threatened proceedings in which the Group is or was, during the previous 12 months, involved and some of which may have significant effects on the Group's financial position or profitability as they could result in monetary payments to the plaintiff and other costs and expenses, including costs for modifying parts of the Group's network or (temporarily or permanently) taking portions of the network out of service. While payments and other costs and expenses that the Group might have to bear as a result of these actions are covered by insurance in some circumstances, other payments may not be covered by the insurance policies in full or at all. Accordingly, each of the legal proceedings described in the summary below could be significant to the Group, and the payments, costs and expenses in excess of those already incurred or accrued could have a material adverse effect on the Group's results of operations, financial position or cash flows.

The nature of the principal civil and administrative proceedings in which the Group is involved, either as a defendant or a plaintiff, is as follows (by categories of similar proceedings):

12.1 Legal proceedings brought against the Group

These include, among others:

(a) claims for compensation for the consequences of electrical fall-out or disturbance;

(b) judicial review of building permits and zoning plans for substations, overhead lines and underground cables or zoning plans;

(c) judicial review of decisions taken within the framework of public procurement proceedings in application of national legislation implementing Directive 2014/25/EU on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC;

(d) claims, lodged by both public authorities and citizens, aimed at the relocation of overhead lines and underground cables and/or at the compensation for relocation costs; and

(e) claims by citizens seeking compensation for the nuisance caused by the presence of the transmission lines (for example, due to the perceived potential health risks caused by EMFs, noise, interruptions of telephone and radio connections, aesthetic or other damages).

12.2 Legal proceedings brought by the Group

These include, among others:

(a) judicial review of decisions refusing to issue a building permit or against expropriation decisions;

(b) claims seeking compensation of repair costs due to the damage caused to underground cables, towers and overhead lines; and

(c) claims for the recuperation of paid taxes against regional tax authority.

12.3 Proceedings involving the regulators (CREG in Belgium & BNetzA in Germany)

- BNetzA set the Xgen for the third regulatory period to 0.9 per cent. in the energy sector (cf. BNetzA, determination of 28 November 2018, BK4-17-056). 50Hertz appealed against the decision in front of the Higher Regional Court of Düsseldorf. A first decision in a model proceeding was taken in 2021: on 9 July 2019, the Higher Regional Court of Düsseldorf revoked in a model procedure the corresponding BNetzA decision in the gas sector (cf. BK4-17-093). BNetzA successfully appealed

against the Higher Regional Court of Düsseldorf's decision at the Federal Court of Justice (BGH). BGH confirmed on 26 January 2021 BNetzA's determination of Xgen regarding the gas sector and on 27 June 2023 regarding the electricity sector and on 29 October 2024 the decision of BNetzA concerning 50Hertz.

- With a decision in 2021, BNetzA determined the return on equity for the fourth regulation period starting 2024. The return on equity pre-tax was determined at 5.07 per cent. for investments realised after 2006 (3.51 per cent. pre-tax for investments until 2006). 50Hertz appealed against BNetzA's decision regarding the determination of the return on equity for the fourth regulation period. The court decision in favour of 50Hertz was appealed by BNetzA to the Federal Court of Justice. On 18 December 2024, the court ruled in favour of BNetzA.
- BNetzA decided on 24th January 2024 to adjust the return on equity for upcoming onshore investments as at 2024. The return on equity for new investments in the capital cost adjustment (KKA) as at 2024 will be determined on a yearly basis by using a fixed risk premium of 3.00 per cent. and an updated risk-free rate for the underlying year. 50Hertz appealed against BNetzA's decision. For new Offshore investments the same regulations will be applied due to the decision of BNetzA published on 23 September 2024. 50Hertz appealed against BNetzA's decision as well.

SELECTED FINANCIAL INFORMATION

The following table sets out selected financial information for the Group. Investors should read this section together with the information contained in the consolidated financial statements of the Company, prepared in accordance with IFRS, as endorsed by the EU, and the related notes thereto included by reference in this Prospectus.

There has been no significant change in the financial position or financial performance of the Company since 31 December 2024, the date to which the latest historical financial information of the Company was published.

Consolidated statement of profit or loss for the years ended 31 December 2024, 2023 and 2022

	Year ended 31 December		
	2024	**2023**	**2022**
		(*EUR million*)	
Revenue	3,767.0	3,842.6	3,616.0
Raw materials, consumables and goods for resale	(23.0)	(17.2)	(69.7)
Other income	383.6	210.7	259.6
Net income (expense) from settlement mechanism	(47.8)	(99.7)	237.7
Services and other goods	(2,071.8)	(2,278.3)	(2,554.7)
Personnel expenses	(471.0)	(414.5)	(372.1)
Depreciation, amortisation and impairment	(619.4)	(557.5)	(513.7)
Changes in provisions	(0.3)	4.6	1.3
Other expenses	(38.2)	(46.4)	(44.4)
Results from operating activities	**879.1**	**644.2**	**559.8**
Share of profit of equity accounted investees (net of tax)	33.2	30.2	39.5
Earnings before interest and tax (EBIT)[(1)]	**912.2**	**674.4**	**599.4**
Net finance costs	**(172.4)**	**(119.3)**	**(43.6)**
Finance income	104.1	61.6	75.4
Finance costs	(276.5)	(181.0)	(119.0)
Profit before income tax	**739.8**	**555.0**	**555.7**
Income tax expense	(227.3)	(155.5)	(147.5)
Profit for the period	**512.5**	**399.5**	**408.2**
Profit attributable to:			
Equity holders of the parent – equity holders of ordinary shares	421.3	324.5	341.7
Equity holders of the parent – hybrid securities	29.3	31.0	19.3
Non-controlling interest	62.0	44.1	47.2
Profit for the period	**512.5**	**399.5**	**408.2**
Earnings per share (in EUR)			
Basic earnings per share	5.73	4.41	4.80
Diluted earnings per share	5.73	4.41	4.80

Note:

(1) EBIT (Earnings Before Interest and Taxes) = Results from operating activities and share of profit of equity accounted investees, net of tax

Consolidated statement of profit or loss and comprehensive income for the years ended 31 December 2024, 2023 and 2022

	Year ended 31 December		
	2024	**2023**	**2022**
		(EUR million)	
Profit for the period	**512.5**	**399.5**	**408.2**
Other comprehensive income (OCI)			
Items that may be reclassified subsequently to profit or loss:			
Net changes in fair value of cash flow hedges	230.5	(380.1)	(160.1)
Foreign currency translation differences of foreign operations	0.2	0.0	0.0
Related tax	(69.5)	112.7	50.4
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations	22.0	(6.5)	16.3
Net changes in fair value of investments	65.9	0.0	32.8
Related tax	(7.4)	1.8	(4.9)
Other comprehensive income for the period, net of tax	**241.7**	**(272.2)**	**(65.6)**
Total comprehensive income for the period	**754.3**	**127.3**	**342.6**
Total comprehensive income attributable to:			
Equity holders of the parent – ordinary shareholders	616.8	102.2	299.0
Equity holders of the parent – hybrid securities holders	29.3	31.0	19.3
Non-controlling interest	108.2	(5.9)	24.4
Total comprehensive income for the period	**754.3**	**127.3**	**342.6**

Consolidated statement of financial position as at 31 December 2024, 2023 and 2022

	As at 31 December		
	2024	**2023**	**2022**
		(EUR million)	
ASSETS			
NON-CURRENT ASSETS	**21,425.9**	**16,820.2**	**14,941.9**
Property, plant and equipment	17,692.6	13,648.7	11,844.7
Goodwill	2,411.1	2,411.1	2,411.1
Intangible assets	565.2	313.2	210.5
Equity-accounted investees	512.7	269.1	261.2
Other financial assets	186.3	121.0	117.2
Derivatives	2.3	0.0	0.0
Trade and other receivables non-current	55.0	55.0	95.5
Deferred tax assets	0.7	2.1	1.7
CURRENT ASSETS	**3,501.7**	**2,570.0**	**5,652.4**
Inventories	224.6	42.7	21.6
Trade and other receivables	1,098.4	1,066.2	1,206.2
Current tax assets	94.3	64.4	28.6
Derivatives[(1)]	10.0	7.2	219.7
Cash and cash equivalents	2,030.3	1,368.1	4,151.2
Deferred charges and accrued revenues	44.1	21.4	25.1
Total assets	**24,927.6**	**19,390.1**	**20,594.3**
EQUITY AND LIABILITIES			
EQUITY	**6,177.4**	**5,517.3**	**5,756.4**
Equity attributable to owners of the Company (A+B)	5,556.2	5,088.5	5,319.6
Equity attributable to ordinary shares (A)	*5,040.3*	*4,572.6*	*4,618.3*
Equity attributable to hybrid securities holders (B)	*515.9*	*515.9*	*701.4*
Non-controlling interest	621.2	428.8	436.7
NON-CURRENT LIABILITIES	**14,899.2**	**10,034.8**	**8,548.0**
Loans and borrowings	13,968.8	9,254.8	7,715.6
Employee benefits	61.4	87.1	75.0
Derivatives	4.5	8.5	0.0
Provisions	172.1	165.9	146.2
Deferred tax liabilities	301.9	146.9	223.7
Other liabilities	390.5	371.7	387.6
CURRENT LIABILITIES	**3,851.0**	**3,837.8**	**6,289.8**
Loans and borrowings	859.7	755.2	867.2
Provisions	8.9	8.4	8.6
Trade and other payables	2,158.0	2,149.4	4,804.2
Current tax liabilities	10.2	5.3	26.6
Derivatives*	2.3	217.4	0.0
Other liabilities	0.6	0.0	0.0
Accruals and deferred income	811.2	702.2	583.3
Total equity and liabilities	**24,927.6**	**19,390.1**	**20,594.3**

Note:

(1) As from 2024 the Group reports its derivatives on a separate line item "Derivatives". As per 31 December 2023 and 2022, an amount of respectively EUR 7.2 million and EUR 219.7 million of current derivative (positive mark-to-market value) was reported in Other financial asset (current) and an amount of respectively EUR 217.4 million and EUR 0.0 million of current derivative (negative mark-to-market value) was reported in Other liabilities (current).

Consolidated statement of cash flows for the years ended 31 December 2024, 2023 and 2022

	Year ended 31 December		
	2024	**2023**	**2022**
		(EUR million)	
Cash flows from operating activities			
Profit for the period	**512.5**	**399.5**	**408.2**
Adjustments for:			
Net finance costs	172.5	119.3	43.6
Other non-cash items	2.4	0.5	3.9
Current income tax expense	151.0	121.9	112.1
Profit or loss of equity accounted investees, net of tax	(33.2)	(30.2)	(39.5)
Depreciation of property, plant and equipment and amortisation of intangible assets	618.7	557.4	513.7
Loss / proceeds on sale of property, plant and equipment and intangible assets	14.0	16.5	(6.3)
Impairment losses of current assets	(0.1)	4.7	0.8
Change in provisions	(4.2)	(5.9)	(10.5)
Change in deferred taxes	76.2	33.6	35.4
Changes in fair value of financial assets through profit or loss	(0.3)	(0.2)	0.0
Cash flow from operating activities	**1,509.6**	**1,217.2**	**1,061.4**
Change in inventories	(182.4)	(21.5)	(0.3)
Change in trade and other receivables	(71.4)	159.8	(314.7)
Change in other current assets	(24.7)	6.6	(3.7)
Change in trade and other payables	(112.3)	(2,805.4)	1,188.1
Change in other current liabilities	137.1	180.5	(243.1)
Changes in working capital	**(253.7)**	**(2,480.1)**	**626.3**
Interest paid	(238.8)	(149.3)	(133.1)
Interest received	79.8	62.0	5.7
Income tax paid	(152.7)	(159.2)	(129.2)
Net cash from operating activities	**944.2**	**(1,509.4)**	**1,431.1**
Cash flows from investing activities			
Acquisition of intangible assets	(255.8)	(134.3)	(115.7)
Acquisition of property, plant and equipment	(4,420.1)	(2,179.5)	(1,455.4)
Acquisition of equity-accounted investees	(230.4)	0.0	0.0
Acquisition of equity and debt instruments	(1.6)	0.0	0.0
Proceeds from sale of property, plant and equipment	2.9	3.3	27.5
Proceeds from capital decrease from equity-accounted investees	0.0	0.0	53.8
Dividend received	35.0	23.4	35.4
Net cash used in investing activities	**(4,870.0)**	**(2,287.1)**	**(1,454.4)**
Cash flow from financing activities			
Proceeds from the issue of share capital	0.0	0.6	595.1
Proceeds from the capital increase – NCI	120.0	24.0	50.0
Expenses related to the issue of share capital	0.0	0.0	(7.3)
Proceeds from the issue of hybrid securities	0.0	500.0	0.0
Repayment of hybrid securities	0.0	(700.0)	0.0
Expenses related to financing activities[(1)]	(6.3)	(3.3)	0.0
Purchase of own shares	(1.3)	(1.0)	(0.9)
Dividend paid	(146.3)	(140.4)	(120.3)
Hybrid coupon paid	(29.3)	(16.4)	(19.3)
Dividends to non-controlling parties	(36.0)	(26.0)	(24.0)
Repayment of borrowings	(639.9)	(787.1)	(95.8)
Proceeds from withdrawal of borrowings	5,337.0	2,162.9	747.4

	Year ended 31 December		
	2024	**2023**	**2022**
		(EUR million)	
Net cash flow from (used in) financing activities	**4,597.9**	**1,013.4**	**1,125.0**
Effects of changes in exchange rates	(9.9)	**0.0**	**0.0**
Net increase (decrease) in cash and cash equivalents	**662.2**	**(2,783.1)**	**1,101.8**
Cash and cash equivalents at 1 January	1,368.1	4,151.2	3,049.5
Cash and cash equivalents at 31 December	2,030.3	1,368.1	4,151.2
Net variations in cash and cash equivalents	**662.2**	**(2,783.1)**	**1,101.8**

Note:

(1) This line item has been titled "*Expenses related to financing activities*" in line with the 2024 Financial Statements for presentational purposes. In the 2022 Annual Financial Statements and the 2023 Annual Financial Statements, this line item was presented as "*Expenses related to the issue of share capital and hybrid*" See the 2023 Annual Financial Statements incorporated by reference for the year end presentation.

OPERATING AND FINANCIAL REVIEW

The following is a discussion and analysis of Elia Group's results of operations and financial condition as at and for the years ended 31 December 2024, 2023 and 2022. The financial information considered in this "Operating and Financial Review" is extracted from the consolidated financial statements of the Group for the years ended 31 December 2024 and 2023 which are incorporated by reference in this Prospectus. This section on "Operating and Financial Review" should be read in conjunction with the Sections entitled "Presentation of Financial and Other Information" and "The Group's Business" of this Prospectus.

The following discussion of Elia Group's results of operations and financial condition contains forward-looking statements. The Group's actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Prospectus, particularly under Sections "Risk Factors" and "Presentation of Financial and Other Information". In addition, certain industry issues also affect Elia Group's results of operations and are described in the Section entitled "The Group's Business" of this Prospectus.

Overview

The Company, through its regulated subsidiaries ETB in Belgium and 50Hertz in Germany, manages a network of high-voltage connections spanning over 19,741 km. The Group delivers electricity to over 30 million end users across Belgium and Germany, and facilitates electricity interconnections within Europe, including cross-border connections with neighbouring countries and the UK. The Group also engages in unregulated activities through entities including EGI and WindGrid, focusing on consulting, engineering, and transmission development, to support the energy transition and societal value creation. The Group's core regulated activities include:

- Grid management, the Group is committed to deliver the infrastructure of the future by developing, building and maintaining the transmission grids according to long term needs, investing significantly in the integration of renewable energy, the development of an offshore high-voltage grid and the construction of interconnectors to facility the integration of the European energy market.
- System operations, the Group maintains the balance of the system to ensure a reliable supply and efficient operational management of the grids by monitoring the electricity system in real time.
- Market facilitation, the Group is part of the European integrated markets and plays a role to facilitate the integration of the European energy market by developing services and mechanisms allowing the market to trade on different platforms, which fosters economic growth.
- Trusteeship, the legal responsibility for coordinating and processing national levy systems that promote the integration of RES into the energy system lie with ETB in Belgium and 50Hertz in Germany.

Factors affecting results of operations

The Group owns and operates electricity transmissions systems serving the European energy market. As a result, the Group's operating and financial performance has been, and will continue to be, highly influenced by broader trends in the regulated energy markets in which the Group operates, including, in particular, the direction of regulatory and technological innovation.

European tariff-setting regulation

The regulated nature of the Group's business ensures a significant degree of revenue visibility and stability, as tariffs are determined by regulatory methodologies set for periods typically spanning four years in Belgium and five years in Germany. Revenue generation depends on cost-recovery, incentives and pre-set return on investments allowed under such methodologies, rather than energy consumption or operational performance. Profits in excess of, or shortfalls from, those determined under the applicable framework are neutralised through settlement mechanisms that, as applicable, return excess operational surpluses, or charge additional costs, to consumers in future tariff periods.

Consequently, the Group's results are most directly impacted by performance under its prescribed regulatory frameworks, as well as by any regulatory changes between price-setting periods.

Belgium

In the ETB segment, the vast majority of revenues and profits over the past three years were generated under network tariffs set pursuant to the tariff methodology established by the CREG. The ETB segment has been subject to two tariff periods over the last three financial years: (i) the CREG's tariff period 2020-2023 were applied to the years ended 31 December 2022 and 2023; and (ii) its tariff period 2024-2027 were applied to the year ended 31 December 2024.

The network tariffs established by CREG significantly influence the ETB segment's financial performance, particularly through the categorisation of costs and the application of tariff methodologies. The tariff mechanism is based on amounts recognised in accordance with Belgian accounting regulations (BE GAAP). The tariffs are calculated using budgeted costs, minus non-tariff income sources, and are divided based on estimates of electricity volumes taken off and injected into the grid. These tariff methodologies incorporate costs including the forecast value of authorised remuneration for invested capital, estimated amounts allocated to Elia as performance incentives and the predicted values of various cost categories. Depending on the allocation of costs and performance incentives under the applicable methodology, including remuneration, the Group is entitled to varying recovery, which in turn drives profitability.

Under the 2020-2023 methodology, drivers for tariff-setting were determined based on the following key parameters:

(i) *Fair remuneration*: Return on capital invested in the grid based on the Capital Asset Pricing Model ("**CAPM**"). It is calculated annually using the average value of the RAB, which considers new investments, divestments, depreciations and changes in working capital;

(ii) *Non-controllable costs and revenue*: Costs and revenues fully recoverable under the tariff framework. These include items such as depreciation of tangible fixed assets, ancillary services (except for the reservation costs of ancillary services excluding black start, which qualify as influenceable costs), costs related to line relocation imposed by a public authority, and taxes, partially compensated by revenues from non-tariff activities (for example cross-border congestion revenues). Non-controllable costs also include financing costs incurred in relation to indebtedness. As a consequence, all actual and reasonable financing costs related to debt issued by ETB are included in the tariffs;

(iii) *Controllable costs and revenue*: Costs and revenues over which the company has direct control, subject to an incentive regulation mechanism with a sharing rule of productivity and efficiency improvements, where 50 per cent. of any savings relative to the allowed (adjusted) budget positively impacts the Group's net profit (before tax), and 50 per cent. of any overspending negatively affects its profit;

(iv) *Influenceable costs and revenues:* Costs and revenues from power reserves and grid losses, subject to an incentive mechanism whereby the company can achieve up to 20 per cent. of the difference in expenses between the previous year and the current year as profit, with a cap of EUR 6 million;

(v) *Incentive components*: Various financial incentives tied to specific performance targets, including (i) market integration and supply continuity, with potential profits from cross-border capacity, timely commissioning of projects and profits from financial participations in other companies; (ii) network availability, with incentives based on AIT, offshore grid availability, and timely, on-budget investments; (iii) innovation and grants and; (iv) quality of customer-related services, full client base satisfaction and data quality publication; and (v) enhancement of system balancing mechanisms; and

(vi) the settlement of deviations from budgeted sales volumes.

The new methodology for 2024-2027 retains many of the same drivers but includes updates that are expected to increase the average regulatory RoE to better reflect the current market conditions and provides for additional cost recoveries during this period, as outlined in further detail below:

Fair remuneration: The updated remuneration framework incorporates adjustments to the fair margin calculation to align with changes in financial markets through the introduction of additional

remuneration mechanisms. These mechanisms, based on a three-step assessment of the Belgian OLO10Y. In Step 1, if the OLO10Y falls between 0 and 1.68 per cent., the fair margin is fixed at 4.1 per cent., ensuring a minimum rate of return. Step 2 provides additional compensation for OLO10Y between 1.68 per cent. and 2.87 per cent., translating to a maximum additional remuneration of 1.19 per cent. Step 3 applies if the OLO10Y exceeds 2.87 per cent., adding further contributions, with CREG differentiating remuneration between "old RAB" (assets commissioned until 31 December 2021, receiving 50 per cent. of the rate difference) and "new RAB" (assets commissioned on or after 1 January 2022, receiving 100 per cent. of the rate difference). Consequently, this new methodology is expected to increase average RoE to 7.2 per cent. for the compliance period, subject to variations in OLO10Y, performance incentives and asset base distribution.

Non-controllable costs and revenues: For the 2024-2027 regulatory period, categorisation has been updated to include seabed survey costs and European integration costs as non-controllable. Additionally, financing costs related to debt are fully included in tariffs under the embedded debt principle, ensuring coverage of actual and reasonable costs.

Controllable costs and revenues: There were no material changes to this definition in the 2024-2027 tariff period compared to the 2020-2023 tariff period.

Influenceable costs and incentives: The incentive framework has also been updated by adding incentives for maximizing intraday transmission capacity and improving energy efficiency of substations, expected to contribute 1.3 to 1.4 per cent. to net remuneration if reasonable performance targets are met.

As a result of the updated 2024-2027 methodology, average regulatory RoE is expected to strengthen during the new regulatory period. Including IFRS restatements, the Belgian segment realised an overall IFRS RoE of 6.8 per cent. for the year ended 31 December 2024 compared to 6.2 per cent. and 5.4 per cent. for the years ended 31 December 2023 and 2022, respectively. Continued realisation of the expected uplift in RoE during the 2024-2027 period is contingent on a number of factors, including actual results, the annual daily average of the 10-year Belgian linear bond rate ("**OLO10Y rate**") (assumed to be 3.27 per cent. for the period), performance relative to incentives, the composition of the RAB, maintenance of the target equity/debt gearing ratio of 40/60 and IFRS restatements primarily linked to employee benefits and the activation of borrowing costs.

Germany

In the years ended 31 December 2024, 2023 and 2022, the 50Hertz segment generated substantially all of its revenue and profit from regulated activities via network user charges and revenue from offshore activities. The two main sources of revenue and profit from regulated activities are the network user charges for access to and usage of the 50Hertz transmission system based on an annual revenue cap (onshore), and revenue for connecting offshore windfarms, subject to regulation by BNetzA. The 50Hertz segment has been subject to two tariff periods over the last three financial years; the third regulatory period, which ran from 1 January 2019 to 31 December 2023 and applies to the years ended 31 December 2023 and 2022 and the fourth regulatory period, which runs from 1 January 2024 to 31 December 2028 and applies to the year ended 31 December 2024.

BNetzA's decisions and changes to the applicable revenue caps or related regulations, such as efficiency benchmarks (**"Xind**") and productivity factors ("**Xgen**"), significantly impact 50Hertz's earnings. The applicable revenue cap is set based on the classification of costs as set out in further detail below:

(i) *Permanently non-influenceable costs* (PNIC): PNIC includes selected allowed cost items, such as worker council costs, operational taxes, ancillary services, grid losses, redispatch costs, and certain European initiatives, all of which are fully recoverable with a two-year time lag;

(ii) *Temporarily non-influenceable costs* (TNIC): TNIC comprises all costs other than PNIC that have been deemed fully efficient and are therefore adjusted solely for the general productivity factor and inflation; and

(iii) *Influenceable Costs (IC):* IC includes all costs not classified as PNIC or TNIC and are subject to an incentive mechanism featuring efficiency, productivity improvement, and inflation factors over a five-year period.

Based on the classification of these items, the Group may achieve an enhanced regulatory cap, driving cost recovery and therefore increased profitability. For example, in 2024, the Group achieved an uplift in its regulatory cap, which assumed energy prices at 2022 levels and included higher cost allowances for redispatch and grid losses, driving an increase in recoverable costs, and therefore revenue, in the 50Hertz segment. Similarly, the Xgen set by the regulator for the period 2024-2028 (0.86 per cent.) is lower than in the previous period (0.90 per cent.), leading to a higher revenue cap as well.

With regard to return on capital, the BNetzA provides separate revenue allowances for RoE and cost of debt. For the third regulatory period, the RoE was set at 5.12 per cent. before tax for investments made before 2006 and 6.91 per cent. for those made after, which translates to 4.18 per cent. and 5.64 per cent. post-tax respectively. For the fourth regulatory period starting in 2024, BNetzA set the RoE at 2.86 per cent. post-tax for investments before 2006 and 4.13 per cent.for those afterward, leading to a strong drop in regulatory return on capital compared to the previous regulatory period (2019-2023). 50Hertz has appealed against BNetzA's decision regarding the revenue cap determination of the RoE for the fourth regulation period. On 18 December 2024, the court ruled in favour of BNetzA.

Starting in 2024, the RoE for onshore investments will be calculated annually, combining a fixed risk premium of 3 per cent. with a variable Base Rate based on the German Federal Bank's published risk-free rate. For 2024, this floating RoE was 5.65 per cent. (post-tax), but fluctuations in the base rate could impact liquidity and profit over the next years. Investments made before 2024 will retain a fixed rate of 4.13 per cent. post-tax. Similar regulations may apply to offshore assets, with imputed interest rates on borrowed capital based on current yields and corporate loans, which could increase 50Hertz's costs and affect profitability.

Impact of decarbonisation and electrification trends

The Group's results of operations are affected by regulatory initiatives and policies, both nationally and internationally, including in particular, ongoing decarbonisation and electrification trends within Europe. These policies and initiatives affect the Group's strategy, the amount and direction of the Group's investments and ultimately the revenues and returns the Group generates from its business as the Group adapts its activities to align with regulatory priorities.

Key initiatives include the following:

- The Green Deal Industrial Plan, introduced by the European Commission in February 2023, aims to foster a conducive environment for scaling up the EU's manufacturing capacity related to net-zero technologies and products;
- The Wind Power Action Plan, published by the European Commission in October 2023, intends to support the wind energy industry's growth through measures such as enhanced auction designs, expedited project deployment, and improved access to finance;
- The EU Action Plan for Grids, released in November 2023, addresses key challenges in grid expansion and digitalisation, including faster permitting procedures, securing supply chains, and introducing regulatory incentives;
- In December 2023, the Council of the European Union and European Parliament reached a provisional agreement on reforming the electricity market in order to reduce reliance on fossil fuels and accelerate the deployment of renewable energy.

These and other regulatory directives have driven significant increases in capital investment in the jurisdictions in which the Group operates. In May 2023, the Belgian government approved ETB's Federal Development plan for 2024-2034. ETB plans to invest EUR 8.7 billion for the period 2024-2028, with EUR 1.2 billion invested in 2024. This results in a total investment programme of approximately EUR 7.5 billion in Belgium over the next four years (2025-2028). This includes significant projects to integrate higher amounts of RES into the grid, such as the construction of Princess Elisabeth Island, commenced in 2024. This artificial island, located 45 km off the Belgian coast, is expected to unlock significant offshore wind power (3.5 GW) and serve as a landing point for future interconnectors. Moreover, ETB is progressing with onshore backbone reinforcement projects, including the upgrading of existing grid corridors with high-performance conductors and the installation of additional systems. These enhancements are anticipated to continue until at least 2040 and aim to double the transport capacity to support the rising volumes of RES generated

across Belgium. In the year ended 31 December 2024, 2023 and 2022, ETB made investments of EUR 1.2 billion, EUR 0.7 billion and EUR 0.5 billion, respectively. The investment programme anticipates annual investments to increase gradually to around EUR 2 billion in 2028.

In March 2024, BNetzA published its NDP 2037/2045, outlining an ambitious investment plan to facilitate an electricity transmission grid capable of supporting a climate-neutral energy system in Germany by 2045. 50Hertz has undertaken several high-impact projects aligned with such targets. The SuedOstLink and its northern extension, SuedOstLink+, which are under construction, are designed to create a 750 km electricity highway, facilitating the transport of renewable energy from the northern Baltic and North Seas to Bavaria. The development of these projects is crucial for achieving Germany's climate targets. Additionally, the Ostwind projects enhance grid connections for offshore wind farms and are expected to generate approximately 300 MW, with commissioning of the Baltic Eagle offshore wind farm and other projects planned for 2024 and beyond. In the year ended 31 December 2024, 2023 and 2022, 50Hertz made capital investments of EUR 3.6 billion, EUR 1.7 billion and EUR 1.1 billion, respectively. The investment plan anticipates annual investment to increase gradually to over EUR 5 billion in 2028.

Overall, the Group's proactive approach to grid development in both Belgium and Germany positions it to effectively respond to the increasing demand for electrification. This not only supports economic growth but also ensures the security of supply through the deployment of innovative digitalisation strategies and advanced smart grid technologies. The Group's ability to adapt to and capitalise on decarbonisation and electrification trends will be crucial for its ongoing success and operational results.

Increase demand for electricity system flexibility

The energy transition is driving increased complexity in the operation and management of electricity systems as the integration of emerging technologies and renewable energy sources necessitates enhanced flexibility and coordination across the energy value chain.

The accelerated adoption of electric vehicles, heat pumps and the electrification of industrial processes are driving increased demand for flexible electricity consumption, creating significant challenges and opportunities for the electricity system. Flexible electricity consumption enables households and industries to mitigate exposure to high price peaks, whilst allowing system operators to manage the grid more efficiently. This practice contributes to ensuring a reliable power supply, controlling system costs and reducing the need for increased capacity in response to rising electricity demand.

In addition, storage and producer-induced flexibility are becoming increasingly important as the penetration rates of variable renewables, including the need to effectively incorporate and manage the fluctuating inputs, continues to rise. The storage of renewable energy, whether through batteries or by coupling with the heating and gas sectors via power-to-heat facilities or electrolysers, is poised to play an increasing role in the power system, requiring market and technical solutions to ensure an appropriate producer response, particularly during periods of excessive renewable energy infeed, such as PV peaks.

Such trends towards industry flexibility are enabling the Group to expand and strengthen partnerships with players from across the energy value chain to facilitate real-time price signals, enable seamless data access for energy service providers and optimise the interoperability of electrical devices. The Group has made significant progress on several projects aimed at promoting system flexibility. These include the launch of the ETB's Watts.Happening simulation tool, which assists companies in estimating potential savings through flexible electricity use, a joint research and development projects with Powerledger, leveraging blockchain-enabled xGrid and traXes platforms to investigate the potential for peer-to-peer energy trading and integration of Power-to-Heat facilities into the 50Hertz grid.

By investing in flexibility, the Group aims to enhance its system reliability and efficiency, which is expected to reduce external funding needs, minimise capacity costs and support robust financial performance, positioning itself to take advantage of the evolving energy market landscape.

Sector innovation and digitalisation

The continuous development of new technologies and digitalisation has led to an increased integration of the power sector with other industries, including heating, transport, and manufacturing.

As owners of flexible appliances such as heat pumps, electric vehicles, and small batteries adjust their electricity consumption patterns, they contribute to a more efficient operation of the power system.

Effective management of an increasingly complex electricity system necessitates increased access to precise data and its integration into real-time decision-making processes. Advancements in technologies for monitoring and maintenance, such as the internet of things (IoT) and artificial intelligence (AI), are enhancing system efficiency through the establishment of smart grids, automatic decision-making and improved risk prediction and incident analysis, whilst the application of blockchain technology for digital identities facilitates energy trading and the tracking of green energy from generation to consumption.

In response to these trends, the Group is leveraging technology to enhance the reliability and efficiency of its asset management and system operations. As digitalisation progresses, the Group is bolstering its expertise in cyber security and associated risks while ensuring the workforce is equipped with the necessary skills to operate within the emerging digital framework. For example, in order to meet its renewable energy consumption targets by 2032, 50Hertz has invested heavily in its MCCS, which will enable system operators to effectively manage an increasingly complex electricity system with significant renewable energy integration. Using the MCCS, operators will have comprehensive control over the software, digital technology and data essential central to its operations.

The Group is also driving operational efficiency through remote inspection technologies and energy-use optimisation. In 2023, the Group deployed an autonomous robot within ALEGrO's HVDC converter hall in Belgium, enhancing the efficiency, safety, and sustainability of asset monitoring. ETB has also pioneered the use of drones to identify incidents along overhead lines, significantly improving response times and operational efficiency. In Hamburg, the Group inaugurated an 80 MW Power-to-Heat unit to convert surplus wind power into green district heating and hot water, serving up to 27,000 households. This innovation not only mitigates grid bottlenecks by utilizing excess renewable energy but also enhances the overall efficiency of energy distribution. Additionally, the Group initiated a pilot project to provide hourly transparency on green power origins, allowing corporate customers to track the specific sources and timings of their green electricity purchases.

During the periods under review, there were no material impacts on the Group's financial results associated with investments in innovation and digitalisation, however such investments are expected to increase significantly in coming years. Such investments, once implemented in production, are expected to enhance efficiency and reliability in managing a more complex power system. This in turn will support the Group's ability to acquire competitive project tenders and execute on its existing investment programme.

Supply chain

The Group is reliant on key suppliers and the procurement of critical components for execution of its capital investment programme. In recent years, the supply chain landscape has transitioned from a buyer's market, with relatively subdued levels of demand, to a supplier's market characterised by soaring levels of demand. This, coupled with geopolitical pressures, has led to heightened raw material prices, wages and equipment costs, increasing expenses across the Group's procurement and operational activities, and leading to higher project costs. In order to ensure timely delivery of the Group's planned infrastructure projects, it has strategically adjusted its procurement processes, engaging in early, bundled ordering of components and enhancing standardisation to realise economies of scale, which have been crucial for sustaining operational efficiency and supporting grid investment plans.

Applicable regulatory frameworks allow for mitigation of these increased supply chain costs under "Non-controllable elements" with tariff adjustments reflecting deviations from initially forecasted expenses. During the periods under review, fluctuations in supply chain costs did not have a material impact on the Group's results of operations, however they have placed upward pressure on project costs and financing requirements. This, in turn, has influenced the Group's overall financial outcomes and projections. For example, the overall costs of the Princess Elisabeth Island HVDC infrastructure project has been significantly impacted by bottlenecks and increasing costs with certain critical suppliers and the lack of alternatives. While such costs are recoverable through the tariffs, significant increases in costs may lead to projects being postponed or cancelled, which may in turn impact the Group's results of operations.

The Group's efforts to build diverse partnerships and promote asset interoperability, particularly in HVDC technology, aim to enhance market liquidity and operational resilience. These measures are vital components of the Group's ongoing strategy to effectively navigate the dynamic supply chain environment and maintain its commitment to the energy transition.

Increasing international collaboration

Expanding cross-border energy initiatives and the strategic alignment of projects with European energy goals has driven a significant increase in international collaboration in the energy transmission sector. In particular, increasing requirements to optimise the use of renewable energy sources ("**RES**") has led to the establishment of frameworks promoting partnerships between countries with varying levels of RES potential. The simultaneous rise of hybrid interconnectors and energy islands is increasingly enabling the exchange of electricity between countries, connecting them to offshore wind farms and contributing to the formation of a European meshed offshore grid.

In 2023, the European Commission adopted its first list of Projects of Common Interest ("**PCI**") and Projects of Mutual Interest ("**PMI**"), in alignment with the European Green Deal. These cross-border projects facilitate the EU's energy and climate objectives, benefit from expedited permitting and regulatory processes and are eligible for financial support. Several of the Group's projects, including Nautilus, TritonLink, and the Bornholm Energy Island, have been recognised as either PMI or PCI, reinforcing their strategic significance and providing further eligibility for EU funding. In February 2023, the Group also signed a memorandum of understanding with Amprion for a second interconnector with Germany (also labelled as a PCI project), furthering the integration of the European energy market, and is evaluating the feasibility of additional interconnectors with the Netherlands and Norway. In May 2023, the Group further announced a joint project with Elering to develop the Baltic WindConnector.

These cooperative efforts not only foster innovation and efficiency in energy distribution but also bolster the Group's financial performance by securing participation in strategically significant and financially supported projects, reinforcing its leadership in the international energy sector. For example, in 2024, the Group established a EUR 650 million green credit facility with the European Investment Bank ("**EIB**"), further broadening ETB's financing portfolio and advancing Europe's transition from fossil fuels to green energy.

In January 2025, the European Commission has provided funding from the Connecting Europe Facility (CEF) programme in the amount of EUR 645 million to support the construction of the Bornholm Energy Island project and in the amount of EUR 21 million to support the feasibility study of TritonLink.

Inflation

During the periods under review, inflation increased markedly across the jurisdictions in which the Group operates. The Group's operating expenses, such as power cost, raw material expenses and labour-related expenses, have been, and in the future will be, directly impacted by levels of inflation. Inflation can also prompt significant changes in key inputs used to evaluate the carrying amount of the Group's assets and liabilities. The tariff methodologies governing the Group permit the recovery of costs that ETB and 50Hertz cannot directly control ("non-controllable costs" in Belgium and "permanently non-influenceable costs" in Germany), such as inflation, through future tariffs. However, there may be a time-lag in the regulatory recovery of such pass-through expenses under the applicable frameworks, particularly where actual costs significantly deviate from those budgeted under the relevant framework. As a result, inflationary pressures may negatively impact short-term profits and working capital. Over the long term, however, the Group anticipates limited impact due to the cost pass-through mechanism. Over the three years under review, inflation did not have a material impact on the Group's results as a result of these pass-through mechanisms.

Interest rates

The Group's exposure to changes in interest rates results from investing and borrowing activities undertaken by the Group. As at 31 December 2024, the Group had unsecured bank loans, notes and bonds of EUR 15,344 million. The Group's notes and bonds of EUR 15,044.9 million were arranged at fixed interest rates and other borrowings (EUR 299.1 million) were arranged at floating rates that is fully hedged. An increase in interest rates would therefore result in an increase in the finance cost and could adversely affect the Group's financial results.

In Belgium, ETB's funding costs linked to the financing of the regulated activities are qualified as "Non-controllable elements" and potential deviations from budgeted figures can be passed on in a subsequent regulatory tariff period (or in the same period in the event of an exceptional change in charges). The regulated tariffs are set pursuant to forecasts of interest rate. However, a fluctuation in interest rates of the ETB's debt can have an impact on the actual financial charges by causing a time differential (positive or negative) between the financial costs effectively incurred by ETB and the forecasted financial costs. This could cause transitory effects on its cash position. 50Hertz is subject to similar pass-through methodology in Germany. As long as the cost of debt remains in line with market standards and within certain levels defined by the regulator, these costs are passed to the regulated tariffs.

However, the Group also incurs debt at a Group-level, which is not subject to regulatory pass-through mechanisms. As a result, interest rate volatility in such debt may directly impact the Group's finance costs, especially if the Group increases debt at the Company-level in future. As at 31 December 2024, debt incurred at the level of the Company constituted 12 per cent. of the Group's outstanding debt. The bulk of this debt has a first call date (hybrid bond of EUR 500 million) or maturity (senior bond of EUR 300 million) in 2028. Under the three years under review, interest rate fluctuations did not have a material impact on the Group's results.

Description of Key Line Items

Revenue

The Group derives the vast majority of its revenue from tariffs levied on the use of its electricity transmission networks ("**Grid Revenue**"), as determined by the tariff methodology set by the Group's regulators. Such services are typically rendered based on a standard contract with the customer with a predefined regulated tariff, calculated as a unit price multiplied by the volume (either injection or offtake) or the reserved capacity, depending on the type of service. Consequently, pricing is not subject to variability within a given tariff period. Most contracts are indefinite in duration and stipulate payment terms ranging from 15 to 30 days.

The Group also derives revenue from direct customer connections to the Group's grid ("**Last Mile Connections Revenue**") and other revenue, including third-party consultancy services and commission fees ("**Other Revenue**"). Last Mile Connections Revenue is subject to the same payment and contractual terms as Grid Revenue, however, is presented separately because the applicable tariff-setting method is very specific from a regulatory perspective. Other Revenue is recognised when the related service is performed, and the performance obligations are satisfied.

Raw materials, consumables and goods for resale

Raw materials, consumables and goods for resale primarily comprise consumables used for maintenance and repaid work carried out along the Group's substations.

Other income

Other income primarily comprises own production (costs of goods, consumables, salaries and overheads) of internally generated (in)tangible assets and other recoveries.

Net income (expense) from settlement mechanism

Net income (expense) from settlement mechanism accounts for the neutralisation of differences between cost allowances in the tariffs and the actual costs incurred for the current year, and the balancing of such differences from prior years.

Services and other goods

Services and other goods comprise costs associated with grid maintenance, services provided by third parties, insurance and consultancy fees, and certain other items.

Personnel expenses

Personnel expenses comprise the costs of wages and salaries, social security contributions and pension and other benefit costs.

Other expenses

Other expenses comprise taxes other than income tax, loss on disposal/sale of property, plant, and equipment, impairment on receivables, and other.

Earnings before interest and tax (EBIT)

EBIT comprises total revenue less costs of raw materials, consumables and goods for resale, services and other goods, personnel expenses and pensions, depreciations, amortisations and impairments, changes in provision and other operating expense, plus the share of equity accounted investees.

Key Performance Indicators

The Group monitors several key metrics to track the financial and operating performance of its business. These measures are derived from the Group's internal financial and analytics systems. As some of these measures are not determined in accordance with IFRS, and are thus susceptible to varying calculations, they may not be comparable with other similarly titled measures of performance of other companies. For more information on the definition and calculation of these metrics, including a reconciliation to the Group's reported historical financial information prepared on an IFRS basis, where relevant, please see pages 398-401 of the Company's Financial Report 2024 (which is incorporated by reference in this Prospectus).

	Year ended 31 December		
	2024	**2023**	**2022**
	(EUR millions, unaudited unless indicated otherwise)		
Revenue	3,767.0	3,842.6	3,616.0
Other income	383.6	210.7	259.6
Net income (expense) from settlement mechanisms	(47.8)	(99.7)	237.7
Share of profit of equity accounted investees (net of tax)	33.2	30.2	39.5
EBITDA[(1)]	1,531.9	1,227.3	1,111.8
EBIT[(2)]	912.2	674.4	599.4
Net finance costs	(172.4)	(119.3)	(43.6)
Profit for the period	512.5	399.5	408.2
Adjusted net profit[(3)]	512.5	411.4	408.2
Total assets	24,927.6	19,390.1	20,594.3
Net financial debt	12,798.2	8,641.9	4,431.6
Net financial debt (excluding EEG and similar mechanism)	13,158.7	8,994.5	7,367.6
RAB[(4)]			
ETB	6,905.6	5,933.4	5,434.3
50Hertz	11,548.1	8,487.7[(7)]	7,170.0[(7)]
Earnings per share (*attributable to the Company*)	EUR 5.73	EUR 4.41	EUR 4.80
Bonus-Adjusted earnings per share[(5)]	EUR 5.45	EUR 4.19	EUR 4.56
RoE (adj.) (*attributable to the Company*)	8.4%	6.9%	7.5%
Free cash flow[(6)]	(3,925.8)	(3,796.5)	(23.2)

Note:

(1) EBITDA is defined as results from operating activities adjusted for depreciations of tangible assets and right of use assets, amortisations of intangible assets, impairment, plus the share of equity accounted investees. EBITDA excludes the cost of capital investments in property, plant, and equipment.

(2) EBIT is defined as total revenue less costs of raw materials, consumables and goods for resale, services and other goods, personnel expenses and pensions, depreciations, amortisations and impairments, changes in provision and other operating expense, plus the share of equity accounted investees.

(3) Adjusted to exclude one-off costs of EUR 11.9 million associated with the Group's acquisition of a minority stake in energyRe Giga in February 2024.

(4) Regulated Asset Base (RAB) is a regulatory concept used to determine the rate of return on the invested capital. The RAB is determined as follows: RAB (initial RAB determined by the regulator at a certain point in time) which evolves with new investments, depreciations, divestments and changes in working capital on an annual basis using the local GAAP accounting principles applicable in the regulatory schemes, calculated as at the year end. In Belgium, when setting the initial RAB, a certain amount of revaluation value (*i.e.* goodwill) was taken into account, which evolves from year to year based on divestments and/or depreciations.

(5) Bonus-Adjusted Earnings per share represents the Earnings per share adjusted for the discount factor linked to the rights issue.

(6) Free cash flow is defined as net cash from operating activities less cash flows from investment activities.
(7) Historically, RAB for the Group was calculated using the average yearly RAB of the German segment. Beginning with the financial year ended 31 December 2024, the Group calculates RAB for the Group using RAB as at 31 December (closing) for the German segment. RAB for the years ended 31 December 2023 and 2022 have been adjusted to account for this change.

Current Trading and Prospects

For a description, please see Section "*The Group's business – Outlook 2025*".

Results of Operations

Consolidated statement of profit or loss

The table below presents the Group's consolidated statement of profit or loss for the periods indicated, which have been extracted without material adjustment from the consolidated financial statements of the Group for the years ended 31 December 2024 and 2023 which are incorporated by reference in this Prospectus.

	Year ended 31 December		
	2024	**2023**	**2022**
		(EUR millions)	
Revenue	3,767.0	3,842.6	3,616.0
Raw materials, consumables and goods for resale	(23.0)	(17.2)	(69.7)
Other income	383.6	210.7	259.6
Net income (expense) from settlement mechanism	(47.8)	(99.7)	237.7
Services and other goods	(2,071.8)	(2,278.3)	(2,554.7)
Personnel expenses	(471.0)	(414.5)	(372.1)
Depreciation, amortisation and impairment	(619.4)	(557.5)	(513.7)
Changes in provisions	(0.3)	4.6	1.3
Other expenses	(38.2)	(46.4)	(44.4)
Results from operating activities	**879.1**	**644.2**	**559.8**
Share of profit of equity accounted investees (net of tax)	33.2	30.2	39.5
Earnings before interest and tax (EBIT)	**912.2**	**674.4**	**599.4**
Finance income	104.1	61.6	75.4
Finance cost	(276.5)	(181.0)	(119.0)
Net finance costs	(172.4)	(119.3)	(43.6)
Profit before income tax	**739.8**	**555.0**	**555.7**
Income tax expense	(227.3)	(155.5)	(147.5)
Profit for the period	**512.5**	**399.5**	**408.2**
Profit attributable to			
Equity holders of the parent – equity holders of ordinary shares	421.3	324.5	341.7
Equity holders of the parent – hybrid securities	29.3	31	19.3
Non-controlling interest	62.0	44.1	47.2
Earnings per share (in EUR)			
Basic earnings per share	5.73	4.41	4.80
Diluted earnings per share	5.73	4.41	4.80

Results of operations for the year ended 31 December 2024 compared to the year ended 31 December 2023

Revenue

Revenue for the year decreased by EUR 75.6 million, or 2 per cent., to EUR 3,767.0 million in the year ended 31 December 2024 from EUR 3,842.6 million in the year ended 31 December 2023. This decrease was primarily driven by an increase in Grid Revenue of 50Hertz of EUR 13.1 million

(or 0.5 per cent.) and offset by a decrease in Grid Revenue in the ETB segment of EUR 85.7 million (or -6.7 per cent.).

Raw materials, consumables and goods for resale

Cost of raw materials, consumables and goods for resale increased by EUR 5.8 million, or 33.5 per cent., to EUR 23.0 million in the year ended 31 December 2024 from EUR 17.2 million in the year ended 31 December 2023. This increase was primarily driven by higher costs in Germany.

Other income

Other income increased by EUR 172.9 million, or 82.1 per cent., to EUR 383.6 million in the year ended 31 December 2024 from EUR 210.7 million in the year ended 31 December 2023, driven by higher own work capitalised following the increase in staffing to execute and manage the investment programme as well as higher revenues from service level agreements.

Net income (expense) from settlement mechanism

Net expenses from the settlement mechanism decreased by EUR 51.9 million, or 52.1 per cent., to EUR 47.8 million in the year ended 31 December 2024 from EUR 99.7 million in the year ended 31 December 2023. This decrease was primarily driven by an increase of income from settlement mechanism in the ETB segment Belgium of EUR 197.3 million compensating the increase in expense from settlement mechanism in the 50Hertz segment by EUR 145.5 million (or 96.6 per cent.).

Services and other goods

Services and other goods, excluding the purchase of ancillary services, decreased by EUR 206.5 million, or 9.1 per cent., to EUR 2,071.8 million in the year ended 31 December 2024 from EUR 2,278.3 million in the year ended 31 December 2023. This decrease was primarily driven by lower purchases of third-party services and supplies for grid maintenance.

Personnel expenses

Personnel expenses increased by EUR 56.6 million, or 13.6 per cent., to EUR 471.0 million in the year ended 31 December 2024 from EUR 414.5 million in the year ended 31 December 2023. This increase was primarily driven by the growing activities of the Group leading to a growing headcount in Belgium and Germany.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment increased by EUR 61.9 million, or 11.1 per cent., to EUR 619.4 million in the year ended 31 December 2024 from EUR 557.5 million in the year ended 31 December 2023, driven by the increasing grid investments and its execution.

Changes in provisions

Changes in provisions decreased by EUR 4.9 million, or 105.7 per cent., to an expense of EUR 0.3 million in the year ended 31 December 2024 from an income of EUR 4.6 million in the year ended 31 December 2023, as 2023 was marked by higher dismantling provisions for the Modular Offshore Grid covered by the tariffs and already capitalised under IFRS in previous years.

Other expenses

Other expenses decreased by EUR 8.1 million, or 17.5 per cent., to EUR 38.2 million in the year ended 31 December 2024 from EUR 46.4 million in the year ended 31 December 2023. This decrease was primarily driven by a decrease in taxes other than income tax mainly due to higher property taxes paid in 2023 by the Group in Germany. Moreover, a decrease was also noted in the loss on disposal/sale of property, plant and equipment which totalled EUR 7.3 million for ETB in the year ended 31 December 2024, compared with EUR 11.5 million in the year ended 31 December 2023.

Results from operating activities

Results from operating activities increased by EUR 234.9 million, or 36.5 per cent., to EUR 879.1 million in the year ended 31 December 2024 from EUR 644.2 million in the year ended 31 December 2023, driven by the factors set forth above.

Net finance costs

Net finance costs for the year increased by EUR 53.1 million, or 44.5 per cent., to EUR 172.4 million in the year ended 31 December 2024 from EUR 119.3 million in the year ended 31 December 2023. This increase was primarily driven by the fact that ETB utilised EUR 1,450 million of new debt and Eurogrid GmbH issued EUR 3 billion of green bonds. Additionally, the Company issued EUR 900 million of new debt to finance its investment in energyRe Giga and to strengthen the capital of 50Hertz. These transactions led to higher interest costs, which were partly offset by higher interest income from deposits due to the Group's active liquidity management and increasing capitalised borrowing costs linked to higher assets under construction.

Income tax expense

Income tax expense increased by EUR 71.8 million, or 46.2 per cent., to EUR 227.3 million in the year ended 31 December 2024 from EUR 155.5 million in the year ended 31 December 2023. This increase was primarily driven by the higher profit in Belgium and Germany.

Profit for the period

For the reasons set out above, profit for the period increased by EUR 113.0 million, or 28.3 per cent., to EUR 512.5 million in the year ended 31 December 2024 from EUR 399.5 million in the year ended 31 December 2023.

Results of operations for the year ended 31 December 2023 compared to the year ended 31 December 2022

Revenue

Revenue increased by EUR 226.6 million, or 6.3 per cent., to EUR 3,842.6 million in the year ended 31 December 2023 from EUR 3,616.0 million in the year ended 31 December 2022. This increase was primarily driven by an increase in Grid Revenue in the 50Hertz segment of EUR 322.3 million (or 14.6 per cent.) and an increase in Other Revenue in the ETB segment of EUR 37.1 million (primarily comprising commissions for non-recurring services provided to third parties), partially offset by a decrease in Grid Revenue in the ETB segment of EUR 180.9 million (or 12.8 per cent.).

Raw materials, consumables and goods for resale

Raw materials, consumables and goods for resale costs decreased by EUR 52.5 million, or 75.3 per cent., to EUR 17.2 million in the year ended 31 December 2023 from EUR 69.7 million in the year ended 31 December 2022. This decrease was primarily driven by the re-classification of certain third-party services as services and other goods in the 50Hertz segment. As a result, reportable raw materials, consumables and goods for resale in the 50Hertz segment decreased by EUR 51.4 million in the year ended 31 December 2023, with other items remaining stable.

Other income

Other income decreased by EUR 48.9 million, or 18.8 per cent., to EUR 210.7 million in the year ended 31 December 2023 from EUR 259.6 million in the year ended 31 December 2022. This decrease was primarily driven by higher non-controllable recoveries recognised in 2022.

Net income (expense) from settlement mechanism

Net expense from settlement mechanisms increased by EUR 337.4 million, to an expense of 99.7 million in the year ended 31 December 2023 from income of EUR 237.7 million in the year ended 31 December 2022. This increase was primarily driven by differences between cost allowances in the tariffs and the actual costs incurred for the current year in the 50Hertz segment, which contributed to an expense of EUR 244.4 million in the year ended 31 December 2023, compared to an income of EUR 150.1 million in the year ended 31 December 2022.

Services and other goods

Services and other goods decreased by EUR 276.4 million, or 10.8 per cent., to EUR 2,278.3 million in the year ended 31 December 2023 from EUR 2,554.7 million in the year ended 31 December 2022. This decrease was primarily driven by a high decrease in purchase of

ancillary services due to lower prices to cover electricity losses and a decrease in activations to balance the grid against a background of the high energy prices.

Personnel expenses

Personnel expenses increased by EUR 42.4 million, or 11.4 per cent., to EUR 414.5 million in the year ended 31 December 2023 from EUR 372.1 million in the year ended 31 December 2022. This increase was primarily driven by a continued growth in headcount to support the acceleration of the energy transition and development opportunities linked to the expansion of international offshore activities.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment increased by EUR 43.8 million, or 8.5 per cent., to EUR 557.5 million in the year ended 31 December 2023 from EUR 513.7 million in the year ended 31 December 2022. This increase was primarily driven by an increase in depreciation of property, plant and equipment due to increasing fixed assets.

Changes in provisions

Change in provisions increased by EUR 3.3 million, to EUR 4.6 million in the year ended 31 December 2023 from EUR 1.3 million in the year ended 31 December 2022. This increase was primarily driven by lower environmental provisions in Belgium.

Other expenses

Other expenses increased by EUR 2.0 million, or 4.5 per cent., to EUR 46.4 million in the year ended 31 December 2023 from EUR 44.4 million in the year ended 31 December 2022. This increase was primarily driven by an increase in property taxes, which drove an increase of EUR 6.7 million in taxes other than income taxes for the year ended 31 December 2023, and an increase in losses on the disposal of plant, property and equipment, which increased by EUR 1.4 million. The increase was partially offset by a decrease in land cable costs linked to underground line projects in Germany recognised in 2022 in accordance with the regulatory framework.

Results from operating activities

Results from operating activities increased by EUR 84.4 million, or 15.1 per cent., to EUR 644.2 million in the year ended 31 December 2023 from EUR 559.8 million in the year ended 31 December 2022, driven by the factors set forth above.

Net finance costs

Net finance costs for the year increased by EUR 75.7 million, or 173.6 per cent., to EUR 119.3 million in the year ended 31 December 2023 from EUR 43.6 million in the year ended 31 December 2022. This increase was primarily attributable by the revaluation of provision for interconnector congestion income to be returned to grid customers in Germany (EUR 73.4 million) and higher funding costs driven by an increase in interest expense on Eurobonds and other bank borrowings. This was partly offset by higher capitalised borrowing costs due to the ongoing investment programme.

Profit for the period

For the reasons set out above, profit for the period decreased by EUR 8.7 million, or 2.1 per cent., to EUR 399.5 million in the year ended 31 December 2023 from EUR 408.2 million in the year ended 31 December 2022.

Results of geographical operating segments

The Group is organised into three operating segments: ETB (Belgium); 50Hertz (Germany) and the "Non-Regulated and Nemo Link" segment:

- ETB comprises the Group's regulated activities in Belgium (*i.e.* the regulated activities of ETB);
- 50Hertz comprises the Group's regulated activities in Germany (*i.e.* the regulated activities of 50Hertz); and

- Non-Regulated and Nemo Link comprises non-regulated activities within the Group (mainly re.alto, EGI and WindGrid (including energyRe Giga)), Nemo Link and the operating costs related to the management of the Group's holding companies.

For details on financial results of the Group's operating segments, see note 4 to the consolidated financial statements of the Company for the year ended 31 December 2024 which is incorporated by reference in this Prospectus as described in Section "*Presentation of Financial and Other Information*".

Liquidity and Capital Resources

The Group's primary sources of liquidity are the cash flows generated from its operations, along with bonds, bank loans, confirmed and unconfirmed credit facilities and commercial paper programmes. The primary use of this liquidity is to fund the Group's operations and required capital investments.

Selected consolidated statement of cash flows

The table below presents a summary of the Group's cash flows for the periods indicated, which has been extracted without material adjustment from the consolidated financial statements of the Group for the years ended 31 December 2024 and 2023 which are incorporated by reference in this Prospectus.

	Year ended 31 December		
	2024	**2023**	**2022**
		(EUR millions)	
Profit for the period	512.5	399.5	408.2
Adjustments for:			
Net finance costs	172.5	119.3	43.6
Other non-cash items	2.4	0.5	3.9
Current income tax expense	151.0	121.9	112.1
Profit or loss of equity accounted investees, net of tax	(33.2)	(30.2)	(39.5)
Depreciation of property, plant and equipment and amortisation of intangible assets	618.7	557.4	513.7
Loss / proceeds on sale of property, plant and equipment and intangible assets	14.0	16.5	(6.3)
Impairment losses of current assets	(0.1)	4.7	0.8
Change in provisions	(4.2)	(5.9)	(10.5)
Change in deferred taxes	76.2	33.6	35.4
Changes in fair value of financial assets through profit or loss	(0.3)	(0.2)	0.0
Cash generated from operating activities	**1,509.6**	**1,217.2**	**1,061.4**
Changes in working capital			
Change in inventories	(182.4)	(21.5)	(0.3)
Change in trade and other receivables	(71.4)	159.8	(314.7)
Change in other current assets	(24.7)	6.6	(3.7)
Change in trade and other payables	(112.3)	(2,805.4)	1,188.1
Change in other current liabilities	137.1	180.5	(243.1)
Changes in working capital	(253.7)	**(2,480.1)**	**626.3**
Interest paid	(238.8)	(149.3)	(133.1)
Interest received	79.8	62.0	5.7
Income tax paid	(152.7)	(159.2)	(129.2)
Net cash from operating activities	944.2	**(1,509.4)**	**1,431.1**
Cash flows from investing activities			
Acquisition of intangible assets	(255.8)	(134.3)	(115.7)
Acquisition of property, plant and equipment	(4,420.1)	(2,179.5)	(1,455.4)
Acquisition of equity-accounted investees	(230.4)	0.0	0.0
Acquisition of equity and debt instruments	(1.6)	0.0	0.0

	Year ended 31 December		
	2024	2023	2022
		(EUR millions)	
Proceeds from sale of property, plant and equipment	2.9	3.3	27.5
Proceeds from capital decrease from equity accounted investees	0.0	0.0	53.8
Dividend received	35.0	23.4	35.4
Net cash used in investing activities	**(4,870.0)**	**(2,287.1)**	**(1,454.4)**
Cash flow from financing activities			
Proceeds from the issue of share capital	0.0	0.6	595.1
Proceeds from the capital increase – NCI	120.0	24.0	50.0
Expenses related to the issue of share capital	0.0	0.0	(7.3)
Proceeds from the issue of hybrid securities	0.0	500.0	0.0
Repayment of hybrid securities	0.0	(700.0)	0.0
Expenses related to financing activities*	(6.3)	(3.3)	0.0
Purchase of own shares	(1.3)	(1.0)	(0.9)
Dividend paid	(146.3)	(140.4)	(120.3)
Hybrid coupon paid	(29.3)	(16.4)	(19.3)
Dividends to non-controlling parties	(36.0)	(26.0)	(24.0)
Repayment of borrowings	(639.9)	(787.1)	(95.8)
Proceeds from withdrawal of borrowings	5,337.0	2,162.9	747.4
Net cash from (used in) financing activities	**4,597.9**	**1,013.4**	**1,125.0**
Effects of changes in exchange rates	(9.9)	0.0	0.0
Net increase (decrease) in cash and cash equivalents	**662.2**	**(2,783.1)**	**1,101.8**
Cash and cash equivalents at 1 January	1,368.1	4,151.2	3,049.5
Cash and cash equivalents at 31 December	2,030.3	1,368.1	4,151.2
Net variations in cash and cash equivalents	**662.2**	**(2,783.1)**	**1,101.8**

Notes:

(*) This line item has been titled "Expenses related to financing activities" in line with the 2024 Financial Statements for presentational purposes. In the 2022 Annual Financial Statements and the 2023 Annual Financial Statements, this line item was presented as "Expenses related to the issue of share capital and hybrid" See the 2023 Annual Financial Statements incorporated by reference for the year end presentation.

Cash flow from operating activities

Cash flow from operating activities increased by EUR 292.4 million, or 24.0 per cent., to EUR 1,509.6 million for the year ended 31 December 2024 from 1,217.2 million for the year ended 31 December 2023. This increase was primarily due to strong increase in net profit of EUR 113.0 million and an increased add-back of certain non-cash items, including a significant increase in net finance costs to EUR 172.5 million (compared to EUR 119.3 million in 2023) and an increase in depreciation of property, plant and equipment and intangible assets to EUR 618.7 million (compared to EUR 557.4 million in 2023).

Cash flow from operating activities increased by EUR 155.8 million (or 14.7 per cent.) to EUR 1,217.2 million in the year ended 31 December 2023 from EUR 1,061.4 million for the year ended 31 December 2022. This increase was primarily due to a decline in profit for the period of EUR 8.7 million (or 2.1 per cent.), more than offset by increased add-back of certain non-cash items, including a significant increase in net finance costs to EUR 119.3 million (compared to EUR 43.6 million in 2022) and an increase in depreciation of property, plant and equipment and intangible assets to EUR 557.4 million (compared to EUR 513.7 million in 2022).

Changes in working capital

Working capital outflows decreased by EUR 2,226.3 million, or 89.8 per cent., to EUR 253.7 million for the year ended 31 December 2024 from outflows of EUR 2,480.1 million for the year ended 31 December 2023. This improvement in working capital was primarily due to a significant decrease in outflows linked to trade and other payables driven by payment milestones of the capex programme, the obligations resulting from the settlement of the EEG and similar mechanism and regulatory settlements.

Working capital outflows increased by EUR 3,106.4 million to outflows of EUR 2,480.1 million in the year ended 31 December 2023 from inflows of EUR 626.3 million for the year ended 31 December 2022. This increase in outflows was primarily attributable to a significant decrease in trade and other payables in 2023 attributable to obligations resulting from the settlement of the EEG, which fell by EUR 3,993.5 million compared to 2022, partly offset by an increase in trade and other receivables of EUR 474.5 million and other current liabilities of EUR 423.6 million.

Net cash from operating activities

Net cash from operating activities increased by EUR 2,453.6 million, or 162.2 per cent., to EUR 944.2 million for the year ended 31 December 2024 from a cost of EUR 1,509.4 million for the year ended 31 December 2023. This increase was primarily due to the change in trade and other payables mainly driven by levies position in 2023 compared to 2022. Position in 2024 has returned to a normal level. Meaning that change in trade and other payable was much higher in 2023 compared to 2024.

Net cash used in operating activities increased by EUR 2,940.5 million to EUR 1,509.4 million in the year ended 31 December 2023 from cash generated of EUR 1,431.1 million for the year ended 31 December 2022. The increase in cash used in operating activities was primarily due to the changes in working capital described above, which more than offset the increased cash generated from operating activities in 2023.

Net cash used in investing activities

Net cash used in investing activities increased by EUR 2,582.9 million, or 112.9 per cent., to EUR 4,870.0 million for the year ended 31 December 2024 from EUR 2,287.1 million for the year ended 31 December 2023. This increase in outflows from investing activities was primarily due to EUR 4,675.9 million (up by EUR 2,362.1 million) of investments in intangible assets and property, plant and equipment, attributable to several large-scale infrastructure projects focused on strengthening the Belgian and German grids, developing offshore infrastructure and digitalisation.

Net cash used in investing activities increased by EUR 837.4 million, or 57.2 per cent., to outflows of EUR 2,287.1 million for the year ended 31 December 2023 from outflows of EUR 1,454.4 million for the year ended 31 December 2022. This was primarily due a 49.8 per cent.(or EUR 724.1 million) increase in acquisition of plant, property and equipment, attributable to several large-scale infrastructure projects focused on strengthening the Belgian and German grids, developing offshore infrastructure and digitalisation.

Net cash from (used in) financing activities

Net cash flow from (used in) financing activities increased by EUR 3,584.5 million, or 353.7 per cent., to EUR 4,597.9 million for the year ended 31 December 2024 from EUR 1,013.4 million for the year ended 31 December 2023. This increase was primarily due to a strong increase in cash flow from withdrawal of borrowings. Over 2024, ETB concluded EUR 1,450 million of new debt, while Eurogrid GmbH issued for EUR 3 billion of Green bonds. Finally, the Company used its leverage capacity to contract EUR 900 million debt to finance its investment in energyRe Giga and strengthen the capital of 50Hertz.

Net cash flow from (used in) financing activities decreased by EUR 111.6 million, or 9.9 per cent., to EUR 1,013.4 million for the year ended 31 December 2023 from EUR 1,125.0 million in the year ended 31 December 2022. This decrease was primarily due to lower proceeds from capital issue (no capital increase at the Company's level in 2023), the repayment of hybrid securities and borrowings, partially offset by an increase in proceeds from withdrawal of borrowings contracted to secure liquidity for further grid expansion.

Commitments and contingencies

Capital expenditure commitments

The Group has entered into various commitments related to contracts for the installation of property, plant and equipment for further grid extension. As at 31 December 2024, 2023 and 2022, the Group had future capital commitments of EUR 18,727.0 million, EUR 11,509.0 million and EUR 3,883.9 million, respectively.

The increase in capital expenditure commitments to EUR 18,727.0 million as at 31 December 2024 from EUR 11,509.0 million as at 31 December 2023 was primarily attributable to the Group's capital investment plan with major projects in Germany. The increase in capital commitments to EUR 11,509.0 million as at 31 December 2023 from EUR 3,883.9 million as at 31 December 2022 was attributable to the implementation of the Group's capital investment plan.

Other commitments

As at 31 December 2024, 2023 and 2022, the Group had other commitments relating to purchase contracts for general expense, maintenance and repair costs of EUR 420.1 million, EUR 280.8 million and EUR 374.9 million respectively.

As at 31 December 2024, 2023 and 2022, the Group had various guarantees given to suppliers or public authorities ("performance bonds", "contractual guarantees",) for EUR 248.6 million, EUR 189.8 million and EUR 197.4 million respectively and various guarantees received from customers (contractual guarantees, notably with BRPs) for EUR (1,435.4) million, EUR (1,350.0) million and EUR (1,249.2) million respectively.

At the end of 2024, it is also important to note that the Group has an open capital commitment of EUR 10.9 million as part of its investment in SET Fund and of EUR 143.6 million as part of the acquisition of energyRe Giga. As part of the financing of energyRe Giga's activities, the Group has also pledged its shares in energyRe Giga as collateral for EUR 239.4 million.

Contingent liabilities

The Group defends litigation matters relating to business interruptions, contractual claims or disputes with third parties (for example, in relation to an ongoing discussion with one of the main EPC contractors for the Princess Elisabeth Island, see Section "*The Group's Business – Key projects of the Group – Key projects of ETB – Princess Elisabeth Island*"). Generally, in line with good business practice, the Group does not recognise any pending proceeding which has not matured and/or where the probability of existing or future exposure is unlikely, where financial impact is not estimable and for which no contingent liabilities are able to be quantified.

Nevertheless, at the end of 2024, it may be relevant to note that, in connection with an open procedure, the Group received, in 2023, a judgement that could result in it having to pay compensation amounting to around EUR 14.0 million. The Group decided to file on appeal against the court's decision. The Group and its lawyers are confident that their arguments will be heard. The probability of an impact in profit or loss is considered remote and no provision has been recognised in connection with this litigation. As per 31 December 2024, the procedure is still ongoing.

Financing arrangements

Financing arrangements of the Group

The companies in which the Company holds a stake typically manage their financing needs independently on a decentralised level, without any recourse to the Company. Specifically, Eurogrid GmbH (the holding company of 50Hertz) and ETB arrange their own and their affiliates' financing needs independently from their shareholders, on a ring-fenced basis. These are mostly financed through fixed rated debt instruments.

The financing costs associated with the Group's non-regulated activities are borne by the Company and cannot be passed through in tariffs.

The Group manages the liquidity and debt financing of its activities through diversified sources of debt funding, alongside monitoring of cash-flow forecasts, cash availability and unutilised credit facilities to ensure sufficient cash is available to meet expected expenses, investments and financial obligations.

In Belgium, ETB's funding costs linked to the financing of regulated activities are classified as "Non-controllable elements" and potential deviations from budgeted figures can be passed-through to customers in a subsequent regulatory tariff period (or in the same period in the event of an exceptional change in charges). The regulated tariffs are established pursuant to interest rate forecasts, and fluctuations in interest rates affecting ETB's debt can impact actual financing charges. This can cause a time differential, either positive or negative between actual and forecasted financing costs, which may temporarily affect cash position.

Similarly, in Germany, the regulation for 50Hertz permits the passing of debt costs to regulated tariffs, provided these costs adhere to market standards and are within certain levels defined by the regulator.

As at 31 December 2024, the Group has an average cost of debt of 2.8 per cent with a diversified and an average maturity debt profile of 6.6 years (based on a weighted average of the Group's financings). For further details on the Group's financing arrangements, see note 6.14 to the consolidated financial statements of the Company for the year ended 31 December 2024 which is incorporated by reference in this Prospectus as described in Section "*Presentation of Financial and Other Information*".

Financing arrangements of the Company

The long-and short-term financing of the Company is structured through a range of financial arrangements. The Company's financial arrangements do not benefit from security or guarantees and contain customary events of default and covenants.

The Company has a rating of BBB, stable outlook by Standard & Poor's.

Financing arrangements of the Company as at 31 December 2024 comprised the following:

			As at 31 December 2024			
	Maturity	Redemption on schedule	Interest rate	Nominal amount	Amount non-current	Amount current
				(in EUR million, unless otherwise indicated)		
Senior bond 2018/10 years	2028	At maturity	1.50%	300.0	298.8	0.0
Senior bond 2024/7 years	2031	At maturity	3.875%	6000	595.2	0.0
Total bonds				**900.0**	**894.0**	**0.0**
Hybrid bond	1st call 2028	5.85%	500.0	500.0	0.0	
Subordinated Hybrid Bond				**500.0**	**500.0**	**0.0**
Term loan	2027		Euribor + 0.74%	300.0	299.1	0.0
Total Term loans				**300.0**	**299.1**	**0.0**
Revolving Credit facility	2025		Euribor +0.375%	60.0	0.0	0.0
Revolving Credit facility	2026		Euribor +0.5%	60.0	0.0	0.0
Revolving Credit facility	2029		Euribor +0.45%	50.0	0.0	0.0
Revolving Credit facility	2027		Euribor +0.25%	50.0	0.0	0.0
Total Revolving Credit facility				**220.0**	**0.0**	**0.0**
Leases					0.0	0.1
Accrued interests (hybrid)					0.0	15.9
Accrued interest					0.0	14.6
Total indebtedness					**1,693.1**	**30.6**

Senior bonds represented an indebtedness of EUR 894.0 million as at 31 December 2024. Accrued interest on this debt was EUR 14.6 million as at 31 December 2024.

The acquisition by the Company of the additional 20 per cent. stake in 50Hertz was financed through the issuance of a EUR 700 million perpetual hybrid bond and a EUR 300 million senior bond in 2018. On 9 March 2023, the Company partially refinanced this bond by placing another EUR 500 million in hybrid securities, which were admitted to trading on the Luxembourg Stock Exchange's Euro MTF market. These hybrid securities carry a fixed coupon of 5.85 per cent. until 15 June 2028, with a reset every five years thereafter and will be callable from 15 March 2028. As at 31 December 2024, the unpaid cumulative dividend related to the hybrid bond amounts to EUR 15.9 million. A coupon of EUR 29.25 million was paid to the holders of hybrid securities in 2024. The Company is committed to preserving its financial policy and to maintaining the hybrid asset class as a permanent part of its capital structure.

On 27 March 2024, the Company entered into a EUR 300 million term loan facility agreement which was fully drawn at the date of the agreement and is to be repaid three years from that date. The proceeds of the loan has been used to finance the Company's investment in energyRe Giga.

The Company also has two bilateral revolving credit facilities, totalling EUR 120 million, which were entered into on 3 July 2023. On 5 July 2024, the Company further entered into a EUR 50 million revolving credit facility. The facility contains an obligation for the Company to maintain a long-term credit rating equal to or above BBB- and customary covenants and events of default, including a negative pledge. The Group's credit facilities are subject to customary covenants and events of default, and certain obligations in respect of maintaining its long-term credit rating. On 22 November 2024, the Company additionally entered into a EUR 50 million bilateral revolving credit facility agreement. All (bilateral) revolving credit facilities of the Group were fully undrawn at the end of 2024.

At the date of this Prospectus, the Company has a total undrawn revolving credit facilities in an amount of EUR 220 million (from the four bilateral RCFs) and EUR 35 million availability under its commercial paper programme.

The Company has adopted a funding policy which aims to ensure that the financing activities of ETB and Eurogrid remain separate and independent from the Company. The Company's dividend policy aims for growth not lower than inflation (e.g., the increase of the Consumer Price Index) in Belgium. The Company's financial policy targets a minimum rating of BBB (flat), provided that the regulatory framework and the credit rating agency's methodology remains stable.

Financing arrangements of ETB

All financial arrangements associated with the Group's regulated business in Belgium sit within ETB. The Group's financing is decentralised, meaning ETB arranges its financing independently from the Company on a ring-fenced basis. ETB's long-term and short-term financing are structured through various financial arrangements with customary covenants and events of default. ETB's financial indebtedness is unsecured and does not receive any guarantees from the Company. ETB holds a BBB+ rating with a stable outlook from Standard & Poor's.

				As at 31 December 2024		
	Maturity	**Redemption on schedule**	**Interest rate**	**Nominal amount**	**Amount non-current**	**Amount current**
			(in EUR million, unless otherwise indicated)			
Eurobond issues 2013/15 years	2028	At maturity	3.25%	550.0	548.6	0.0
Eurobond issues 2013/20 years	2033	At maturity	3.50%	200.0	199.3	0.0
Eurobond issues 2014/15 years	2029	At maturity	3.00%	350.0	348.2	0.0
Eurobond issues 2017/10 years	2027	At maturity	1.38%	250.0	249.2	0.0
Eurobond issues 2019/7 years	2026	At maturity	1.38%	500.0	499.6	0.0
Eurobond issues 2020/10 years	2030	At maturity	0.88%	800.0	793.2	0.0
Green Bond issues 2023/10 years	2033	At maturity	3.63%	500.0	497.4	0.0
Green Bond issues 2024/12 years	2036	At maturity	3.75%	800.0	795.2	0.0
Amortising bond – 7.7 years	2028	Linear	1.56%	33.3	25.0	8.3
Amortising bond – 23.7 years	2044	Linear	1.56%	133.4	132.6	0.0
Total bonds				**4,116.7**	**4,088.4**	**8.3**
Amortising term loan	2033	Linear	1.80%	140.0	125.9	14.0
European Investment Bank	2025	At maturity	1.08%	100.0	0.0	100.0
European Investment Bank	2039	Linear	2.937%	650.0	649.4	0.0
Total Bank loans				**890.0**	**775.2**	**114.0**
Revolving Credit Facility	2027	At maturity	Euribor +0.35%	1,260.0	0.0	0.0
Total Revolving Credit facility				**1,260.0**	**0.0**	**0.0**
Leases					27.5	7.9
Accrued interest					0.0	92.4
Total indebtedness					**4,891.2**	**222.6**

As at 31 December 2024, ETB's total outstanding indebtedness amounted to EUR 5,113.8 million comprising the following:

- institutional fixed rate bonds with different maturities in an aggregate amount outstanding of EUR 4,096.7 million as at 31 December 2024;
- a EUR 210 million fixed rate amortising term loan facility for a period of fifteen years entered into with BNP Paribas Fortis SA/NV and Belfius Bank SA/NV on 21 December 2018 for the financing of ETB's participation in Nemo Link Ltd. with an outstanding amount EUR 139.8 million per 31 December 2024;
- a EUR 100 million credit facility with the European Investment Bank to support ETB's ongoing capex programme and a EUR 650 million credit facility with the European Investment Bank to support the construction of the Princess Elisabeth Island (the "**EIB Loans**"), which was fully drawn as at 31 December 2024;
- leases in an amount of EUR 35.5 million as at 31 December 2024; and
- accrued interests in an amount of EUR 92.4 million as at 31 December 2024.

The EIB Loans are documented using the EIB's standard loan documentation, which has a unique structure and contains the EIB's policy provisions typical of such loans.

As at 31 December 2023, ETB had a EUR 650 million sustainability-linked revolving credit facility, entered into on 12 October 2020 with Belfius Bank SA/NV, BNP Paribas Fortis SA/NV, Coöperatieve Rabobank U.A., ING Belgium SA/NV, KBC Bank SA/NV, National Westminster Bank plc and Sumitomo Mitsui Banking Corporation as arrangers. This facility was fully undrawn as at 31 December 2023, and was refinanced with a new EUR 1,260 million sustainability-linked revolving credit facility on 16 February 2024 with Belfius Bank SA/NV, BNP Paribas Fortis SA/NV, Coöperatieve Rabobank U.A., ING Belgium SA/NV, KBC Bank NV and National Westminster Bank plc as arrangers. The pricing of the facility is linked to three of Elia's sustainability performance targets, related to climate change and health and safety performance. The revolving facility includes customary representations, undertakings and events of default.

ETB's funding policy is tailored to its specific role within the Group, emphasizing fund separation and a dividend policy that aims for a payout not exceeding an average of approximately 60 per cent. of annual results for the prior (2022-2023) and current regulatory period (2024-2027). The financial policy targets a BBB+ rating, assuming stability in both the regulatory framework and the rating methodology applied by the credit rating agency. For more information on ETB's funding policy, see https://investor.eliagroup.eu/en/financial-position/financial-position-for-elia-transmission-belgium/funding-and-dividend-policy.

Financing arrangements of Eurogrid GmbH

Eurogrid GmbH is the holding company of the 50Hertz affiliates and manages the financing and liquidity needs of the 50Hertz (sub) group. The Group's financing is decentralised, with Eurogrid GmbH independently arranging its financing. The financing agreements that Eurogrid GmbH enters into with third parties are unsecured and generally contain customary covenants and events of default, including a negative pledge. These financings are not guaranteed by Eurogrid International or the Company. Eurogrid GmbH holds a BBB rating with a stable outlook from Standard & Poor's.

			As at 31 December 2024			
	Maturity	Redemption on schedule	Interest rate	Nominal amount	Amount non-current	Amount current
				(in EUR million, unless otherwise indicated)		
Bond as part of Debt Issuance Programme 2015	2025	At maturity	1.87%	500.0	0.0	499.8
Bond as part of Debt Issuance Programme 2015	2030	At maturity	2.62%	140.0	139.5	0.0
Bond as part of Debt Issuance Programme 2016	2028	At maturity	1.50%	750.0	748.8	0.0
Bond as part of Debt Issuance Programme 2020	2040	At maturity	0.87%	200.0	199.5	0.0
Green Bond as part of Debt Issuance Programme 2020	2032	At maturity	1.11%	750.0	748.1	0.0
Bond as part of Debt Issuance Programme 2021	2033	At maturity	0.74%	500.0	498.6	0.0
Green Bond as part of Debt Issuance Programme 2022	2031	At maturity	3.27%	750.0	748.0	0.0
Bond as part of Debt Issuance Programme 2023	2030	At maturity	3.72%	800.0	795.0	0.0
Bond as part of Debt Issuance Programme 2023	2038	At maturity	4.06%	50.0	49.9	0.0
Green Bond as part of Debt Issuance Programme 2024	2029	At maturity	3.59%	700.0	698.3	0.0
Green Bond as part of Debt Issuance Programme 2024	2034	At maturity	3.91%	800.0	797.4	0.0
Green Bond as part of Debt Issuance Programme 2024	2027	At maturity	3.07%	650.0	648.2	0.0
Green Bond as part of Debt Issuance Programme 2024	2035	At maturity	3.73%	850.0	847.2	0.0
Registered bond 2014	2044	At maturity	3.00%	50.0	50.0	0.0
Total bonds				**7,490.0**	**6,968.5**	**499.8**
Revolving Credit Facility	2027		Euribor + min 0.40%	750.0	0.0	0.0
Revolving Credit Facility	2027		Euribor + min 0.90%	3,000.0	0.0	0.0
Confirmed Credit Facility	Unlimited		Euribor +0.27%	150.0	0.0	0.0
Total Revolving Credit facility				**3,900**	**0.0**	**0.0**
Loan with IKB	2032	At maturity	2.87%	4.3	0.0	0.0
Loan with IKB	2026	At maturity	0.90%	150.0	150.0	0.0
Loan with bank consortium	2033	Amortizing	3.54%	600.0	600.0	0.0
Loan with bank consortium	2033	At maturity	3.87%	120.0	120.0	0.0
Total other loans				**874.3**	**870.0**	**0.0**
Leases					45.6	8.2
Accrued Interest					0.0	114.4
Total indebtedness					**7,884.1**	**622.4**

As at 31 December 2024, Eurogrid GmbH's total outstanding indebtedness amounted to EUR 8,506.5 million comprised of the following:

- institutional fixed rate bonds with different maturities with an aggregate amount outstanding of EUR 7,468.3 million as at 31 December 2024 (including EUR 499.8 million in short-term);
- loans with a banking group for a total amount of EUR 870.0 million (consisting of a Green loan of EUR 600 million and a syndicated bank loan of EUR 120 million, both with a maturity date in 2033), a syndicated term loan facility in an aggregate amount of EUR 150.0 million under which EUR 150.0 million was outstanding as at 31 December 2024 (maturing in 2026). There is as well a EUR 4.3 million undrawn bilateral loan with IKB (maturing in 2032);
- leases in an amount of EUR 53.8 million as at 31 December 2024; and
- accrued interest in an amount of EUR 114.4 million as at 31 December 2024.

In 2024, Eurogrid GmbH, the parent company of 50Hertz, successfully secured a total of EUR 3 billion through the issuance of its third, fourth, fifth, and sixth green bonds. The funds raised will finance key grid expansion projects for the energy transition, both on land and at sea, to enhance renewable electricity integration and transportation. In early 2024, Eurogrid GmbH raised EUR 1.5 billion through a dual-tranche green bond, comprising a EUR 700 million bond with a 5-year term and a 3.59 per cent. coupon, and an EUR 800 million bond with a 10-year term and a 3.91 per cent. coupon. Later in the year, Eurogrid issued its fifth and sixth green bonds, securing an additional EUR 1.5 billion: a EUR 650 million bond with a 3-year term and a 3.07 per cent. coupon, and an EUR 850 million bond with an 11-year term and a 3.73 per cent. coupon.

Eurogrid GmbH also has a EUR 750 million revolving credit facility, entered into on 26 February 2021, with Banco Santander SA, BNP Paribas SA Niederlassung Deutschland, Commerzbank Aktiengesellschaft, Coöperatieve Rabobank U.A., ING Bank a Branch of ING-DIBA AG, Mizuho Bank Ltd., National Westminster Bank plc and Unicredit Bank AG as bookrunners and mandated lead arrangers. The facility includes customary representations, undertakings and events of default. Eurogrid GmbH possesses an additional uncommitted overdraft facility of EUR 150 million with BNP Paribas SA Niederlassung Frankfurt-am-Main, Deutschland, entered into on 9 December 2011. These two facilities are undrawn as at 31 December 2024.

In February 2024, Eurogrid GmbH entered into a EUR 3 billion revolving credit facility with Unicredit Bank GmbH, with a three-year term ending February 2027, with an option for an extension until 2029. On 15 April 2024, a Global Transfer Agreement was concluded in which UniCredit Bank GmbH transferred a substantial portion of its commitments to ABN AMRO Bank N.V., BNP Paribas S.A. Niederlassung Deutschland, Commerzbank Aktiengesellschaft, Credit Agricole Corporate and Investment Bank Deutschland, ING Bank, a branch of ING-DiBa AG, Mizuho Bank Ltd, Royal Bank of Canada, Bayerische Landesbank, Cooperatieve Rabobank U.A., Deutsche Bank Luxembourg S.A., DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Landesbank Baden-Württemberg, National Westminster Bank PlC Niederlassung Dtl, NatWest Markets Plc Frankfurt Branch and SGBTCI. This facility is undrawn as at 31 December 2024.

In February 2025, Eurogrid GmbH entered into a contract with twelve banks for a redeemable loan of EUR 1 billion with a term of ten years as part of 'green' syndicated financing supported by KfW. The loan has 2.99 per cent. interest rate with linear amortisation over 9 years, starting in 2027. Also in February, the most recent EUR 850 million bond was tapped by another EUR 200 million resulting in a combined EUR 1,050 million bond. It matures in 2035.

Material Accounting Policies

The Group's reported financial condition and results of operations are sensitive to the accounting principles, methods and assumptions that are the basis for its consolidated financial statements. The Group's accounting policies, the judgments that management makes in the creation and application of these policies, and the sensitivities of reported results to changes in accounting policies and assumptions are factors to be considered along with the consolidated annual financial statements. For a detailed discussion of its significant accounting policies and estimates, see note 3 to the consolidated financial statements of the Company for the year ended 31 December 2024 which is incorporated by reference in this Prospectus as described in Section "*Presentation of Financial and Other Information*".

The preparation of the consolidated financial statements requires its management to make estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements. While the Group bases these estimates and judgments on historical experience and other factors that are believed to be reasonable under the circumstances and reviews all estimates and judgments continually, many factors may cause actual results to materially differ from these estimates. See Sections "*Risk Factors*" and "*Forward-Looking Statements*".

Market Risk Disclosures

The Group's major financial risks include foreign currency risk, interest rate risk, risks from energy procurement, credit and liquidity. For more detail, see note 8.1 to the consolidated financial statements of the Company for the year ended 31 December 2024 which is incorporated by reference in this Prospectus as described in Section "*Presentation of Financial and Other Information*".

Working capital

In the opinion of the Company, the Group's working capital is sufficient for the Group's present requirements; that is for at least 12 months following the date of this Prospectus.

DIVIDENDS AND DIVIDEND POLICY

Dividends

As at 31 December 2024, the Company had reserves available for distribution of EUR 286.2 million before payment of the dividend in respect of the financial year 2024 which is expected to be announced upon convening of the Annual Shareholders' Meeting of 20 May 2025.

In accordance with the dividend provisions of the Articles of Association (see Section "*Dividend policy*"), the Company paid gross dividends in the aggregate amount of EUR 146.3 million (EUR 1.99 per share) to its shareholders in respect of the financial year ended 31 December 2023. Dividends in respect of the financial year 2024 have not been approved yet, as the Annual Shareholders' Meeting is scheduled to be held on 20 May 2025. Assuming the contemplated EUR 2.05 per Share would be confirmed for the financial year ended 31 December 2024 (as detailed below), the Company is expected to pay gross dividends in the aggregate amount of EUR 150.7 million to its shareholders in respect of the financial year ended 31 December 2024.

Historical dividends and any implicit payout ratios are not necessarily indicative of future dividends or payout ratios.

Both the Shares that will be issued in the context of the PIPE as well as the New Shares will not entitle their holders to participate in the dividend distribution with respect to the results of financial year 2024. To this end, on 19 March 2025, the entitlement to receive the dividend for financial year 2024 in the amount of EUR 1.95 per Share, as well as the entitlement to receive the special dividend of EUR 0.10 per Share, jointly represented by the Dividend Coupon, has been separated from the underlying Shares. For more information on the 2024 dividend and the special dividend, see Section "*Dividend restatement*" hereunder.

Due to the detachment of the Dividend Coupon, the New Shares offered rank equally with all of the Company's outstanding ordinary shares for any dividends that may be declared and paid in respect of the financial year beginning 1 January 2025 and future financial years, including the 13,736,263 Shares that are expected to be issued to NextGrid Holding, ATLAS, BlackRock and CPP Investments on 26 March 2025 when the Company raises EUR 849,999,954.44 million (including issue premium) in additional equity through the PIPE. As a result of the PIPE, the total number of Shares will increase from 73,521,823 to 87,258,086.

Dividends per share	**2024**	**2023**
Numbers of shares entitled to dividend (million)	73.49	73.50
Dividend (EUR) per share	2.05	1.99
Total dividend (MEUR)	150.7	146.3

Dividend policy

The calculation of amounts available to be distributed as dividends or otherwise distributed to shareholders must be made on the basis of the Belgian statutory financial statements, taking into account the limits set out by Article 7:212 BCCA. According to Article 7:212 BCCA, no dividend may be distributed if, at the date of the closing of the last financial year, the net assets as set forth the statutory annual accounts are lower than the amount of the paid-up capital or, if this amount is higher, of the called capital, increased with all reserves which may not be distributed according to the law or the Articles of Association, or if the net assets would fall below this amount as a result of such a distribution.

In accordance with Article 7:211 BCCA, Article 33 of the Articles of Association requires that the Company allocates, each year, at least 5 per cent. of its annual net profits to a legal reserve until this reserve reaches 10 per cent. of the Company's share capital. The Company's legal reserve currently amounts to EUR 183.4 million. In addition, the Company is required to use the profit generated by the inclusion in the tariffs of the depreciation of the decommissioning to fund future investments.

On 21 March 2019 the Board of Directors formally approved the policy it intends to apply when proposing dividends to the General Shareholder's Meeting. Under this policy, the full-year dividend growth is intended not to be lower than the increase of the Consumer Price Index ("inflation") in Belgium. With regard to distributable profits over and above the required allocation to the legal reserve, Article 33.1 of the Articles of Association provides that in principle 85 per cent. of the

yearly profits available for distribution shall be allocated for the payment of dividends, unless the shareholders decide otherwise at the General Shareholders' Meeting (it being understood that the holders of Class A Shares and Class C Shares must concur in such decision) (see Section "*Description of Share Capital and Articles of Association – Share Capital and shares – Distribution of profits*").

The dividend policy supports the Company's long-term ambition to offer a secure dividend in real terms to the shareholders while at the same time enabling the Company to sustain a strong balance sheet that is needed to fund the Group's investment programme.

The Board of Directors specifies that future dividends will remain dependent upon the results of the Company (which are affected by a number of factors, including the dividends received from its subsidiaries) as well as the Company's financial situation, financing needs and business perspectives.

Dividend restatement

As a result of the Offering being undertaken, Dividend per Share (DPS) will need to be retrospectively adjusted in terms of number of Shares by an adjustment factor to account for the additional number of New Shares that will be issued as a result of the Offering being undertaken at a discount to market price. This adjustment factor reflects the distribution of rights during the contemplated capital increase ("bonus element"). The implied dividend per share dilution from the Offering, once applying the adjustment factor for comparability purposes under accounting standard IAS33, is approximately 4.9 per cent. The Company has decided to adjust its 2024 dividend per Share for the bonus element of the rights issue applying the adjustment factor[31], this results in such dividend per Share being reduced from the contemplated EUR 2.05 per Share to EUR 1.95 per Share. The Company has, however, decided to compensate for such restatement by proposing a special dividend uplift of EUR 0.10 per Share in respect of the dividend for financial year 2024 so as to still distribute a dividend of EUR 2.05 per Share in respect of financial year 2024. As mentioned above, Shares issued in the context of the PIPE and New Shares offered in the context of the Offering will not be entitled to the 2024 dividend of EUR 2.05 per Share.

[31] *Adjustment factor is calculated as share price (ex-dividend) / theoretical ex-rights price.*

MANAGEMENT AND GOVERNANCE

The reorganisation of the Group in 2019 has had a significant impact on the management and governance of the Company (formerly Elia System Operator SA/NV). Following the reorganisation, the Company transferred its Belgian regulated activities to ETB and therefore is no longer subject to the Electricity Law and the Corporate Governance Decree regarding the organisation and corporate governance of the TSO, with a view to guaranteeing its independence and impartiality. However, the Company does remain listed on the stock exchange and therefore remains subject to the obligations of listed companies, in particular with regards to governance. The Company accepts the Corporate Governance Code 2020 as its reference code. Some provisions of the Electricity Law (e.g. on unbundling) are however enacted in the Articles of Association. For more information, see Section "*The Group's Business - General information in relation to the Company - Proposed changes to the Articles of Association*".

Furthermore, the respective roles and responsibilities of the management bodies of the Company are governed by the Articles of Association and the Corporate Governance Charter (as defined below). The Company is also subject to the BCCA.

The main principles of the Company's governance, as set out in the Articles of Association, can be summarised as follows:

- the Board of Directors is composed of twelve (12) members, including (i) six (6) directors appointed on the proposal of the holders of Class A Shares and Class C Shares, insofar as the Class A Shares and Class C Shares, alone or together, represent more than 30 per cent. of its capital; and (ii) the other directors (to bring the total to twelve (12) members), of which at least three (3) must be independent directors within the meaning of Article 7:87 BCCA, appointed by the Shareholders' Meeting on the recommendation of the Board of Directors, after advice of the Nomination and Remuneration Committee. All directors must be non-executive directors (*i.e.* persons who have no daily management duties within the Company or within one of its subsidiaries);
- the Board of Directors strives for consensus. Only when consensus cannot reasonably be reached shall decisions be taken by simple majority;
- the Company opts for a one-tier structure, being the Board of Directors with three advisory committees, namely the Audit Committee, the Strategic Committee and the Nomination and Remuneration Committee, together with a college in charge of the day-to-day management (the "**Executive Management Board**") pursuant to Article 7:121 BCCA.

Until now, notwithstanding the statutory governance rules, the Company's Board of Directors has consisted of twelve (12) directors: six (6) appointed based on Publi-T's proposal and six (6) independent directors. See Section "*Management and Governance – Board of Directors – Composition*". Following the appointment of Bernard Gustin as Chief Executive Officer of the Company and President of the Executive Management Board from 15 January 2025, and his resignation as a director, the Board of Directors currently consists of eleven (11) directors.

The recent restructuring of the shareholding of the Company, whereby Publi-T transferred its Shares to NextGrid Holding – a joint venture between between Publi-T and Fluxys – does not affect the governance of the Company, except that NextGrid Holding, rather than Publi-T, now owns all Class C Shares. See also Section "*Relationship with significant shareholders and related party transactions"*.

Shareholders' Agreement

On 31 May 2002, Electrabel NV, SPE NV, CPTE SC/CV, Publi-T, the Belgian State, the Company and Elia Asset entered into a shareholders' agreement (the "**Shareholders' Agreement**"). At that time, the Company still comprised the regulated business in Belgium.

The Shareholders' Agreement was governed by Belgian law and entered into for the term of appointment of the Company as TSO (*i.e.* 20 years as at 17 September 2002), plus six months. The Shareholders' Agreement has therefore expired on 17 March 2023 and is currently no longer in force.

Board of Directors

Powers

As provided by Article 7:85 BCCA, the Company is headed by a Board of Directors acting as a collegiate body. The Board of Directors' role is to pursue the long-term success of the Company by providing entrepreneurial leadership and enabling risks to be assessed and managed. The Board of Directors should decide on the Company's values and strategy, its risk appetite and key policies. The Board of Directors should ensure that the required financial and human resources are in place for the Company to meet its objectives.

The Board of Directors is responsible for all matters relating to the realisation of the Company's corporate object, with the exception of those matters that are, pursuant to the applicable law or the Articles of Association, exclusively reserved to the General Shareholders' Meeting.

Under the Articles of Association, the reserved powers of the Board of Directors include, without limitation:

1. approval/amendment of the general, financial and dividend policy of the Company, including the strategic orientations or options for the Company as well as the principles and problems of a general nature, in particular with regard to risk management and personnel management;
2. approval, follow-up and amendment of the Company's business plan and budget;
3. without prejudice to other specific powers of the Board of Directors, to enter into all commitments when the amount exceeds fifteen million euros (EUR 15,000,000), unless the amount and its main characteristics are expressly provided for in the annual budget;
4. decisions on the corporate structure of the Company and of the companies in which the Company holds a participation, including the issue of securities;
5. decisions on the incorporation of companies and on the acquisition or transfer of shares (irrespective of the manner in which these shares are acquired or transferred) in companies in which the Company directly or indirectly holds a participating interest, insofar as the financial impact of this incorporation, acquisition or transfer exceeds two million five hundred thousand euros (EUR 2,500,000);
6. decisions on strategic acquisitions or alliances, significant divestments or transfers of core activities or assets of the Company;
7. significant changes to accounting or tax policies;
8. significant changes in the activities;
9. decisions concerning the launch of or acquisition of participations in activities outside the management of electricity networks;
10. strategic decisions to manage and/or acquire electricity networks outside Belgium;
11. with regard to:
    (i) ETB and Elia Asset: monitoring their general policy as well as the decisions and matters referred to in items 4, 5, 6, 8, 9 and 10 above;
    (ii) the key subsidiaries designated by the Board of Directors (other than ETB and Elia Asset): the approval and monitoring of their general policy as well as the decisions and matters referred to in items 1 to 10 above;
    (iii) the subsidiaries other than the key subsidiaries: the approval and monitoring of their general policy as well as the decisions and matters referred to in items 4, 5, 6, 8, 9 and 10 above.
12. exercising general supervision over the Executive Management Board; in this context, the Board of Directors shall also supervise the way in which the business activity is conducted and developed, in order to assess, among other things, whether the Company's business is being conducted in a due and proper way ;
13. the powers granted to the Board of Directors by or by virtue of the BCCA or the Articles of Association.

Composition

The Board of Directors is in principle composed of twelve (12) members (see also hereafter, regarding the current composition), including (i) six (6) directors appointed on the proposal of the holders of Class A Shares and Class C Shares, insofar as the Class A Shares and Class C Shares, alone or together, represent more than 30 per cent. of its capital; and (ii) the other directors, of which at least three (3) must be independent directors within the meaning of Article 7:87 BCCA, appointed by the Shareholders' Meeting on the recommendation of the Board of Directors, after advice of the Nomination and Remuneration Committee. All directors must be non-executive directors (*i.e.* persons who have no daily management duties within the Company or within one of its subsidiaries). One-third of the members of the Board of Directors must be of the opposite sex. When renewing the mandates of the members of the Board of Directors, a linguistic balance within the group of directors holding Belgian nationality must be achieved and maintained.

In accordance with the Articles of Association, the members of the Board of Directors may not be members of the supervisory board, the board of directors or bodies that legally represent an undertaking that fulfils any of the following functions: production or supply of electricity or natural gas. Nor may the members of the Board of Directors carry on any other function or activity, whether remunerated or not, in favour of an undertaking falling under the preceding sentence (provision from the Electricity Law).

In addition, the Board of Directors approved on 2 March 2021, in application of provision 5.1 of the Corporate Governance Code 2020, additional criteria applicable to all newly appointed directors.

Following the appointment of Bernard Gustin as Chief Executive Officer of the Company and President of the Executive Management Board, and his resignation as a director, the Board of Directors currently consists of eleven (11) directors. Five (5) directors are independent, non-executive directors and six (6) others are non-independent, non-executive directors appointed by the Shareholders' Meeting upon proposal of Publi-T, as per the current shareholder structure. In this regard, the Articles of Association specify that if a director's position becomes vacant and the board temporarily has fewer than twelve (12) members, the remaining directors are still authorised to discuss and make decisions with the existing members until new directors are co-opted or appointed. Consequently, the Board of Directors continues to make valid decisions. An additional director will be appointed to restore the Board of Directors to its full complement of twelve (12) members.

Appointment of directors

Directors are elected by the Shareholders' Meeting on the recommendation of the Board of Directors, after advice of the Nomination and Remuneration Committee.

For directors appointed upon the proposal of the class A shareholders and C shareholders, see Section "*Directors appointed upon the proposal of the class A and C shareholders*".

Independent directors

The independent directors are elected by the Shareholders' Meeting on the recommendation of the Board of Directors, after advice of the Nomination and Remuneration Committee.

Apart from their independence, the independent directors are selected based on their financial management knowledge and their relevant technical knowledge.

In the case of a vacancy with regard to an independent director position which occurs during the term of his/her mandate, the other members of the Board of Directors can, after advice of the Nomination and Remuneration Committee, make temporary provision to fill the vacancy until the next Shareholders' Meeting. The candidacy of the independent director is notified to the works council prior to the co-optation.

According to the Articles of Association, the minimum of independent directors is three (3). As at the date of this Prospectus, there are five (5) independent directors.

On 18 December 2023 and on 11 September 2024, ETB was re-appointed as local TSO in the Flemish Region by the VREG for a renewable term of twelve years. Under the latter decision of 11 September 2024, the appointment has, however, been made subject to the fulfilment by 1 January 2026 of all appointment conditions (related to the independence of certain independent directors, where the VREG believes that those independent directors of ETB who also hold

positions at the Company cannot be considered independent directors according to Flemish energy legislation). For more information, see Section "*The Group's business – Organisational structure – Belgian segment – ETB – Belgian TSO*" and risk factor "*The TSO permits and certifications which are necessary for the Group's operations may be revoked, modified or become subject to more onerous conditions*".

Directors appointed upon the proposal of the class A and C shareholders

As long as the Class A Shares and Class C Shares, alone or together, represent more than 30 per cent. of the share capital of the Company, a certain number of directors shall be elected on the basis of a list of candidates proposed by the holders of Class A Shares (the "**A Directors**") and a certain number of directors shall be elected on the basis of a list of candidates proposed by the holders of Class C Shares (the "**C Directors**"). The number of non-independent directors to be elected on the basis of a list of candidates proposed by the holders of Class A Shares and Class C Shares, respectively, is determined *pro rata* based on the percentage that the respective Class A Shares and Class C Shares bear to the aggregate number of Class A Shares and Class C Shares. This number is determined as follows:

- six (6) directors if this percentage is at least 85.71 per cent.;
- five (5) directors if this percentage is at least 71.43 per cent. but not greater than 85.71 per cent.;
- four (4) directors if this percentage is at least 50 per cent. but not greater than 71.43 per cent.;
- three (3) directors chosen from a list of candidates proposed by the class C shareholders and three (3) directors from a list of candidates proposed by the class A shareholders if the percentage is equal to 50 per cent.;
- two (2) directors if this percentage is at least 28.57 per cent. but not greater than 50 per cent.; and
- one (1) director if this percentage is at least 14.29 per cent. but less than 28.57 per cent.

If there are no longer either Class A Shares or Class C Shares, six (6) non-independent directors shall be elected from a list of candidates presented by the holders of the other, remaining class of shares (either Class A Shares or Class C Shares), to the extent that the shares of this latter class represent more than 30 per cent. of the capital of the Company.

As per the current shareholder structure of the Company, all non-independent, non-executive directors are appointed upon the proposal of NextGrid Holding. As at the date of this Prospectus, there are six (6) non-independent directors.

Diversity

In accordance with the BCCA and the Articles of Association, the Board of Directors is composed of at least one-third members of the opposite sex.

In addition, in accordance with the Corporate Governance Code 2020 and the Law of 3 September 2017 on the publication of non-financial and diversity information by certain large companies and groups, the composition of the Board of Directors is based on gender diversity and diversity in general, as well as on the complementarity of skills, experience and knowledge.

When seeking and appointing new directors, particular attention is paid to diversity parameters in terms of age, gender and complementarity.

As at the date of this Prospectus, the Board of Directors is composed as follows:

Men	35 – 54 years old	1 director
	≥ 55 years old	6 directors
Women	35 – 54 years old	1 director
	≥ 55 years old	3 directors

Independence criteria

In accordance with the Article 7:87 BCCA *juncto* the Corporate Governance Code 2020, an independent director is any non-executive director who meets at least the following criteria:

- Not be an executive, or exercising a function as a person entrusted with the daily management of the company or a related company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of the Company related to this position;
- Not have served for a total term of more than twelve years as a non-executive board member;
- Not be an employee of the senior management (as defined in Article 19,2° of the Law of 20 September 1948 regarding the organisation of the business industry) of the Company or a related Company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of the company related to this position;
- Not be receiving, or having received during their mandate or for a period of three years prior to their appointment, any significant remuneration or any other significant advantage of a patrimonial nature from the company or a related company or person, apart from any fee they receive or have received as a non-executive board member;
- (i) Not hold shares, either directly or indirectly, either alone or in concert, representing globally one tenth or more of the Company's share capital or one tenth or more of the voting rights in the Company at the moment of appointment; (ii) not having been nominated, in any circumstances, by a shareholder fulfilling the conditions covered under (i);
- Not maintain, nor have maintained in the past year before their appointment, a significant business relationship with the Company or a related company or person, either directly or as partner, shareholder, board member, member of the senior management (as defined in Article 19,2° of the Law of 20 September 1948 regarding the organisation of the business industry) of a company or person who maintains such a relationship;
- Not be or have been within the last three years before their appointment, a partner or member of the audit team of the Company or person who is, or has been within the last three years before their appointment, the external auditor of the Company or a related company or person;
- Not be an executive of another company in which an executive of the Company is a non-executive board member, and not have other significant links with executive board members of the Company through involvement in other companies or bodies; and
- Not have, in the Company or a related company or person, a spouse, legal partner or close family member to the second degree, exercising a function as board member or executive or person entrusted with the daily management or employee of the senior management (as defined in Article 19,2° of the Law of 20 September 1948 regarding the organisation of the business industry), or falling in one of the other cases referred to in the eight items above, and as far as the second item is concerned, up to three years after the date on which the relevant relative has terminated their last term.

Where the Board of Directors submits to the Shareholders' Meeting the candidacy of an independent director, it shall expressly confirm that it has no indication of any factor which might cast doubt on its independence as defined above.

Where the Board of Directors presents to the Shareholders' Meeting the candidacy of an independent director whose independence may be in doubt, it shall explain such indication(s) and set out the reasons that lead it to consider that the candidate is indeed independent as defined above.

Functioning

The members of the Board of Directors elect a chairman/chairwoman (the "**Chairman**" or "**Chairwoman**") and one or more vice chairmen/chairwomen (a "**Vice Chairman**" or "**Vice Chairwoman**"), who will not have a casting vote.

A meeting of the Board of Directors can be validly held if at least half of the members are present or represented at the meeting. If a meeting is adjourned for lack of quorum, upon reconvening the meeting, the Board of Directors may validly deliberate and decide on matters on the agenda of the original meeting without satisfying the quorum requirements. Meetings of the Board of Directors are convened by the Chairman of the Board of Directors, at least once (1) per quarter. It must be

convened whenever the Company's interests so require and whenever at least two directors so request.

Decisions of the Board of Directors are, to the extent possible, taken by consensus and, if no consensus can reasonably be reached, by a simple majority. If four (4) directors (including at least one (1) independent director) so request, decisions regarding certain significant issues, identified in Article 19.10 of the Articles of Association, must be suspended to a next meeting to be held on the first business day following the expiry of a ten 10-day waiting period. These decisions include:

1. approval/amendment of the general, financial and dividend policy of the Company, including the strategic orientations or options for the Company as well as the principles and problems of a general nature, in particular with regard to risk management and personnel management;
2. approval, follow-up and amendment of the Company's business plan and budgets;
3. entering into all commitments where the amount exceeds fifteen million euros (EUR 15,000,000), unless the amount and its main characteristics are expressly provided for in the annual budget;
4. decisions on the corporate structure of the Company and of the companies in which the Company holds a participation, including the issue of securities;
5. decisions on the incorporation of companies and on the acquisition or transfer of shares (irrespective of the manner in which these shares are acquired or transferred) in companies in which the Company directly or indirectly holds a participating interest, insofar as the financial impact of this incorporation, acquisition or transfer exceeds two million five hundred thousand euros (EUR 2,500,000);
6. decisions on strategic acquisitions or alliances, significant divestments or transfers of core activities or assets of the Company;
7. significant changes to accounting and tax policies;
8. significant changes in the activities;
9. decisions concerning the launch of or acquisition of participations in activities outside of the management of electricity networks;
10. strategic decisions to manage and/or acquire electricity networks outside of Belgium;
11. with regard to:
    (i) ETB and Elia Asset: monitoring their general policy as well as the decisions and matters referred to in items 4, 5, 6, 8, 9 and 10 above;
    (ii) the key subsidiaries designated by the Board of Directors (other than ETB and Elia Asset): the approval and monitoring of their general policy as well as the decisions and matters referred to in items 1 to 10 above;
    (iii) the subsidiaries other than the key subsidiaries the approval and monitoring of their general policy as well as the decisions and matters referred to in items 4, 5, 6, 8, 9 and 10 above.

Current members of the Board of Directors

The current members of the Board of Directors are:

Name	Position	Director since	Expiry of mandate[1]	Board committee membership
Michel Allé	Non-executive Independent Director	17 May 2016	2025	Chairman of the Audit Committee and member of the Strategic Committee
Pieter De Crem	Non-executive Director appointed upon proposal of Publi-T	9 February 2021	2026	Member of the Strategic Committee
Laurence de L'Escaille	Non-executive Independent Director	17 May 2022	2025	Member of the Nomination and Remuneration Committee
Frank Donck	Non-executive Independent Director	20 May 2014	2027	Member of the Audit Committee and standing invitee of the Strategic Committee
Bernard Thiry	Non-executive Director appointed upon proposal of Publi-T and Vice Chairman	16 May 2023	2029	Member of the Strategic Committee
Roberte Kesteman	Non-executive Independent Director	27 October 2017	2029	Member of the Audit Committee and Member of the Nomination and Remuneration Committee
Dominique Offergeld	Non-executive Director appointed upon proposal of Publi-T	11 May 2010	2029	Member of the Audit Committee, Chairwoman of the Nomination and Remuneration Committee and standing invitee of the Strategic Committee
Eddy Vermoesen	Non-executive Director appointed upon proposal of Publi-T	16 May 2023	2029	Member of the Audit Committee
Pascale Van Damme	Non-executive Independent Director	17 May 2022	2025	Member of the Nomination and Remuneration Committee

Name	Position	Director since	Expiry of mandate[1]	Board committee membership
Geert Versnick	Non-executive Director appointed upon proposal of Publi-T and Chairman	20 May 2014	2026	Member of the Nomination and Remuneration Committee and Chairman of the Strategic Committee
Interfin SC/CV, represented by its permanent representative Thibaud Wyngaard	Non-executive Director appointed upon proposal of Publi-T	1 January 2022	2026	—

(1) Mandates expire after annual general shareholders' meeting.

Following Bernard Gustin's appointment as Chief Executive Officer of the Company and President of the Executive Management Board on 12 December 2024, he resigned as a director of the Company. Consequently, the Board of Directors temporarily consists of only eleven (11) members. The former mandate of Bernard Gustin as independent director will be replaced by an independent director in order to reach again twelve (12) members.

At the Annual Shareholders' Meeting of 20 May 2025, the mandates of three (3) independent directors will come to term (Michel Allé, Laurence de l'Escaille, Pascale Van Damme). These directors will either be re-appointed or replaced by independent directors, except for one independent director, who may be replaced by a director appointed upon the recommendation of the Board of Directors following the advice of the Nomination and Remuneration Committee as per Article 13.3 of the Articles of Association and who accordingly is neither an independent director, nor a director appointed upon the proposal of the holder of the Class C shares (NextGrid Holding); the term of that mandate being initially for one (1) year.

As stipulated in the Articles of Association, the Board of Directors will comprise twelve (12) directors, with at least three (3) being independent. Immediately following the Annual Shareholders' Meeting of 20 May 2025 and subject to the decision of such meeting, it is contemplated that the Board of Directors will comprise five (5) independent directors, six (6) non-independent directors appointed upon the proposal of the holder of the Class C Shares (NextGrid Holding) and one (1) director appointed upon the recommendation of the Board of Directors following the advice of the Nomination and Remuneration Committee as per Article 13.3 of the Articles of Association and who accordingly is neither an independent director, nor a director appointed by the holder of the Class C shares. The Company's business address serves as the choice of residence of each of the members of the Board of Directors.

General information on the directors

In the five years preceding the date of this Prospectus, the directors have held the following directorships (apart from their directorships of the Company or its subsidiaries) and memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Principal outside interests as at the date of this Prospectus	Past outside interests
Michel Allé	Director of Société de Participation et de Gestion SA; Director (as permanent representative of GEMA SRL) of Eurvest SA; Director of GEMA SRL; Managing Director of CEPAC ASBL; President of the Board of Directors (as permanent representative of GEMA SPRL) of EPICS Therapeutics SA; Director (as permanent representative of SPDG SA) of DreamJet Participations SA; Director of Sauvegarde de l'Ecole Plein Air ASBL; Director Lineas SA and Lineas Group SA (as permanent representative of GEMA SRL); Director of Neuvasq Biotechnologies SRL; Director of Euro Asia Edu SRL, and Director of Bataves 1521.	N/A
Pieter De Crem	Director of ED MERC SRL/BV, ZABRA SA/NV, VANHOUT SA/NV, and of Orsi Advisory SRL/BV.	Secretary of State for Foreign Trade (2014-2020), and Minister of Home Affairs and Security (2018-2020). Special envoy of the Federal Government for the MYRRHA research project.
Laurence de l'Escaille	Member of the Commission for Nuclear Provisions (*Commission des provisions nucléaires*); Independent director of BNP Paribas Fortis SA/NV; Director of Beyond Complexity SRL/BV.	Partner at McKinsey and Company; and Belgian Federal Governments' COVID-19 Commissariat (strategic planning for COVID-19 vaccine deployment).
Frank Donck	Managing Director of 3D SA/NV and Managing Director or Director of affiliated companies to 3D SA/NV; Chairman of the Board of Directors of Atenor SA/NV, ForAtenor SA/NV, and Golfzicht SRL/BV (as permanent representative of Ibervest SA/NV); Independent Director of Associatie KU Leuven ASBL/VZW and Independent Member of the Board of Trustees of KU Leuven; Independent Director of Luxempart SA/NV; Director of KBC Group SA/NV, Director of Barco SA/NV, Director of KBC Verzekeringen SA/NV, and Member of the Supervisory Board of KBC Global Services SA/NV;	Chairman of the Supervisory Board of Tele Columbus AG; Chairman of the Board of Directors of DragonFly Belgium SA/NV; Vice-Chairman of the Board of Directors of Vlerick Business School; and Director of Tele Columbus AG, Greenyard SA/NV, Plastiflex Group SA/NV, Telenet Group Holding SA/NV, and of Zenitel SA/NV.

Name	Principal outside interests as at the date of this Prospectus	Past outside interests
	Managing Director of Huon & Kauri SA/ NV, Iberis SRL/BV and Ibervest SA/NV (as permanent representative of Iberis SRL/BV); Director of Anchorage SA/NV, Anfra SRL/ BV, Bowinvest SA/NV, House of Odin SRL/BV (as permanent representative of Ibervest SA/NV), Iberint SA/NV, Academie Vastgoedontwikkeling SA/NV, Imdoma SRL/BV, Immobiliën Donck SA/NV, Mado SA/NV, Markizaat SA/NV; Director of Commissie Corporate Governance Private Stichting; Director of Group Ter Wyndt SRL/BV (as permanent representative of Ibervest SA/ NV) and Director of Ter Wyndt SRL/BV, Director of Winge Golf SA/NV; and Chairman of Raad voor het behoud van het roerend cultureel erfgoed (Topstukkenraad).	
Bernard Thiry	Director of NextGrid Holding SA/NV, Publi-T SC/CV, Publipart SC/CV, OGEO FUND OFP, CREDIS SRL/BV. SOCOFE SAJNV, Solidaris Assurances SMA, Intégrale Luxembourq, Fondation Edgard Milhaud, and Section belqe du CIRIEC; Vice-Chairman of the board of directors of Nethys: and Chairman of the board of directors of NEB Participations, NEB Foncière, and CIRIEC aisbl.	Director of the CREG, chairman of Forem's management committee, and chairman of the Union nationale des mutualités socialistes, and Vice Chairman of Publigaz.
Roberte Kesteman	Independent director of Aperam S.A.; Director of Fluxys Belgium SA/NV; Independent Director of the Royal Belgian Football Association RBFA; and Director of Symvouli BV.	Chairman of the Board of Directors of Henkel Pension Fund Belgium OFP.
Dominique Offergeld	Chief Financial Officer of ORES SCRL; Director of Contassur SA,/NV; Director of Club L ASBL/VZW; Director of NextGrid Holding SA/NV; Vice Chairwoman of the Board of Directors of Publi-T SC/CV; Director of Wallonie Entreprendre SA/NV; and Chairwoman of the Board of Directors of Wallonie Entreprendre International SA/NV.	N/A
Eddy Vermoesen	Director of NextGrid Holding SA/NV and Publi-T; Vice-Chairman of IGEAN (autonomy public company active within support services); Director of FINEG (Financieringsholding voor Elektriciteits- en Aardgasverkoop); and Treasurer N-VA	N/A

Name	Principal outside interests as at the date of this Prospectus	Past outside interests
Pascale Van Damme	Chief Executive Officer of Cordeel Group SA/NV; Director of Agoria ASBL/VZW; and Chairwoman of the Board of Directors of URBSFA/KBVB ASBL/VZW.	Vice President EMEA VMware and Director of Dell SA/NV; and Director of Amcham ASBL/VZW, and of Living Tomorrow ASBL/VZW.
Geert Versnick	Chairman of the Board of Directors of Publi-T and Gentse Sea Scouts Private Stichting; Director of NextGrid Holding SA/NV; Executive Director of Flemco SRL/BV; and Director of CLANCO SRL/BV, ZORGI NV, PUBLIGAS CV, Adinfo Belgium SA/NV and CEVI SA/NV.	Director of Farys SC/CV and daily manager of CLANCO SRL/BV.
Interfin SC/CV, represented by its permanent representative Thibaud Wyngaard	Alderman of Uccle in charge of Public Domain, Public Works, Housing, Urban Renovations, and Sports; Assistant in the Law Faculty of the University of Brussels (ULB); Vice Chairman of the Board of Directors and the Directors Committee and Chairman of the Audit Committee of Sibelga SC/CV; Director and Member of the Bureau of Interfin SC/CV; Vice Chairman of the Board of Directors of the Brussels Network operations (BNO) SC/CV; and Director of NextGrid Holding SA/NV and Publi-T.	Political secretary of the Ecolo group in the Parliament of the Brussels-Capital Region (2010-2018), and President of the Port of Brussels (2013-2014).

The following paragraphs contain brief biographies of each of the directors.

Michel Allé – Mr Allé is the former Chief Financial Officer of SNCB SA/NV (2013-2015) and SNCB Holding SA/NV (2005-2013). Prior to his functions with SNCB and SNCB Holding, he served as Chief Financial Officer of BIAC SA/NV (2001-2005). Born in 1950, Mr. Allé holds a Master in Physics Civil Engineering and a Master in Economics from the University of Brussels (ULB). Alongside his professional experience, he has a long academic experience with the University of Brussels (ULB) (Solvay Brussels School of Economics and Management & Ecole Polytechnique). Today, he is Honorary Professor of that same University.

Pieter De Crem – Mr De Crem began his political career in 1989 as an attaché to the staff of Prime Minister Wilfried Martens. In 1994, he was elected Mayor of Aalter, a position he still holds today. He was elected to the Belgian Federal Parliament for the first time in 1995, and then served as President of the CD&V Group in the House of Representatives (2003-2007) and as chairman of the Home Affairs Committee in 2007. Mr De Crem has served as Minister of Defence (2007-2014), State's Secretary of Foreign Trade (2014-2018), and Minister of Home Affairs and Security (2018-2020). He has also served as Deputy Prime Minister (2013-2014) and as the federal government's special envoy for the MYRRHA research project based in the Belgian Nuclear Research Centre (2017-2018). He is the actual Commissioner General for the World Expo in Osaka 2025. Born in 1962, Mr De Crem holds a Master in Romance Philology from the University of Leuven (KUL), a Master in European and International Law from the University of Brussels (VUB) and a Degree from Harvard Business School (APM).

Laurence de l'Escaille – After completing her university studies at the University of Oxford and Johns Hopkins University in Washington DC, Laurence de l'Escaille began her career in 2008 as an analyst at the European Bank for Reconstruction and Development in London. She then joined the International Monetary Fund (IMF) where she was in charge of research programmes for the

Monetary and Capital Markets Department. Her career continued at McKinsey & Company as a Partner. There, she directed several major strategic and operational advisory programmes in Europe and Africa for eight years, with a particular attention to issues relating to electrification and the energy transition. In 2020, she joined the Belgian Federal Governments' COVID-19 Commissariat, where she focused primarily on strategic planning for COVID-19 vaccine deployment.

Frank Donck – Born in 1965, in Aalter, Belgium, Mr Frank Donck holds a Master of Law Degree from the University of Ghent (Belgium) and a Master in Financial Management from the Vlerick Business School, Ghent (Belgium). He started his career as an investment manager for Investco SA/NV (later KBC Private Equity SA/NV). He has since 1998 been the managing director of the family-owned investment company 3D SA/NV NV. He currently serves as chairman of the board of Atenor SA/NV. He serves as director of KBC Group and as independent director of Barco SA/NV, Elia Group SA/NV, and Luxempart SA/NV. He also holds board mandates in several privately owned companies. Mr Donck is also a member of Belgium's Corporate Governance Commission.

Bernard Thiry – Born in 1955, Bernard Thiry obtained a master in Economics at the University of Liège in 1979. He graduated at Stanford University (USA) and then obtained a PhD in Economics at the University of Liège in 1985. In 1989, he started his academic career at the University of Liège, which he continues as a professor at HEC-ULg School of Management (currently as professor emeritus). He was director of the CREG, chairman of Forem's management committee, and chairman of the Union nationale des mutualités socialistes. From 2008 to 2016, he was CEO of Ethias. Bernard Thiry currently serves as director of Publi-T and Publipart. He is also chairman of the board of directors of SOCOFE, Nethys, Solidaris Assurances and of Intégrale Luxembourg.

Roberte Kesteman – Ms Kesteman is the former CEO (2008-2012) and CFO and HR Director (2002-2008) of Nuon Belgium SA/NV. She is the former Chairwoman of FEBEG. Born in 1957, Ms Kesteman holds a Master in Commercial and Consular Sciences from the Vlaamse Economische Hogeschool Brussel and attended the International Corporate Finance Course at INSEAD (France).

Dominique Offergeld – Ms Offergeld is the Chief Financial Officer of ORES SRL/BV (since 2008). She is Vice-Chairwoman of the Board of Directors of Publi-T. She held the function of deputy chief of staff of the Minister of Mobilitv (2014-2016) and of the Minister of Enerqv (2004-2008). She was General Counsel at SNCB Holding (2005-2008) and also chairwoman of the Board (2004-2005). She has exercised the function of expert of two Vice-Ministers of the Walloon Reqion (1999-2001) and federal State (2001-2004), and has acted as Credit analvst at the "Generale de Banque" (BNP Paribas Fortis) (1988-1999). She was also appointed as Belqocontrol Government Commissar (2014-2016). as Vice-President of the "Institut des Radio Eléments" (IRE) (2005-2013) and as Fluxys Government Commissar (2004-2008). Born in 1963, Ms Offergeld holds a Master in Economics from the University of Namur, a certificate of General Management from INSEAD (France) and a Certificate of Corporate Governance from Guberna.

Eddy Vermoesen – Born in 1952, Eddy Vermoesen received his academic training at the Royal Military Academy and the School for Military Directors. At KU Leuven, he obtained a master's degree in government management and public administration. Within Defence, he was budget manager of the Medical Service and later administrative director of the Military Hospital in Neder-over-Heembeek. He was also a member of the board of censors of the National Bank of Belgium. He currently serves as director of Publi-T and vice-chairman of IGEAN (autonomy public company active within support services), director of Wind for A, and vice-chairman of FINEG (Financieringsholding voor Elektriciteits- en Aardgasverkoop). He is also alderman of finance in the municipality of Aartselaar.

Pascale Van Damme – Ms Van Damme is the Chief Executive Officer of Cordeel Group NV since February 2025. She previously held several positions at Dell Technologies, including Vice President EMEA Public and Defence and Security / VMware, Managing Director Belux Commercial and Head of EMEA & Nato Alliances, General Manager Belux and Sales Director. Prior to Dell Technologies, Pascale spent five years as Director of Corporate Sales at Base and in key account management positions at Proximus, both key players in the telecom industry and TNT Express. She is actively working across the digital sector in her role as President of Agoria Digital Industries, the digital industries chapter of Belgium's industry and trade association. Ms Van Damme is also the Chairwoman of the Board of Directors of the Royal Belgian Football Association. She has been recognised as a fervent sponsor of women in IT. She received Belgium's ICT Woman of the Year award (2014) and the European Digital Woman of the Year award (2017) and was named JUMP's

Wo.Men@Work 2018 CEO Ambassador for Gender Equality. Pascale is also co-founder of BeCentral, the digital hub in Brussels, which aims at democratising access to digital applications and the digital world.

Geert Versnick – Mr Versnick is a former lawyer, a former Vice-Governor of the Province of East Flanders, a former Member of the City Council of the city of Ghent, and a former member of the Belgian federal Parliament. He is the Chairman of the Board of Directors of Elia Group SA/NV, Elia Transmission Belgium SA/NV and Elia Asset SA/NV. In addition, he is a director of Clancy Corporation SRL/BV and the Chairman of the Board of Directors of Publi-T. Born in 1956, Mr Versnick holds a Master of Laws from the University of Ghent, a certificate of Board Effectiveness from Guberna and a certificate of High Performance Boards from IMD. In addition, he attended the Board Education retreat organised by IMD and the AVIRA programme organised by INSEAD (France).

Interfin SC/CV, represented by its permanent representative Thibaud Wyngaard – Mr Wyngaard is alderman of Uccle in charge of Public Domain, Public Works, Housing, Urban Renovations, and Sports. Prior to his political functions, he was with the Legal Department of the Royal Belgian Football Association (2006-2008). He served as an assistant and researcher at the Public Law Centre of the Université Libre de Bruxelles (2008-2010), where he currently serves as Assistant in the Faculty of Law. He served as political secretary of the Ecolo group in the Parliament of the Brussels-Capital Region (2010-2018). He served as President of the Port of Brussels (2013-2014). He is Vice Chairman of the Board of Directors and of the Executive Management Board of Sibelga. He is also Chairman of the Audit Committee of Sibelga. He serves as Director of Interfin and Publi-T. He is also a Member of the High Counsel of Sports (Conseil Supérieur des Sports). Born in 1983, Mr Wyngaard holds a Master in Law with a major in public law from the University of Brussels (ULB), and a Complementary Master in environmental law and public real estate law from the University Faculty of Saint-Louis.

Litigation statement concerning the directors

At the date of this Prospectus, none of the directors of the Company, or, in the case of legal entities being directors, none of their permanent representatives, other than as set out in the following paragraphs, has for at least the previous five years:

- been convicted in relation to fraudulent offences;
- held an executive function as a senior manager or a member of the administrative, management or supervisory bodies of any company at the time of or preceding any bankruptcy, receivership or liquidation; or
- been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including any designated professional body); or
- ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of affairs of any company.

Mr. Geert Versnick was involved in a settlement agreement concluded on 10 December 2024 between the FSMA and Grisham, a partnership under his control. The settlement followed transactions in the Shares executed in April and June 2023, which were not reported to the Company and the FSMA within the required three working days required. As part of the settlement, a payment of EUR 20,000 was required.

Conflicts of interest (Article 7:96 BCCA)

As a Belgian listed company, the Company is not aware of any potential conflicts of interest between any duties owed to the Company by the members of the Board of Directors or the members of the Executive Management Board and the other duties or private interests of those persons (see Section "*Management and Governance – Board of Directors – Composition*"). As a Belgian public company, the Company must comply with the procedures set out in Article 7:96 BCCA regarding conflicts of interest within the Board of Directors.

Each director and member of the Executive Management Board has to arrange his or her personal and business affairs so as to avoid direct and indirect conflicts of interest with the Company.

Article 7:96 BCCA contains a special procedure, which must be complied with if a director has a direct or indirect conflicting interest of a patrimonial nature in a decision or transaction within the authority of the Board of Directors.

Each member of the Board of Directors and member of the Executive Management Board should, in particular, be attentive to conflicts of interests that may arise between the Company, its directors and members of the Executive Management Board, its significant or controlling shareholder(s) and other shareholders. The directors and the members of the Executive Management Board who are proposed by significant or controlling shareholder(s) should ensure that the interests and intentions of these shareholder(s) are sufficiently clear and communicated to the Board of Directors in a timely manner.

The 7:96 BCCA procedure was applied once in the year 2024, during the meeting of the Board of Directors of 12 December 2024 when Bernard Gustin was appointed as the CEO and President of the Executive Management Board of the Company. As from 1 January 2025 until the date of this Prospectus, no conflicts of interest have arisen and the procedure from Article 7:96 BCCA has not been applied in the year. There are, on the date of this Prospectus, no potential conflicts of interests between any duties to the Company of the directors and members of the executive management and their private interests and/or other duties (see Section "*Plan of Distribution and Allocation of the New Shares – Lock-up and standstill arrangements*").

For a description of the conflicts of interest rules for intra-group decisions, please see Section "*Relationship with significant shareholders and related party transactions – Transactions with related parties*".

Committees of the Board of Directors

In order to carry out its tasks and responsibilities effectively, the Board of Directors is supported by three (3) advisory committees: the Audit Committee, the Nomination and Remuneration Committee and the Strategic Committee.

In principle, an advisory committee makes recommendations to the Board of Directors in certain specific matters for which it has the necessary expertise. The power of decision itself rests exclusively with the Board of Directors. The role of an advisory committee is therefore limited to providing advice to the Board of Directors.

Nomination and Remuneration Committee

In accordance with the Articles of Association, the Nomination and Remuneration Committee is composed of at least three (3) and maximum (5) non-executive directors, of whom a majority shall be independent directors and at least one-third shall be non-independent directors. In addition to its usual support role to the Board of Directors, the Nomination and Remuneration Committee is responsible for:

- providing advice and support to the Board of Directors regarding the appointment of the directors, the chief executive officer and the members of the Executive Management Board; and
- formulating proposals to the Board of Directors on the remuneration policy and the individual remuneration of the directors and the members of the Executive Management Board.

Currently, the Nomination and Remuneration Committee is composed of five (5) directors, of whom a majority are independent. This complies with the Articles of Association and the Corporate Governance Code 2020 (provision 4.19), which requires a majority of independent directors.

The current members of the Nomination and Remuneration Committee are:

- Dominique Offergeld, Chairwoman;
- Roberte Kesteman;
- Laurence de l'Escaille;
- Pascale Van Damme; and
- Geert Versnick.

Roberte Kesteman, Pascale Van Damme and Laurence de l'Escaille are independent directors in the meaning of the Articles of Association and the BCCA.

Audit Committee

The Audit Committee is composed of at least three (3) and maximum five (5) non-executive directors. Two (2) of its members shall be independent directors. All members shall have sufficient and necessary experience and expertise with regards to the activities of the Company and at least one (1) member of the Audit Committee shall have sufficient and necessary experience and expertise in the field of accounting and audit to perform the role of the Audit Committee.

Without prejudice to the legal responsibilities of the Board of Directors, the Audit Committee shall have at least the following responsibilities:

- examining the Company's accounts and controlling the budget;
- monitoring the financial reporting process;
- monitoring the effectiveness of the Company's internal control and risk management systems;
- monitoring the internal audit and its effectiveness;
- monitoring the statutory audit ("*contrôle legal*"/"*wettelijke controle*") of the annual accounts, including follow-up on questions raised and recommendations made by the statutory auditors and, as the case may be, by the external auditor charged with the audit of the consolidated accounts;
- reviewing and monitoring the independence of the statutory auditors, and, as the case may be, of the external auditor charged with the audit of the consolidated accounts, in particular regarding the provision of additional services to the Company;
- making proposals to the Board of Directors on the (re)appointment of the statutory auditors, as well as making recommendations to the Board of Directors regarding the terms of their engagement;
- as the case may be, investigating the issues giving rise to the resignation of the statutory auditors, and making recommendations regarding all appropriate actions in this respect;
- monitoring the nature and extent of the non-audit services provided by the statutory auditors;
- reviewing the effectiveness of the external audit process.

The Audit Committee reports regularly to the Board of Directors on the exercise of its duties, and at least when the Board of Directors prepares the annual accounts, and where applicable the condensed financial statements intended for publication.

The current members of the Audit Committee are:

- Michel Allé, Chairman;
- Frank Donck;
- Roberte Kesteman;
- Dominique Offergeld; and
- Eddy Vermoesen.

Michel Allé, Frank Donck and Robert Kesteman are independent directors in the meaning of the Articles of Association and the BCCA.

Strategic Committee

The Extraordinary Shareholders' Meeting of the Company approved on 15 May 2018 the proposal to set up a strategic committee. The Strategic Committee has an advisory role and makes recommendations to the Board of Directors in relation to the Company's strategy.

The Strategic Committee is responsible for providing advice and recommendations to the Board of Directors concerning the Company's business development activities and international investment policy in the broadest sense of the term, including the method of financing.

Without prejudice to the competences of the Audit Committee on the Company's and the Group's reporting of non-financial information in the annual report in application of Belgian and European legislation, the Strategic Committee may, in addition, formulate opinions on non-financial matters that could have an impact on the development of the Company's and the Group's business, performance and position in the context of the implementation of the strategic policy

The Strategic Committee examines the issues without prejudice to the role of the other advisory committees set up within the Board of Directors.

The current members of the Strategic Committee are:

- Geert Versnick, Chairman;
- Michel Allé;
- Bernard Thiry; and
- Pieter De Crem.

Michel Allé is an independent director in the meaning of the Articles of Association and the BCCA. Dominique Offergeld and Franck Donck are standing invitees of the Strategic Committee.

Executive Management Board

Powers, composition, functioning and reporting of the Executive Management Board

As mentioned above, the Company has a one-tier structure ("*système moniste*"/"*monistisch system"*), being the Board of Directors, as governance model. In accordance with the possibility provided for by Article 7:121 BCCA, and pursuant to its Articles of Association, the Board of Directors delegated the day-to-day management to the Executive Management Board.

Article 7:121 BCCA stipulates that the Articles of Association may authorise the board of directors to delegate its daily management powers to an executive committee. This delegation cannot comprise the general policy of the Company or any of the decisions reserved by law to the board of directors. The board of directors must supervise the executive committee. The executive committee is comprised of several persons, who do not have to be directors. The conditions of appointment and dismissal, term of office and remuneration of the members of the executive committee and the functioning of the committee are provided for by the Articles of Association (or, absent provisions in the Articles of Association, by the board of directors). The Articles of Association may grant to one or more members, acting alone or jointly, of the executive committee the power to represent the Company.

The Executive Management Board of the Company consists of six (6) members, who are selected based on their competence, experience and independence to manage all technical, financial and human resources matters relating to the operation of the electricity network.

In accordance with Article 17.3 of the Articles of Association, the Executive Management Board is responsible for, within the limits of the rules and principles of general policy and the decisions adopted by the Board of Directors, all acts and decisions that do not exceed the needs of the daily management of the Company, as well as those acts and decisions that do not justify the intervention of the Board of Directors for reasons of minor importance or urgency, including:

- the day-to-day management of the Company, including all commercial, technical, financial, regulatory and personnel matters related to this day-to-day management of the Company, including, *inter alia*, all commitments (i) when the amount is less than or equal to 15 million euros (EUR 15,000,000); or (ii) when the amount as well as its main characteristics are explicitly provided for in the annual budget;
- the regular reporting to the Board of Directors on its operational activities in the Company in execution of the powers granted in accordance with Article 17.3 of the Articles of Association, with due observance of the legal restrictions regarding access to commercial and other confidential data relating to net users and the processing thereof and the preparation of the decisions of the Board of Directors, including in particular: (a) timely and accurate preparation of the annual accounts and other financial information of the Company in accordance with the applicable accounting standards and company policy, and the appropriate communication thereof; (b) preparation of the adequate publication of key non-financial information about the Company; (c) preparation of the financial information in the half-yearly statements that will be

submitted to the Audit Committee for advice to the Board of Directors as part of its general task of monitoring the financial reporting process; (d) implementation of internal controls and risk management based on the framework approved by the Board of Directors, without prejudice to the follow-up of the implementation within this framework by the Board of Directors and the investigation conducted by the Audit Committee for this purpose; (e) submitting to the Board of Directors the financial situation of the Company; (f) making available the information necessary for the Board of Directors to carry out its duties, in particular by preparing proposals on the policy issues set out in Article 17.2 of the Articles of Association (see the powers of the Board of Directors above);

- the regular reporting to the Board of Directors on its policy in the key subsidiaries designated by the Board of Directors and the annual reporting to the Board of Directors on its policy in the other subsidiaries and on the policy in the companies in which the Company directly or indirectly holds a participating interest;
- all decisions relating to proceedings (both before the Council of State ("*Conseil d'État*"/"*Raad van State"*) and other administrative courts, as well as before the ordinary courts of law and arbitration tribunals) and in particular for taking decisions in the name and for the account of the Company to file, amend or withdraw an appeal and to engage one or more lawyers to represent the Company;
- all other powers delegated by the Board of Directors.

The Executive Management Board meets at least once a month. Executive Management Board Members who are unable to attend usually grant a proxy to another Executive Management Board Member. A written proxy, conveyed by any means (of which the authenticity of its source can be reasonably determined), can be given to another member of the Executive Management Board, in accordance with the internal rules of procedure of the Executive Management Board.

Each quarter, the Executive Management Board reports to the Board of Directors on the Company's financial situation (in particular on the balance between the budget and the results stated) and, at each meeting of the Board of Directors, on all day-to-day management responsibilities. The Executive Management Board also follows-up most important Group risks and their mitigation measures as well as the recommendations of the internal audit. Typically, the Executive Management Board endeavours to decide all matters by consensus. If no consensus can be reached, decisions are taken by simple majority.

Current members of the Executive Management Board

The current members of the Executive Management Board are listed in the table below.

Name	Function
Bernard Gustin	Chief Executive Officer
Catherine Vandenborre	Chief Financial Officer
Stefan Kapferer	Chief Executive Officer 50Hertz
Frédéric Dunon	Chief Executive Officer ETB and Elia Asset
Peter Michiels	Chief Alignment Officer
Marco Nix	Chief Financial Officer *ad interim*
Michael von Roeder	Chief Digital Officer

The members of the Executive Management Board as at 1 April 2025 are listed in the table below.

Name	Function
Bernard Gustin	Chief Executive Officer
Marco Nix	Chief Financial Officer
Stefan Kapferer	Chief Executive Officer 50Hertz
Frédéric Dunon	Chief Executive Officer ETB and Elia Asset
Peter Michiels	Chief Alignment Officer
Michael von Roeder	Chief Digital Officer

General information on the members of the Executive Management Board

In the five years preceding the date of this Prospectus, the members of the Executive Management Board have held the following directorships (apart from their directorships of the Company or its subsidiaries) and memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Principal outside interests as at the date of this Prospectus	Past outside interests
Bernard Gustin	Chairman of the Board of Directors of Lineas SA/NV and Lineas Group SA/NV (as permanent representative of Bernard Gustin SRL); Chairman of the Board of Directors of InfraMobility SA/NV (as permanent representative of Bernard Gustin SRL); Vice Chairman of the Board of Directors of Brussels South Charleroi Airport SA/NV (as permanent representative of Bernard Gustin SRL); Director of Groupe Forrest International SA/NV (as permanent representative of Bernard Gustin SRL).	CEO of Brussels Airlines SA/NV; Director of European Sports Academy ASBL/VZW; Member of the Advisory Board of Médecins Sans Frontières ASBL/VZW; and Member of the Presidents' Committee of Association of European Airlines ASBL/VZW.
Catherine Vandenborre	Director and Chairwoman of the Audit Committee of Proximus SA/NV; Director of Fonds de pension Proximus OFP; Director of Canel SRL/BV and Director and member of the Audit Committee of Rexel France.	N/A
Marco Nix	N/A	N/A
Stefan Kapferer	N/A	N/A
Frédéric Dunon	Director of Société Royale Belge des Electriciens ASBL Permanent representative of Elia Group SA,/NV on the board of directors of Synergrid ASBL/VZW.	N/A
Peter Michiels	Member of the Remuneration Committee of Synergrid ASBL/VZW	N/A
Michael von Roeder	N/A	N/A

The following paragraphs contain brief biographies of each of the members of the Executive Management Board.

Bernard Gustin – Mr Gustin is the Chief Executive Officer of the Company since 15 January 2025. He served as Managing Director and Executive Chairman of LINEAS SA, and LINEAS Group SA. Mr Gustin was the Co-CEO (2008-2012) and later CEO of Brussels Airlines SA/NV (2012-2018). Prior to his functions with Brussels Airlines, he was a partner with Arthur D. Little (1999-2008). Born in 1968, he holds a commercial engineering degree from ICHEC, a degree in international comparative management from ICHEC (Loyal College Maryland), and an MBA from Solvay Business School.

Catherine Vandenborre – Ms Vandenborre is the Chief Financial Officer of the Company since September 2013. Between September 2023 and 15 January 2025 she also served as Chief Executive Officer Ad Interim of the Company. Ms Vandenborre has been working for the Company for 20 years and has held various positions, including Chief Corporate Affairs Officer, and Audit and Risk Management Manager. She currently serves as Director and Chairwoman of the Audit Committee of Proximus SA/NV, and as director of Fonds de pension Proximus OFP, Rexel France (where she is also a member of the Audit Committee), and Canel SRL/BV. Ms Vandenborre holds a degree in Applied Economics from the University of Leuven (Belgium), a degree in Tax and Financial Risks Management from the University of Leuven (Belgium). Furthermore, she pursued an International Executive Programme at Insead (France).

Marco Nix – Mr Nix is the executive director for the Grid Development Projects and Finance Department of 50Hertz Transmission GmbH. In addition, he is managing director of 50Hertz Offshore GmbH and 50Hertz Connectors GmbH. Since November 2023, Mr Nix also serves as Chief Financial Officer Ad Interim and member of the Executive Management Board of Elia Group SA/NV and as of 1 April 2025 he will serve as CFO of Elia Group SA/NV. Previously, between 2014-2015, he occupied the role of Chief Corporate and Financial Officer of Elia Grid International SA/NV in addition to his activities as Head of Controlling. As of April 2024, Marco is also a director of WindGrid SA/NV. Prior to joining 50Hertz Transmission GmbH and the Elia group, he held leading positions within the Finance Department of the Vattenfall Group. He began his professional career in the energy industry in 2001 at energy supplier Bewag. He was born 11 July 1974 in Berlin and holds a diploma in business administration of Humboldt University Berlin. **Stefan Kapferer** – Mr Kapferer is CEO of 50Hertz Transmission GmbH and a Managing Director of 50Hertz Offshore GmbH and 50Hertz Connectors GmbH. Furthermore, he is a Managing Director of Eurogrid GmbH, a Director of Elia Grid International SA/NV, and a Director of WindGrid SA/NV. From 2011 until 2013, he served as the German Secretary of the Federal Ministry for Economic Affairs and Energy. After a two-year period as Deputy Secretary General at the OECD in Paris, he has served as the Chairman of the Management Board of BDEW, the German Association of Energy and Water Industries, since 2016. Born in 1965, Mr Kapferer holds a Master in Administrative Sciences of the University of Konstanz (Germany).

Frédéric Dunon – Mr Dunon is since December 2023 the Chief Executive Officer of Elia Transmission Belgium SA/NV and Elia Asset SA/NV. Mr Dunon is a member of the Executive Management Board of Elia Group SA/NV since March 2024. He is also a director of WindGrid SA/NV. Mr Dunon has been with the Company for over 20 years, during which time he has held various operational and management positions.

Peter Michiels – Mr Michiels is the Chief Alignment Officer of Elia Group SA/NV and Chief Corporate Affairs of Elia Transmission Belgium SA/NV and Elia Asset SA/NV since January 2017. Mr Michiels is also a member of the Executive Management Boards of Elia Transmission Belgium NV/SA, Elia Asset NV/SA, and Elia Group SA/NV. In addition, Mr Michiels is a director of Eurogrid International SA/NV, Elia Engineering SA/NV, WindGrid SA/NV, and a member of the Supervisory Board of Eurogrid GmbH. Furthermore, he was a Director of Myskillcamp SA/NV (2020-2023), and he currently serves as a member of the remuneration committee of Synergrid ASBL/VZW. Prior to joining the Elia group, Mr Michiels served as the Global Vice President HR at Esko (2013-2016), as Global Business Partner at Huntsman Chemicals (2009-2013), and as Corporate HR Director of EMAE (1995-2009). Mr Michiels holds a Bachelor in Business Administration from the Catholic University of Leuven (Belgium) and a Master in Linguistics from the University of Antwerp (Belgium).

Michael von Roeder – Mr von Roeder has been responsible for IT and the digital transformation of the Elia group since 2019, in his capacity as Chief Digital Officer and member of the Executive

Management Board of Elia Group SA/NV. He is also Chairman of the Board of Directors of re.alto-energy SRL/BV and Member of the Supervisory Board of re.alto-energy GmbH. Previously, he was the CEO of Sensorberg. Until mid-2016, he was responsible for Vattenfall's IT Department. From 2009 to 2010, he headed the iconmobile group as COO and executive director. Mr von Roeder also held leading positions at Vodafone and Accenture in London, Tokyo and Düsseldorf. He studied Technology Management, Organisation and International Business in Stuttgart and Lausanne.

Litigation statement concerning the members of the Executive Management Board

At the date of this Prospectus, none of the members of the Executive Management Board of the Company, or, in the case of legal entities being members of the Executive Management Board, none of their permanent representatives, has, for the previous five years:

- been convicted in relation to fraudulent offences;
- held an executive function as a senior manager or a member of the administrative, management or supervisory bodies of any company at the time of or preceding any bankruptcy, receivership or liquidation;
- been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including any designated professional body); or
- ever been disqualified by a court from acting as member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of affairs of any company.

Corporate governance

Corporate governance within the Company is based on four pillars: (i) the Corporate Governance Code 2020, which the Company has adopted as its benchmark code, (ii) the BCCA, (iii) the Company's Articles of Association and (iv) the Company's Corporate Governance Charter (see further below).

The Corporate Governance Code 2020 is based on a "comply or explain" system: Belgian listed companies are requested to comply with the Corporate Governance Code 2020, but may deviate from its provisions and guidelines (though not the principles) provided that they disclose the justifications for such deviation.

In accordance with the provisions of the Corporate Governance Code 2020, the Board of Directors approved the latest version of its corporate governance charter on 23 July 2024 (the "**Corporate Governance Charter**"). The Company's governance regarding its Board of Directors complies with the Corporate Governance Code 2020, but deviates from it in certain instances in view of the Company's particular situation. These deviations are the following:

- the members of the Board of Directors are appointed for a term of up to six years. This maximum term deviates from the term of four years recommended by the Corporate Governance Code 2020 (provision 5.6 Corporate Governance Code 2020), a fact justified by the technical, financial and legal specificities and complexities that apply within the Group and that require a certain level of experience achieved through continuity in the composition of the Board of Directors. That being said, the Company is currently looking at appointing some directors for a term of four years (and one for a term of one year);
- in deviation from provision 7.9 Corporate Governance Code 2020 the members of the Board of Directors do not determine a minimum threshold of Shares that must be held by the members of the members of the Executive Management Board.
- in deviation from provision 7.6 Corporate Governance Code 2020 the members of the Board of Directors do not receive a share-based remuneration. This deviation is justified as (i) the Company's activities are by nature organised in such a way as to present a low risk profile and are focused on the long term and (ii) the shareholding structure is based on a reference shareholding that naturally pursues fixed long-term objectives and sustainability goals.

Intention of the directors and the members of the Executive Management Board to participate in the Offering

To the knowledge of the Company, Bernard Gustin, Geert Versnick and Frédéric Dunon intend to participate in the Offering.

Shares held by directors and executive officers

As at the date of this Prospectus, the following non-executive members of the Board of Directors held the following number of shares in the Company:

Roberte Kesteman *Non-executive Independent Director*	100
Geert Versnick *Non-executive Director*	350

As at the date of this Prospectus, the members of the Executive Management Board held the following number of shares in the Company:

Stefan Kapferer *Chief Executive Officer 50Hertz*	600
Bernard Gustin *Chief Executive Officer*	104
Michael von Roeder *Chief Digital Officer*	504
Peter Michiels *Chief Alignment Officer*	1,337
Catherine Vandenborre *Chief Financial Officer*	1,479
Frédéric Dunon *Chief Executive Officer ETB and Elia Asset*	2,878
Marco Nix *Chief Financial Officer ad interim and as at 1 April 2025*	550

No stock options were awarded at the Company for the members of the Executive Management Board in 2024. Members of the Executive Management Board may purchase shares via existing capital increases reserved for members of personnel or on the stock exchange.

College of Statutory Auditors

As provided in Article 23 of the Articles of Association, the Company is required to engage the services of at least two (2) joint auditors. The Shareholders' Meeting appointed as joint auditors:

- Ernst & Young Réviseurs d'Entreprises/Bedrijfsrevisoren SRL/BV, represented by Paul Eelen; and
- BDO Réviseurs d'Entreprises/BDO Bedrijfsrevisoren SRL/BV, represented by Michaël Delbeke.

for the audit of the consolidated financial statements of Elia Group SA/NV and Elia Transmission Belgium SA/NV.

The statutory financial statements of Elia Group SA/NV, Elia Transmission Belgium SA/NV, Elia Asset SA/NV, and Elia Engineering SA/NV are jointly audited by BDO Bedrijfsrevisoren BV and EY Bedrijfsrevisoren BV. The statutory financial statements of Elia Grid International SA/NV, Eurogrid International SA/NV and WindGrid SA/NV are solely audited by BDO Bedrijfsrevisoren BV, while re.Alto BV/SRL is solely audited by EY Bedrijfsrevisoren BV.

50Hertz Transmission Germany appointed BDO AG Wirtschaftsprüfungsgesellschaft for the audit of the consolidated financial statements of Eurogrid GmbH and the statutory financial statements of Eurogrid GmbH, 50Hertz Transmission GmbH, 50Hertz Offshore GmbH and Elia Grid International GmbH.

In 2024, the total remuneration for the audit of the (consolidated) financial statements of the Company and its subsidiaries amounted to EUR 850,590.

In 2024, additional fees in the amount of EUR 1,055,766 were incurred as expenses to the Belgian and German auditors for duties relating to the IFRS accounts, tax advice and other special tasks.

RELATIONSHIP WITH SIGNIFICANT SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Share Ownership

Shareholding based on transparency notifications

Based only on the transparency notifications received by the Company in accordance with the Law of 2 May 2007 and the Royal Decree of 14 February 2008, the major shareholders of the Company hold the shares in the Company set out in the table below, prior to giving effect to the Shares issued in the context of the PIPE. These transparency declarations have been made on the basis of the legal 5 per cent. disclosure thresholds set out in the Law of 2 May 2007.

Shareholders	Types of Shares[(2)]	Shares	% Shares[(2)]	% Voting rights[(2)]
NextGrid Holding	B and C	32,931,025[(1)]	44.79	44.79
Katoen Natie Group	B	7,361,429	10.01	10.01

Notes:

(1) Includes 32,840,832 Class C Shares and 90,193 Class B Shares.

(2) These percentages are calculated using the number of outstanding shares at the time of the transparency notification as the denominator applicable at the time of the transparency notification.

NextGrid Holding SA is a Belgian limited liability company, with its registered office at Galerie Ravenstein 4 (bte 2)/Ravensteingalerij 4 (bus 2), 1000 Brussels, Belgium (enterprise number 1018.657.277 (Brussels)).

NextGrid Holding was incorporated on 10 January 2025 and is a joint venture between Publi-T, the Company's former direct reference shareholder, and Fluxys. In their press release of 25 October 2024, Publi-T and Fluxys jointly announced that they signed a heads of agreement to establish a new subsidiary to enable Publi-T to follow future capital increases of Elia Group. This press release indicates that this agreement allows Publi-T to retain its position as the reference shareholder of the Company, with Fluxys participating as a minority investor. The press release further states that the subsidiary, to be jointly financed by Publi-T and Fluxys, will allow Publi-T and Fluxys to support the Company's investment programme 2024-2028.

The contemplated shareholding modification was submitted to the CREG. On 31 January 2025, the CREG issued a positive decision, confirming that despite this shareholding change, ETB remains in compliance with the full ownership unbundling requirements as set out in Directive 2019/944/EU and the Electricity Law.

On 14 March 2025, the Extraordinary Shareholders' Meeting aligned the Articles of Association with the modifications of the Electricity Law made in 2023 and, amongst other things, allowed the entry of Fluxys, via NextGrid Holding, in the shareholding of the Company (see also Section "*The Group's business – General information in relation to the Company – Proposed changes to the Articles of Association*").

On 20 March 2025, Publi-T contributed its 90,193 Class B Shares and 32,840,832 Class C Shares to NextGrid Holding. On 21 March 2025, the Company received a transparency notification from NextGrid Holding in accordance with the Belgian law of 2 May 2007 on the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions (the "**Transparency Law**"). According to this transparency notification, the participation of NextGrid Holding in the Company's shares exceeded the threshold of 40 per cent.

NextGrid Holding's shareholding currently gives it the right to propose candidates for half of the board members of the Company. Under the Company's Articles of Association, NextGrid Holding's shareholding and board representation allows it to block certain board resolutions and all shareholders' resolutions. The Company is thus directly controlled by NextGrid Holding. This constitutes a *de jure* and exclusive control within the meaning of the BCCA.

On 24 January 2025, the Company received a transparency notification from Katoen Natie Group in accordance with the Transparency Law. According to this transparency notification, the participation of Katoen Natie Group in the Company's shares exceeded the threshold of 10 per cent. Katoen Natie Group SA is a Luxembourg limited liability company, having its registered office at Boulevard Joseph II 15, 1840 Luxembourg, Luxembourg (enterprise number B0110988).

Expected shareholding following completion of the PIPE

As set out in Section "*Information on the Offering – Information related to the PIPE*", the Company has entered into subscription agreements with Publi-T, ATLAS, BlackRock and CPP Investments with a view to issuing new shares to NextGrid Holding, ATLAS, BlackRock and CPP Investments. Closing of the PIPE is expected to occur on 26 March 2025. Assuming successful completion of the PIPE, the shareholding of the Company is expected to be as follows immediately following the PIPE and immediately prior to the Offering, based on the transparency notifications received by the Company and after giving effect to the Shares to be issued pursuant to the PIPE. As these figures are based on the transparency notifications, the information received by the Company and the Shares issued in the PIPE, they may not accurately reflect the total number of Shares actually held by such Shareholders:

Shareholders	Types of Shares[3]	Shares	% Shares	% Voting rights
NextGrid Holding	B and C	39,083,610[1]	44.79	44.79
Publipart	A and B	2,437,487[2]	2.79	2.79
Belfius Insurance	B	714,357	0.82	0.82
Katoen Natie Group	B	7,361,429	8.44	8.44
Interfin	B	3,124,490	3.58	3.58
ATLAS Infrastructure with The Future Fund[5]	B	3,791,840	4.35	4.35
Blackrock Inc.[5]	B	1,895,919	2.17	2.17
CPP Investments[5]	B	1,895,919	2.17	2.17[4]
Other Free float	B	26,953,035	30.89	30.89
Total Amount of the Shares	A, B and C	87,258,086[3]	100	100

Notes:

(1) Includes 38,976,566 Class C Shares and 107,044 Class B Shares.

(2) Includes 1,836,054 Class A Shares and 601,433 Class B Shares.

(3) The Company's share capital will be represented by 87,258,086 shares. The Shares are divided into three classes: 1,836,054 Class A Shares; 46,445,466 Class B Shares; and 38,976,566 Class C Shares.

(4) CPP Investments has agreed to suspend its voting rights in the context of its subscription agreement dated 6 March 2025 (see Section "*Information on the Offering – Information related to the PIPE*").

(5) With respect to ATLAS, BlackRock and CPP Investments, this table only takes into account the number of Shares to be issued in the context of the PIPE. To the extent any of ATLAS, BlackRock and/or CPP Investments hold additional Shares, this table may not accurately reflect the full shareholding of these shareholders.

Intention of the Existing Shareholders to participate in the Offering

In the framework of the subscription agreements that were separately entered into on 6 March 2025, each of ATLAS, BlackRock and CPP Investments have committed to the Company to exercise in the context of the Rights Offering all Preferential Rights attached to the shares that have been issued to each of them in the context of the PIPE and to subscribe for the resulting number of New Shares. Similarly, Publi-T irrevocably and unconditionally committed to the Company on behalf of NextGrid Holding to exercise all of the Preferential Rights to which it is entitled in the context of the Rights Offering and to subscribe for the resulting number of New Shares. Publi-T/ NextGrid Holding has also committed to exercise in the context of the Rights Offering all Preferential Rights it will receive on both its existing and newly issued PIPE shares. Pursuant to these commitments, ATLAS has committed to will subscribe to 947,955 New Shares for a total of EUR 58,659,455.40, BlackRock has committed to subscribe to 473,970 New Shares for a total of EUR 29,329,263.60, CPP Investments has committed to subscribe to 473,979 New Shares for a total of EUR 29,329,820.52 and Publi-T/ NextGrid Holding has committed to subscribe to 9,770,902 New Shares for a total of EUR 604,623,415.76.

In addition, on 3 March 2025, Publi-T and Publipart have entered into an agreement pursuant to which Publipart commits to sell to (at the discretion of Publi-T) Publi-T or NextGrid Holding all Class A Preferential Rights that it receives in the context of the Rights Offering and Publi-T commits to exercise such Preferential Rights, it being understood that upon the transfer of the Class A Preferential Rights to Publi-T or NextGrid Holding such Class A Preferential Rights shall automatically be converted to Class C Preferential Rights (see Section "*Preferential Rights*").

Pursuant to this commitment, Publi-T will subscribe to 459,013 New Shares for a total of EUR 28,403,724.44. In addition, to the knowledge of the Company, Interfin SC/CV intends to participate in the Offering for approximately 400,000 New Shares.

General Shareholders' Meetings

The General Shareholders' Meeting decides in accordance with the quorum and majority requirements provided for in the BCCA. In addition, and in accordance with Article 28 of the Articles of Association, the approval of any shareholders' resolution also requires the approval of holders of a majority of class A and/or class C as long as the holders of class A and/or Class C Shares own at least 25 per cent. of the total outstanding share capital of the Company (or 15 per cent. in the event of dilution following a capital increase). Currently this only applies to the Class C Shares, as the Class A Shares have less than 25 per cent. of the total outstanding share capital of the Company.

Governance structure

According to the Articles of Association, the Board of Directors consists of twelve directors.

The directors other than the independent directors are elected by the General Shareholders' Meeting from among candidates proposed by the holders of class A and Class C Shares to the extent that the holders of class A and Class C Shares alone or together represent more than 30 per cent. of the Company's capital. With respect to a number of important Board decisions (to be taken at the level of the Company or any of its subsidiaries), any four directors (including at least one independent director in case of decisions to be taken at the level of the Company) may require that the matter be deferred for further discussion and decision at a new Board meeting, to be held the first business day after a 10-day "cool-off" period. Those decisions include: (i) the approval/amendment of the general, financial or dividend policy of the Company, (ii) the adoption or follow-up of, and changes to, the business plan and budget; (iii) entering into any commitment in excess of EUR 15,000,000 unless the amount and its main characteristics are expressly provided for in the annual budget; (iv) decisions regarding the corporate or financial structure of the Company or any of its subsidiaries; (v) decisions on the incorporation of companies and on the acquisition or disposal of shares in companies in which the Company has a controlling interest, or directly or indirectly, holds a participation, insofar as the financial impact of this incorporation, acquisition or disposal exceeds EUR 2,500,000; (vi) strategic acquisitions or alliances, transfers of important assets or termination of core activities; (vii) any change to accounting and tax policies; (viii) decisions on significant changes in the activities of the Company, (ix) decisions to undertake or resume participations in activities outside of the management of electricity networks, (x) strategic decisions to manage and/or acquire electricity networks outside of Belgium, (xi) decisions with regard to (a) ETB and Elia Asset: the follow-up of their general policy as well as the decisions and matters referred to in items (iv), (v), (vi), (viii), (ix) and (x) above, (b) the key subsidiaries designated by the Board of Directors (other than ETB and Elia Asset): the approval and the follow-up of their general policy as well as the decisions and matters referred to in items (i) to (x) above, (c) the subsidiaries other than the key subsidiaries the approval and the follow-up of their general policy as well as the decisions and matters referred to in items (iv), (v), (vi), (viii), (ix) and (x).

Transactions with related parties

Summary of applicable rules

Article 7:97 BCCA, which applies to the Company, provides a special procedure (the "**RPT-Procedure**") to be complied with when the Company's decisions or transactions, within the scope of the Board of Director's competence, concern relationships between the Company, on the one hand, and related parties (other than subsidiaries, except where the controlling entity of the listed company also owns more than 25 per cent. in said subsidiary) of the Company, on the other hand.

Prior to a decision or transaction to which Article 7:97 BCCA applies, a committee of three independent members of the Board of Directors, assisted as the case may be by one or more independent experts, must give an assessment thereof, identifying advantages and disadvantages for the Company and its shareholders and its financial impact and determining whether or not the decision or transaction is manifestly prejudicial in light of the Company's policies. The committee's assessment must be submitted in writing to the Board of Directors, which then makes a decision in light of the committee's recommendation. The Board of Directors may deviate from the committee's

recommendation, but, if it does, it must justify the reasons for such a deviation. Any decision or transaction falling within the scope of the RPT-Procedure must be made public at the latest at the time of the decision is taken or the transaction is concluded. The annual report must contain an overview of all announcements made during the relevant financial year.

The Company has not applied this procedure in financial year 2022 or 2023. As set out below, the Company has applied this procedure in 2024 and 2025.

Due diligence relating to the setting up of NextGrid Holding SA

At the end of financial year 2024 and the beginning of financial year 2025, the Company applied the RPT-Procedure in response to a request from Publi-T and Fluxys to allow them to carry out a due diligence with respect to the Company and certain of its subsidiaries. This request arose from and was in relation to the Heads of Agreement between Publi-T and Fluxys, under which they agreed to jointly establish a new company, NextGrid Holding SA. In the interest of Elia Group and applying article 7:97, §7 BCCA, Elia Group decided to postpone the publication of the fact that the Board of Directors applied the procedure of article 7:97 BCCA. The Company announced the application of the RPT Procedure on 10 January 2025, through a press release.

In accordance with the RPT Procedure, a committee of independent directors opined on Publi-T and Fluxys' request, and subsequently the Board of Directors resolved to agree to Publi-T and Fluxys' request on 28 November 2024, for the following reasons:

- It is in the interest of Elia Group that a potential transaction between Publi-T, Elia Group's reference shareholder, and Fluxys can take place and is based on adequate information. The proposed transaction may indeed help to ensure a solid shareholder structure in line with Elia Group's policy and should enable the reference shareholder to continue to support Elia Group in its future capital needs. It is also logical and in line with market standards that the finalisation of the Heads of Agreement between Publi-T and Fluxys is subject to being able to carry out a due diligence.
- All exchanges of information between Elia Group, on the one hand, and Publi-T and Fluxys, on the other, are governed by a confidentiality agreement in favour of Elia Group. This imposes appropriate and specific obligations which Fluxys and Publi-T must respect in order to ensure the confidentiality of the information. Moreover, the exchange of information is limited to the information strictly necessary for the purpose of the due diligence, being the implementation of the Heads of Agreement to set up a new company by Publi-T and Fluxys, resulting in a limited object of the due diligence investigation. Furthermore, Elia Group reserves at all times the right not to disclose certain information, this in the interest of Elia Group.

  Additionally, all information is made available via electronic means with the usual safeguards on secure access and with strict policies and procedures regarding such access to this dataroom. These various measures aim to adequately protect Elia Group from risks associated with uncontrolled disclosure of information.
- Allowing and enabling a due diligence under the Heads of Agreement is not expected to have a financial impact on Elia Group, except for the (limited) costs of organising a due diligence and the time spent by management on this due diligence.

The Company's statutory auditor did not identify any financial and accounting information in the advice of the committee of independent directors and the minutes of the Board of Directors meeting that resolved on the request.

Entry into the subscription agreement with NextGrid Holding SA

In March 2025, the Company applied the RPT-Procedure in relation to the contemplated entry into a subscription agreement between the Company and Publi-T, a related party of the Company, in the context of the PIPE. For more information on the PIPE see Section "*Information on the Offering – Information related to the PIPE*". The Company announced the application of the RPT-Procedure on 7 March 2025 through a press release.

In accordance with the RPT-Procedure, a committee of independent directors opined on the contemplated entry into a subscription agreement with Publi-T. In coming to its opinion, the committee of independent directors took into account, in its opinion of 6 March 2025, the benefits of the PIPE, as described as follows: the Board of Directors has considered that the PIPE is line

with the Company's strategy to raise capital from current shareholders and new investors to finance the necessary investments of EUR 2.2 billion. After having considered various scenarios and in view of the anticipated capital needs, the Board of Directors has further considered that raising this amount through a combination of the PIPE and the Rights Offering in the respective amounts proposed presents several advantages to the Company, including:

- Attracting qualitative investors for the PIPE is a tangible proof of the inherent strength and attractiveness of the Company's strategy, which can be used as support and for the marketing of the Rights Offering;
- The PIPE mechanically reduces the size of the Rights Offering, thereby reducing the execution risk of the Rights Offering and increasing the chance of shareholders subscribing to the whole Rights Offering; this is a particularly important consideration given the amount of equity that is needed to support the Group's investment programme and the overhang this has created on the Company's share price; after having considered various options and scenarios and having regard to the recent decline in the Company's share price as well as market pressure to derisk any future rights issue, the Board of Directors decided that it was in the interest of the Company to propose the PIPE;
- It should be possible to carry out the PIPE at an issue price which should, in principle, be higher than the issue price that would typically be applied in a rights issue that would be carried out at the same time; moreover, given the very sizeable amount of the Rights Offering, it is expected that the envisaged discount for the Rights Offering would be larger in case the entire EUR 2.2 billion amount needed to be raised solely by way of a rights issue;
- Finally, considering the Company's equity needs beyond the 2025 rights issue, the PIPE also enables the Company to attract a number of new reputable anchor investors with the capacity to support current and future capital increases equity raises in the future.

By way of further background, the Committee noted that the investors that were initially approached, for purposes of gauging their interest in the potential PIPE, included a broad list of renowned blue chip long-term institutional investors, comprising both existing and potential new shareholders, which had been proposed by the Company's placement agents based on the criteria set by the Board of Directors with a view to obtaining the best possible result for the Company.

The committee of independent directors considered that the proposed subscription by Publi-T in the context of the PIPE is in line with the corporate interest for several reasons:

- The Company's equity needs, as previously communicated to the market, are very sizeable largely driven by the Company's significant investment programme; given the amounts at stake, the Committee noted that the Board of Directors had been advised that, in order to raise such amounts, a multi-step approach will be required whereby the total amount will have to be raised by means of various different means and transactions spread out over time; moreover, to avoid a too long overhang and in view of the anticipated capital needs for 2025 and 2026, it is proposed to proceed with a capital raise in an amount of EUR 2.2 billion to be raised by means of the PIPE and the Rights Offering; as was made clear in various presentations and from the feedback received by management in its interactions with investors, support from the core shareholder Publi-T throughout each step of the anticipated multi-step capital raise exercise, including the PIPE and Rights Offering, is critical in order to (i) derisk the capital raise exercise, (ii) send a strong message of support for the Company's equity story to the other subscribers and the market, and (iii) create a competitive advantage versus other companies in the sector who are also competing for large amounts of capital;
- The Company plays a critical role in safeguarding Belgium and Germany's energy autonomy and sovereignty; in the current uncertain geopolitical environment, the market would expect the public sector to retain oversight of key public infrastructure; accordingly, it is in the corporate interest of the Company to retain Publi-T as the Company's key core shareholder, considering Publi-T is a public-related entity and considering Publi-T's alignment with the strategic vision and purpose of the Company; Pubi-T's participation in the PIPE *pro rata* to its shareholding, as well as its commitment to participate in the Rights Offering, has a key signalling effect for the market;

- It is contemplated that one or more global blue-chip institutional investors will be investing in the PIPE, to which Publi-T would participate alongside to ensure a successful PIPE; this not only provides a signature to the Company's investment strategy, but is a testament of the relevance of Publi-T as a core shareholder of the Company with whom these investors will co-invest in the Company; on that note, prospective investors in the PIPE all welcome Publi-T's support and participation in the PIPE and Rights Offering;
- It is not only common but also typically expected by the broader market that in the context of such a large capital increase to finance a company's growth strategy, the core shareholder participates *pro rata* to its existing shareholding in the Company; put differently, if Publi-T would not participate to the PIPE, this would send a negative signal to the market; furthermore, it is noted that, in the previous capital increases of the Company, Publi-T also participated *pro rata* to its shareholding; accordingly, the commitment of Publi-T to support the PIPE and Rights Offering *pro rata* to its shareholding is seen as a key element of the success of the operation, as was the case in the Company's previous capital raises.

The committee of independent directors also analysed the issue price of the PIPE. It took into account that the formula to determine the issue price was determined after at arms' length negotiations by the Company with the subscribers, other than Publi-T, according to a process that resulted in a market-conform price that aligns with the Company's corporate interest. Publi-T agreed to participate in the PIPE *pro rata* to its shareholding at the same price as the price independently negotiated with other subscribers. The committee of independent directors further took into account that the issue price was going to be determined according to the following formula: the lower of the closing price of 6 March 2025 and the volume-weighted average price over the last 30 calendar days up to (and including) 6 March 2025). In addition, this amount would be reduced by EUR 2.05, reflecting the amount of the dividend for 2024, as the shares issued in the PIPE would not be entitled to the dividend that will be distributed for financial year 2024. For practical reasons and illustration purposes, the committee of independent directors considered the application of that formula based on the price as at 5 March.

Taking into account that there were 73,521,823 shares outstanding prior to the PIPE, the PIPE led to a dilution pre-PIPE of approximately 18.7 per cent. (calculated by dividing the number of Shares issued in the PIPE by the total number of outstanding Shares before the PIPE) and a dilution post-PIPE of 15.7 per cent. (calculated by dividing the number of Shares issued in the PIPE by the total number of outstanding Shares after the PIPE). An existing shareholder who owned 1 per cent. of the Company's capital before the PIPE and who did not subscribe to the new shares in the PIPE consequently will hold 0.84 per cent. of the Company's capital after the PIPE. For a more detailed description of the dilution caused by the PIPE, see Section "*Information on the Offering – Dilution*". The committee of independent directors believed that the dilution of existing shareholders is justified, because of the benefits of the PIPE. It also believed that it was justified to allow Publi-T to subscribe to the PIPE, and consequently avoid being diluted, because of the benefits offered by the subscription by Publi-T.

The committee of independent directors therefore concluded as follows: *"The Committee is of the opinion that the proposed subscription by Publi-T in the context of the proposed PIPE Capital Increase is in line with the corporate interest, including the interest of minority shareholders.*

The Committee is of the opinion that the subscription is not prejudicial to the Company and is not manifestly abusive.

The Committee therefore issues a favourable opinion on the subscription by Publi-T in the context of the proposed PIPE Capital Increase."

Subsequently the Board of Directors resolved to approve the execution of such subscription agreement on 6 March 2025.

The Company's statutory auditor prepared a report in accordance with article 7:97, §4 BCCA and concluded that: (free translation): *"Based on our review, which was conducted in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", nothing has come to our attention that causes us to believe that the accounting and financial data included in the minutes of the Board of Directors of 6 March 2025 and in the advice of the independent directors of 6 March 2025, both drawn up in accordance with the requirements of Article 7:97 of the Code of Companies and*

Associations and which justify the proposed transaction, are not, in all material respects, presented fairly and consistent compared to the information available to us in the context of our assignment. We do not make any opportunity assessment, nor do we express an opinion on the fairness of the proposed transaction ("no fairness opinion")."

DESCRIPTION OF SHARE CAPITAL AND ARTICLES OF ASSOCIATION

General

The Company is a public limited liability company ("*société anonyme*"/"*naamloze vennootschap*"), established by a deed enacted on 20 December 2001, published in the Appendix to the Belgian State Gazette ("*Moniteur belge*"/"*Belgisch Staatsblad*") on 3 January 2002, under the reference 20020103-1764, for an indefinite period of time. The Company's registered office is located at Keizerslaan 20, 1000 Brussels and it is registered with the Brussels Register of Legal Entities under the number 0476.388.378. The Company may be reached by telephone at the number +32 (0)2 546 70 11.

The Company also qualifies as a listed company ("*société cotée*"/"*genoteerde vennootschap*") within the meaning of Article 1:11 BCCA. It is a company whose securities are admitted to trading on a regulated market within the meaning of Section 3, 7°, of the Belgian Act of 21 November 2017 on the infrastructures for markets in financial instruments and transposing Directive 2014/65/EU and is therefore subject to the provisions of the BCCA relating to listed companies.

Pursuant to the BCCA, the liability of the shareholders of a limited liability company is limited to the amount of their respective committed contribution to the capital of the Company.

This section summarises the Company's corporate object, share capital and rights attached to certain shares and is based on the Articles of Association.

This section provides details of certain provisions of Belgian law and information on the Company's group structure. The description provided hereafter is only a summary and does not purport to provide a complete overview of the Articles of Association or the relevant provisions of Belgian law.

Corporate object

The Company's corporate object, according to Article 3 of its Articles of Association, is:

- the management of electricity networks, whether or not through participations in undertakings that own electricity grids and/or are active in this sector, including related services. Furthermore, it can invest on an ancillary basis in other activities in the energy sector (including the production and supply of electricity), provided that these other activities do not conflict (in light of the applicable legislation and regulations, in particular the ownership unbundling rules) with the aforementioned main object of the Company.
- to this effect, the Company may particularly take on the following tasks relating to the electricity network or the electricity networks mentioned above:
    - operation, maintenance and development of secure, reliable and effective networks, including interconnectors from them to other networks in order to guarantee continuity of supplies;
    - improvement, study, renewal and extension of the networks, particularly in the context of a development plan, in order to ensure the long-term capacity of the networks and to meet reasonable demand for the transmission of electricity;
    - management of electrical currents on the networks, having regard to exchanges with other mutually connected networks and, in this context, ensuring coordination of the switching-in of production plants and determining the use of interconnectors on the basis of objective criteria in order to guarantee a durable balance among the electrical currents resulting from the demand for and the supply of electricity;
    - providing secure, reliable and effective electricity networks and, in this connection, ensuring availability and implementation of the necessary support services and particularly emergency services in the event of defects in production units;
    - contributing to security of supply via an adequate transmission capacity and network reliability;
    - guaranteeing that no discrimination arises among network users or categories of network users, particularly in favour of affiliated undertakings;
    - collecting revenues from congestion management;

- granting and managing third-party access to the networks;
- in the context of the foregoing tasks, endeavouring and taking care that market integration and energy efficiency are promoted according to with the laws and regulations applicable to the Company.

The Company may, provided it complies with any conditions laid down in the applicable legislation and regulations, both in Belgium and abroad, carry out any transaction that is such as to promote the achievement of its object together with any public service task that might be imposed upon it by the legislator. The Company may engage on an ancillary basis in activities relative to the production or sale of electricity provided that these activities do not conflict (in light of the applicable legislation and regulations) with the main object of the Company as described in Article 3.1. The Company is particularly vigilant not to contravene the ownership unbundling rules imposed on it by the applicable legislation and regulations.

The Company may perform all operations generally of any nature, whether industrial, commercial, financial, relating to moveable or immoveable property, that is directly or indirectly related to its object. It may in particular own goods, moveable or immoveable, of which it performs the management or exercise or acquire all rights with respect to these goods such as are necessary to fulfil its mission.

The Company may, provided it complies with any conditions laid down in the applicable legislation and regulations, participate, in any manner, in all other undertakings which are likely to promote the creation of its object; in particular, it may participate, including in the capacity of shareholder, cooperate or enter into any form of cooperation agreement, whether commercially, technically or of any other nature, with any Belgian or foreign person, undertaking or company engaged in similar or related activities, without thereby contravening the ownership unbundling rules imposed on it by the applicable legislation and regulations.

The terms "producer", "distribution system operator (DSO)", "supplier", "intermediary" and "subsidiary undertaking" have the meanings provided in the Electricity Law.

Share Capital and shares

Amount of capital, number and categories of shares

All shares have identical voting and liquidation rights, except as otherwise provided by the Company's Articles of Association. In accordance with the Articles of Association, class A and Class C Shares carry certain special rights regarding the nomination of candidates for appointment to the Board of Directors and the voting of shareholders' resolutions.

After completion of the PIPE, the Company's share capital will amount to EUR 2,176,368,731.24 represented by 87,258,086 ordinary shares without nominal value, each representing 1/87,258,086th of the Company's share capital. The capital is fully paid up.

The shares are divided into three classes of shares, as follows:

- class A: 1,836,054 shares held by Publipart;
- class B: 46,445,466 shares, of which:
  - 107,044 held by NextGrid Holding;
  - 601,433 held by Publipart:
  - 714,357 held by Belfius Insurance;
  - 3,124,490 held by Interfin;
  - 7,361,429 held by Katoen Natie Group;
  - 3,791,840 held by ATLAS;
  - 1,895,919 held by BlackRock;
  - 1,895,919 held by CPP Investments;
  - 26,953,035 held by other free float; and
- class C: 38,976,566 shares held by NextGrid Holding.

The table below provides an overview of the history of the Company's share capital since 1 January 2016, subject to the successful completion of the PIPE on or around the date of the Prospectus.

	Date	Number of shares issued	Issue price per share (EUR)	Capital increase	Subscribed capital after transaction	Aggregate number of shares after capital increase
Capital increase 2016	22 December 2016	140,919	37.61	5,299,963.59	1,518,738,998.33	60,891,158
Capital increase 2017	23 March 2017	9,861	39.66	391,087.26	1.518.984.950.05	60,901,019
Capital increase 2018	20 December 2018	114,039	46.44	5,295,971.16	1,521,829,295.31	61,015,058
Capital increase 2019	22 March 2019	9,776	50.56	494,274.56	1,522,073,126.98	61,024,834
Capital increase 2019	18 June 2019	7,628,104	57	434,801,928.00	1,712,332,261.62	68,652,938
Capital increase 2020	22 December 2020	67,757	73.74	4,996,401.18	1,714,022,247.52	68,720,695
Capital increase 2021	18 March 2021	7,360	83.14	611,910.40	1,714,205,819.64	68,728,055
Capital increase 2022	28 June 2022	4,739,864	124.50	118,212,208.16	1,832,418,027.80	73,467,919
Capital increase 2022	13 December 2022	47,920	104.34	1,195,124.8	1,833,613,152.60	73,515,839
Capital increase 2023	26 April 2023	5,984	106.18	149,240.96	1,833,762,393.56	73,521,823
PIPE 2025	26 March 2025	13,736,263	61.88	342,606,337.68	2,176,368,731.24	87,258,086
Total					2,176,368,731.24	87,258,086

Form of shares

As described in Section "*Information on the Offering – Form*", the New Shares will be delivered in dematerialised (book-entry) form, depending on their preference, except for the Existing Shareholders holding registered shares, who will receive New Shares in registered form.

The Shares of the Company may be in registered or dematerialised form.

A dematerialised Share is represented by an entry in the name of the owner or holder with an approved account holder or a central securities depository. A Share entered on the account will be transferred by transfer from account to account. The number of dematerialised Shares in circulation at any given time will be registered in the related register of Shares in the name of the central securities depository.

The BCCA and the Articles of Association entitle shareholders to request, in writing and at their expense, the conversion of their dematerialised shares in registered shares. Moreover, holders of Class B Shares can also request the conversion of their registered shares in dematerialised shares.

If a holder of Class A Shares or of Class C Shares requests the conversion of its registered class A or Class C Shares into dematerialised shares with a view to selling such shares on the stock exchange, such conversion is subject to the pre-emption right (see Section "*Transfer Restrictions*") to the benefit of the holders of the other class of shares (class C respectively class A) at market price, defined as the average of the 20 most recent closing prices on the stock exchange preceding the date of the request for conversion into dematerialised shares.

Distribution of profits

All shares participate in the same manner in the Company's profits (if any).

In general, the Company may pay dividends only upon the approval of the Company's Shareholders at the General Shareholders' Meeting, although the Board of Directors may declare interim dividends without such shareholder approval. The right to pay such interim dividends is, however, subject to certain legal restrictions.

Dividends can only be distributed if, following the declaration and payment of the dividends, the amount of the Company's net assets on the date of the closing of the last financial year as follows from the statutory financial statements prepared in accordance with Belgian GAAP (*i.e.* the amount of the assets as shown in the balance sheet, decreased with provisions and liabilities), decreased

with the non-amortised activated costs of incorporation and extension and the non-amortised activated costs for research and development (if any), does not fall below the amount of the paid-up share capital (or, if higher, the called for share capital), increased with the amount of non-distributable reserves as of that date. In addition, pursuant to the BCCA and the Articles of Association, the Company must allocate at least 5 per cent. of its annual net profits under its statutory non-consolidated accounts to a legal reserve until the reserve equals 10 per cent. of the Company's share capital. With regard to distributable profits over and above the required allocation to the legal reserve, Article 33.1 of the Articles of Association provides that in principle 85 per cent. of the distributable profits must be allocated for the payment of dividends, unless the shareholders decide otherwise at the General Shareholders' Meeting (it being understood that the holders of Class A Shares and Class C Shares must concur in such decision). In recent years, the shareholders have decided to declare a dividend representing less than 85 per cent. of the yearly profits available for distribution.

In accordance with Belgian law, the right to collect dividends declared on ordinary shares expires five years after the date the Board of Directors has declared the dividend payable, whereupon the Company is no longer under an obligation to pay such dividends.

For more information, see Section "*Dividends and Dividend Policy*".

Liquidation

The Company can only be dissolved by a shareholders' resolution passed: (i) with a majority of at least 75 per cent. of the votes; (ii) with a majority of votes of the class A and/or Class C Shares as long as the holders of class A and/or Class C Shares own at least 25 per cent. of the total outstanding share capital of the Company (or 15 per cent. in the event of dilution following a capital increase); and (iii) at an Extraordinary Shareholders' Meeting where at least 50 per cent. of the share capital is present or represented.

If, as a result of losses incurred, the ratio of the Company's net assets (determined in accordance with Belgian GAAP) to share capital is less than 50 per cent., the Board of Directors must convene a General Shareholders' Meeting within two months from the date the Board of Directors discovered or should have discovered this undercapitalisation. At such General Shareholders' Meeting, the Board of Directors must propose either the dissolution of the Company, or the continuation of the Company, in which case, the Board of Directors must propose measures to redress the Company's financial situation. Shareholders representing at least 75 per cent. of the votes validly cast at this meeting can decide to dissolve the Company, provided that at least 50 per cent. of the Company's share capital is present or represented at the meeting.

If, as a result of losses incurred, the ratio of the Company's net assets to share capital is less than 25 per cent., the same procedure must be followed, it being understood, however, that in such event shareholders representing 25 per cent. of the votes validly cast at the meeting can decide to dissolve the Company. If the amount of the Company's net assets has fallen below EUR 61,500 (the minimum amount of share capital of a Belgian public limited liability company), any interested party is entitled to request the competent court to dissolve the Company. The court may order the dissolution of the Company or grant a grace period within which the Company is allowed to remedy the situation.

In case of dissolution of the Company for whatever reason, the General Shareholders' Meeting shall appoint and dismiss the liquidator(s), determine their powers and the manner of liquidation. The General Shareholders' Meeting shall fix the remuneration of the liquidator(s), if any.

The liquidators can only take up their function after confirmation of their appointment by the General Shareholders' Meeting by the Enterprise Court pursuant to Article 2:84 BCCA.

After settlement of all debts, charges and expenses relating to the liquidation, the net assets shall be equally distributed among all the shares, after deduction of that portion of such shares that are not fully paid, if any.

Capital increase

General

Pursuant to the BCCA, the Company may increase or decrease its share capital upon the approval of 75 per cent. of the votes cast at a General Shareholders' Meeting where at least 50 per cent. of

the share capital is present or represented. In addition, pursuant to the Articles of Association, approval of any shareholders' resolution also requires the approval of holders of a majority of class A and/or class C as long as the holders of class A and/or Class C Shares own at least 25 per cent. of the total outstanding share capital of the Company (or 15 per cent. in the event of dilution following a capital increase). Currently this only applies to the Class C Shares, as the Class A Shares have less than 25 per cent. of the total outstanding share capital of the Company.

Subject to the same quorum and majority requirements, the General Shareholders' Meeting can authorise the Board of Directors, within certain limits, to increase the Company's share capital without any further approval of the shareholders. This authorisation needs to be limited in time (*i.e.* it can only be granted for a renewable period of maximum five years) and in scope (*i.e.* the authorised capital may not exceed the amount of the registered capital at the time of the authorisation).

Authorised capital

On 21 June 2024, the Extraordinary Shareholders' Meeting authorised the Board of Directors for a period of five years as from 3 July 2024 to increase the Company's share capital:

(i) in case the capital increases takes place with a preference right: by a maximum total amount equivalent to 50 per cent. of the existing capital of the Company on the date on which the general meeting approved the authorisation (*i.e.* 21 June 2024); and

(ii) in all other cases: by a maximum total amount equivalent to 20 per cent. of the existing capital of the Company on the date on which the general meeting approved the authorisation (*i.e.* 21 June 2024).

In any event, the total amount up to which the Board of Directors may increase the capital by combining the authorisations referred to in points (i) and (ii) above is limited to an amount equivalent to 70 per cent. of the existing capital of the Company on the date on which the general meeting approved the authorisation. Such amount is EUR 1,833,762,393.56, excluding issue premium (*i.e.* 70 per cent. of the existing capital of the Company on 21 June 2024.

In cases where capital increases occur with a preference right, the Board of Directors is authorised to increase the capital under the authorised capital with a maximum amount of EUR 916,881,196.78. To date, the Board of Directors has not used this option, so the entire amount remains available.

For other capital increases without a preference right, the Company is authorised to increase its capital under the authorised capital with a maximum amount of EUR 366,752,478.71. The Board of Directors has utilised part of this authorised capital, more specifically as follows:

Date	Occasion	Description
26 March 2025	PIPE	The capital will be increased with EUR 342,606,337.68 with the issue of 13,736,263 new Shares at an issue price of EUR 61.88 per Share (including issue premium). The balance between the fractional value and the issue price, *i.e.* EUR 36.94, was recorded as an issue premium.

Therefore, the Board of Directors can still increase its capital under the authorised capital, in other cases, by the remaining amount of EUR 24,146,141.03 For more information on the PIPE, see Section "*Information on the Offering – Information related to the PIPE*"

Any capital increase pursuant to the authorisation may only be decided by the Board of Directors if it is approved:

(i) by a majority of the members of the Board of Directors; and

(ii) by a 3/4th majority (rounded down to the nearest whole number) of the non-independent directors.

The actual decision to increase (or not) the capital, including the terms and amount of the capital increase, the Issue Price and the number of new shares to be issued, must be taken by the Board of Directors. In addition, the decision to proceed with the capital increase within the framework recommended by the Board of Directors must be approved by the shareholder holding at least the majority of Class C Shares, *i.e.* NextGrid Holding.

In the case of a capital increase in cash with issue of new shares, or in the event of an issue of convertible bonds or subscription rights exercisable in cash, the Existing Shareholders in principle have a preferential right to subscribe to the new shares, convertible bonds or subscription rights, *pro rata* to the part of the share capital represented by the shares that they already hold. The General Shareholders' Meeting may, however, limit or disapply such preferential subscription rights subject to substantive and reporting requirements. Such decision must satisfy the same quorum and majority requirements as the decision to increase the Company's share capital. The shareholders can also decide to authorise the Board of Directors to limit or disapply the preferential subscription right for any capital increase or issue of convertible bonds or subscription rights when issuing securities within the framework of the authorised capital, subject to the terms and conditions set forth in the BCCA. Normally, the authorisation of the Board of Directors to increase the share capital of the Company through contributions in cash with cancellation or limitation of the preferential right of the Existing Shareholders is suspended as at the notification to the Company by the FSMA of a public tender offer for the investment instruments of the Company.

Shares' buy-back

In accordance with the BCCA and the Articles of Association, the Company can only purchase and sell its own shares by virtue of a shareholders' resolution passed with: (i) a majority of at least 75 per cent. of the votes; (ii) a majority of votes of the class A and/or Class C Shares as long as the holders of class A and/or Class C Shares own at least 25 per cent. of the total outstanding share capital of the Company (or 15 per cent. in the event of dilution following a capital increase); and (iii) at a Shareholders' Meeting where at least 50 per cent. of the share capital and at least 50 per cent. of the profit certificates (if any) are present or represented. The prior approval by the shareholders is not required if the Company purchases the shares to offer them to the Company's personnel.

In accordance with the BCCA, an offer to purchase shares must be made to all shareholders under the same conditions per class. This does not apply to:

(i) the acquisition of shares by companies listed on a regulated market and companies whose shares are admitted to trading on a multilateral trading facility (an "**MTF**"), provided that the Company ensures equal treatment of shareholders finding themselves in the same circumstances by offering an equivalent price (which is assumed to be the case: (a) if the transaction is executed in the central order book of a regulated market or MTF; or (b) if it is not so executed in the central order book of a regulated market or MTF, in case the offered price is lower than or equal to the highest actual independent bid price in the central order book of a regulated market or (if not listed on a regulated market) of the MTF offering the highest liquidity in the share); or

(ii) the acquisition of shares that has been unanimously decided by the shareholders at a meeting where all shareholders were present or represented.

Shares can only be acquired with funds that would otherwise be available for distribution as a dividend to the shareholders pursuant to Article 7:212 BCCA (see Section "*Dividends and Dividend Policy – Dividend policy*").

The Special Shareholders' Meeting of 18 May 2021 conferred the power to the Board of Directors to acquire the Company's own shares, without the total number of own shares held by the Company pursuant to this power exceeding 10 per cent. of the total number of shares, for a compensation that cannot be lower than 10 per cent. below the lowest closing price in the thirty

days preceding the transaction and not higher than 10 per cent. above the highest closing price in the thirty days preceding the transaction. This power is conferred for a period of five years as from 4 June 2021. It applies to the Board of Directors and, to the extent necessary, to any third party acting on behalf of the Company. It also applies to the direct and, to the extent necessary, indirect subsidiaries of the Company. This power does not affect the possibilities of the Board of Directors, in accordance with the applicable legal provisions, to acquire own shares if no power by virtue of the Articles of Association or power by the General Meeting is required for this purpose.

Public Takeover Bids

Public takeover bids for shares and other securities giving access to voting rights (such as subscription rights or convertible bonds, if any) are subject to supervision by the FSMA. Public takeover bids must be extended to all of the voting securities, as well as all other securities giving access to voting rights. Prior to making a bid, a bidder must publish a prospectus which has been approved by the FSMA prior to publication.

Belgium has implemented the Thirteenth Company Law Directive (European Directive 2004/25/EC of 21 April 2004) in the Belgian Law of 1 April 2007 on public takeover bids (the "**Takeover Law**") and the Belgian Royal Decree of 27 April 2007 on public takeover bids (the "**Takeover Royal Decree**"). The Takeover Law provides that a mandatory bid must be launched if a person, as a result of its own acquisition or the acquisition by persons acting in concert with it or by persons acting for their account, directly or indirectly, holds more than 30 per cent. of the voting securities in a company having its registered office in Belgium and of which at least part of the voting securities is traded on a regulated market or on a MTF designated by the Takeover Royal Decree. The mere fact of exceeding the relevant threshold through the acquisition of shares will give rise to a mandatory bid, irrespective of whether the price paid in the relevant transaction exceeds the current market price. The duty to launch a mandatory bid does not apply in certain cases set out in the Takeover Royal Decree such as (i) in case of an acquisition if it can be shown that a third-party exercises control over the company or that such party holds a larger stake than the person holding 30 per cent. of the voting securities or (ii) in case of a capital increase with preferential subscription rights decided by the Shareholders' Meeting.

There are several provisions of Belgian company law and certain other provisions of Belgian law, such as the obligation to disclose significant shareholdings (see Section "*Relationship with Significant Shareholders and Related Party Transactions*" above) and merger control, that may apply towards the Company and which may create hurdles to an unsolicited tender offer, merger, change in management or other change in control. These provisions could discourage potential takeover attempts that other shareholders may consider to be in their best interest and could adversely affect the market price of the Shares. These provisions may also have the effect of depriving the shareholders of the opportunity to sell their Shares at a premium.

Squeeze-out

Pursuant to Article 7:82 BCCA or the regulations promulgated thereunder, a person or legal entity, or different persons or legal entities acting alone or in concert, who own together with the company 95 per cent. or more of the securities with voting rights in a public company are entitled to acquire the totality of the securities with voting rights in that company following a squeeze-out offer. The securities that are not voluntarily tendered in response to such an offer are deemed to be automatically transferred to the bidder at the end of the procedure. At the end of the squeeze-out procedure, the company is no longer deemed a public company. The consideration for the securities must be in cash and must represent the fair value (verified by an independent expert) so as to safeguard the interests of the transferring shareholders.

A squeeze-out offer is also possible upon completion of a public takeover bid, provided that the bidder holds at least 95 per cent. of the voting capital and 95 per cent. of the voting securities of the public company. In such a case, the bidder may require that all remaining shareholders sell their securities to the bidder at the offer price of the takeover bid, provided that, in case of a voluntary takeover offer, the bidder has also acquired 90 per cent. of the voting capital to which the offer relates. The shares that are not voluntarily tendered in response to any such offer are deemed to be automatically transferred to the bidder at the end of the procedure.

Sell-out right

Within three months following the expiration of an acceptance period related to a public takeover bid, holders of voting securities or of securities giving access to voting rights may require the offeror, acting alone or in concert, who own at least 95 per cent. of the voting capital and 95 per cent. of the voting securities in a public company following a takeover bid, to buy their securities from them at the price of the bid, on the condition that, in case of a voluntary takeover offer, the offeror has acquired, through the acceptance of the bid, securities representing at least 90 per cent. of the voting capital subject to the takeover bid.

General Shareholders' Meeting and voting rights

Annual Shareholders' Meeting

The Annual Shareholders' Meeting is held on the third Tuesday of May at 10.00 a.m. (Brussels time), or, if that day is a public holiday, on the next business day. At the Annual Shareholders' Meeting, the Board of Directors submits the audited statutory financial statements under Belgian GAAP, the consolidated financial statements under IFRS and the reports of the Board of Directors and of the statutory auditors with respect thereto to the shareholders. The Annual Shareholders' Meeting then decides on the approval of the statutory financial statements under Belgian GAAP, the proposed allocation of the Company's profit or loss, the discharge of liability of the directors and the statutory auditors, and, as the case may be, the (re)appointment or dismissal of the statutory auditors and/or of all or certain directors.

Special and Extraordinary Shareholders' Meetings

A Special or Extraordinary Shareholders' Meeting may be convened by the Board of Directors or the auditors whenever the Company's interests so require and must be convened at the request of one or more shareholders representing at least one-tenth of the Company's share capital (see Article 24.2 of the Articles of Association).

Authority of the Shareholders' Meeting

Generally, the Shareholders' Meeting has sole authority with respect to:

- the approval of the statutory financial statements of the Company (statutory financial statements under Belgian GAAP);
- the appointment and dismissal of directors and the statutory auditors of the Company;
- the granting of discharge of liability to the directors and the statutory auditors;
- the determination of the remuneration of the directors and of the statutory auditors for the exercise of their mandate;
- the distribution of profits;
- the filing of a claim for liability against directors;
- the decisions relating to the dissolution, merger and certain other reorganisations of the Company; and
- the approval of amendments to the Articles of Association.

Notices convening the General Shareholders' Meeting

Holders of registered Shares must receive written notice of the Shareholders' Meeting by regular mail (or by email if they agreed to receive the communication of the Company per email) at least 30 days prior to the meeting. The Company must also publish at least 30 days prior to the meeting a notice of the meeting in the Belgian State Gazette ("*Belgisch Staatsblad*"/"*Moniteur belge*"), in a newspaper with national distribution (except for those Annual Shareholders' Meetings which take place at the location, place, day and hour indicated in the Articles of Association and whose agenda is limited to the approval of the annual accounts, the annual reports of the Board of Directors and the statutory auditors, discharge to be granted to the directors and statutory auditor, the remuneration report and termination provisions), in media that can be reasonably considered having effective distribution with the public in the EEA and that is swiftly accessible, and in a non-discriminatory manner, and on the Company's website. If a new convocation is required for lack of

quorum and the date of the second meeting was mentioned in the first notice, then, in the absence of new agenda items, notices must be published at least 17 days prior to that second meeting.

As from the publication of the notice, the Company shall make the information required by law available on the Company's website (www.eliagroup.eu) for a period of five years after the relevant Shareholders' Meeting.

Formalities to attend the General Shareholders' Meeting

A shareholder wishing to attend and participate in the Shareholders' Meeting must:

- have the ownership of its Shares recorded in its name, as at midnight Central European Time, on the 14th calendar day preceding the date of the meeting (the "registration date") either through registration in the shareholders' register in the case of registered Shares or through book-entry in the accounts of an authorised account holder or central securities depository in the case of dematerialised Shares; and
- (i) in case of registered shares, notify the Company (or the person designated by the Company) of its intention to participate in the meeting by ordinary letter, fax or e-mail (in which case the form can be signed by means of an electronic signature in accordance with applicable Belgian law), at the latest on the sixth calendar day prior to the day of the meeting, or (ii) in case of dematerialised Shares, deposit, at the latest on the sixth day prior to the general meeting, to the Company (or the person designated by the Company), or arrange for the Company (or the person designated by the Company) to be provided, with a certificate issued by their financial intermediary, recognised account holder or central securities depository certifying the number of dematerialised Shares owned on the registration date by the relevant shareholder and for which it has notified its intention to participate in the meeting.

Holders of any profit-sharing certificates, non-voting shares, convertible bonds, subscription rights or other securities issued by the Company, as well as holders of certificates issued with the co-operation of the Company and representing securities issued by the latter, may participate in the Shareholders' Meeting insofar as the law or the Articles of Association entitles them to do so and, as the case may be, gives them the right to participate in voting. If they propose to participate, such holders are subject to the same formalities concerning admission and access, and forms and filing of proxies, as those imposed on shareholders.

Methods for participation in the General Shareholders' Meeting

Voting by proxy

Each shareholder may be represented at a Shareholders' Meeting by a special proxy holder, who need not to be a shareholder. The appointment of a proxy shall be made in writing or by means of an electronic form and must be signed by the shareholder, as the case may be, with an electronic signature which complies with the relevant legal provisions. The notification of the proxy to the Company must be in writing. This notification may also be made electronically, in accordance with the instructions set out in the notice of meeting. The Company must receive the proxy no later than the sixth calendar day prior to the general meeting.

Voting by letter

The notice convening the meeting may allow shareholders to vote by letter in relation to the Shareholders' Meeting, by using a form made available by the company. The dated and signed form must be received by the Company at the latest on the sixth calendar day prior to the meeting.

The Company shall specify the practical terms of such vote by letter in the convening notice.

Shareholders voting by letter must, in order for their vote to be taken into account for the calculation of the quorum and voting majority, comply with the admission formalities.

Right to request items to be added to the agenda and to ask questions at the Shareholders' Meeting

One or more shareholders that together hold at least 3 per cent. of the Company's share capital may request for items to be added to the agenda of any convened meeting and submit proposals for resolutions with regard to existing agenda items or new items to be added to the agenda, provided that (i) they prove ownership of such shareholding as at the date of their request and record their shares representing such shareholding on the registration date; and (ii) the Company

receives the written request to add items on the agenda and/or to propose resolutions at the latest on the twenty second day preceding the date of the relevant Shareholders' Meeting.

If necessary, the Company shall publish a revised agenda of the Shareholders' Meeting, at the latest on the fifteenth day preceding the Shareholders' Meeting. The right to request that items be added to the agenda or that proposed resolutions in relation to existing agenda items be submitted does not apply in case of a second Shareholders' Meeting that must be convened because the quorum was not obtained during the first Shareholders' Meeting.

Within the limits of Article 7:139 BCCA, the directors and the statutory auditors answer, during the Shareholders' Meeting, the questions raised by shareholders. Shareholders can ask questions either during the meeting or prior to the meeting (in writing or electronic form), provided that the Company receives the written question at the latest on the sixth day preceding the Shareholders' Meeting.

Voting rights – quorum and majorities

Each share is entitled to one vote. Voting rights may, however, be suspended in relation to shares, in the following events, without limitation and without this list being exhaustive:

- which are not fully paid up, notwithstanding the request thereto by the Board of Directors;
- to which more than one person is entitled, except in the event that a single representative is appointed for the exercise of the voting right;
- which entitle their holder to voting rights above the threshold of 5 per cent., or any multiple of 5 per cent. of the total number of voting rights attached to the outstanding financial instruments of the Company on the date of the relevant General Shareholders' Meeting, except in case the relevant shareholder has notified the Company and the FSMA at least 20 days prior to the date of the General Shareholders' Meeting (see Section "*Relationship with Significant Shareholders and Related Party Transactions*") of its shareholding reaching or exceeding the thresholds above; and
- of which the voting right was suspended by a competent court.

The Company's Shareholders make decisions at the General Shareholders' Meeting in accordance with the quorum and majority requirements contained in the BCCA. In general, there is no quorum requirement for a Shareholders' Meeting and decisions are generally passed with a simple majority of the votes of the shares present and represented. Capital increases (unless decided by the Board of Directors within the framework of the authorised capital), decisions with respect to the Company's dissolution, mergers, demergers and certain other reorganisations of the Company, amendments to the Articles of Association (other than an amendment of the corporate purpose), buy-back of shares and certain other matters referred to in the BCCA not only require the presence or representation of at least 50 per cent. of the share capital of the Company but also the approval of at least 75 per cent. of the votes cast. An amendment of the Company's corporate purpose requires the approval of at least 80 per cent. of the votes cast at a Shareholders' Meeting, which in principle can only validly pass such resolution if at least 50 per cent. of the share capital of the Company and at least 50 per cent. of the profit certificates, if any, are present or represented. In the event that the required attendance quorum is not present or represented at the first meeting, a second meeting needs to be convened through a new notice. The second Shareholders' Meeting can validly deliberate and resolve as soon as the capital is represented.

Additionally, so long as the holders of class A and/or Class C Shares own at least 25 per cent. of the total number of shares (or at least 15 per cent. in the event of dilution following a capital increase), approval of any shareholders' resolution also requires the approval by simple majority of the present or represented holders of such classes, in accordance with Article 28 of the Articles of Association.

Transfer of shares

The Class B Shares are freely transferable.

Each holder of Class A Shares or Class C Shares may freely transfer part or all of its class A or Class C Shares to the persons indicated in Article 9.2 of the Articles of Association, subject to the terms set forward in the Articles of Association being fulfilled, including the pre-emption right of the other shareholders.

Pledges, options or similar rights may be granted on the class A and Class C Shares if the beneficiary of the pledge, option or other right commits in writing in advance to complying with or to procuring compliance with the pre-emption right should such right be performed or exercised.

Transfer restrictions

Other than in the cases of the transfers discussed above, the Articles of Association provide for reciprocal pre-emption rights that apply with respect to transfers of class A and Class C Shares. In case of such intended transfer, the transferor must notify the holder(s) of the other class of shares (class C respectively class A) (the "**Beneficiary**") and the Company's Board of Directors of the intended transfer and the terms and conditions under which such transfer is to take place. Each Beneficiary then has a 60-day period (the "**Offer Period**") to exercise its pre-emption right upon the same terms and conditions as the proposed transfer. The notification constitutes an offer to the Beneficiaries, which is irrevocable during the Offer Period. Each Beneficiary can exercise the pre-emption right in respect of a maximum number of shares equal to the total number of offered shares, multiplied by the number of shares of the beneficiary class held by the Beneficiary and divided by the total number of shares of the beneficiary class. If a Beneficiary fails to exercise (part of) its pre-emption rights, the other Beneficiaries may, in a manner agreed by them or, if no agreement can be reached, proportionally, acquire the shares offered in respect of which the pre-emption rights were not exercised. The pre-emption right can only be exercised by the Beneficiaries in respect of all, and not a part, of the shares offered. If the pre-emption right is not exercised within the Offer Period, the transferor must transfer the shares offered to the candidate-transferee within a period of one month following the Offer Period.

No transfer of shares shall be enforceable against the Company or the shareholders if such transfer has not been executed in accordance with the applicable restrictions.

Details on the lock-up undertaking of NextGrid Holding and the standstill commitment of the Company can be found in Section "*Plan of distribution and allocation of the New Shares – Lock-up and standstill arrangements*".

Change of the class of shares as a result of a share transfer

Upon transfer to a holder of Class A Shares or to a person affiliated or associated to a holder of Class A Shares of, or persons acting in concert with, a holder of Class A Shares, Class C Shares automatically convert into Class A Shares and, similarly, upon transfer to a holder of Class C Shares or to a person affiliated or associated to a holder of Class A Shares of, or persons acting in concert with, a holder of Class C Shares, Class A Shares automatically convert into Class C Shares. Class A Shares or Class C Shares sold on Euronext or any other regulated market within the European Union in accordance with the provisions outlined below will automatically convert into Class B Shares when they are converted into dematerialised shares.

Class B Shares remain Class B Shares, regardless of the transfer between holders of different classes of shares.

Notification of significant shareholdings

Pursuant to the Transparency Law, a notification to the Company, to the FSMA, as well as to any other regulatory authority where the law so prescribes, is required by all natural persons and legal entities on the occurrence of, among other things, any one of the following triggering events, subject to limited exceptions:

- an acquisition or disposal of voting securities, voting rights or financial instruments that are treated as voting securities;
- the reaching of a threshold by persons or legal entities acting in concert;
- the conclusion, modification or termination of an agreement to act in concert;
- the downward reaching of the lowest threshold;
- the passive reaching of a threshold;
- the holding of voting securities in the Company upon first admission of them to trading on a regulated market;

- where a previous notification concerning financial instruments treated as equivalent to voting securities is updated;
- the acquisition or disposal of the control of an entity that holds the voting securities in the Company; and
- where the Company introduces additional notification thresholds in the Articles of Association,

in each case where the percentage of voting rights attached to the securities held by such persons reaches, exceeds or falls below the legal threshold, set at 5 per cent. of the total voting rights, and 10 per cent., 15 per cent., 20 per cent. and so on in increments of 5 per cent. or, as the case may be, the additional thresholds provided in the Articles of Association.

The notification must be made as soon as possible and at the latest within four trading days following the occurrence of the triggering event. Where the Company receives a notification of information regarding the reaching of a threshold, it has to publish such information within three trading days following receipt of the notification.

No shareholder may cast a greater number of votes at a Shareholders' Meeting than those attached to the rights or securities it has notified in accordance with the Transparency Law at least 20 days before the date of the Shareholders' Meeting, subject to certain exceptions.

Market Abuse Rules

The regulatory framework on market abuse is set out in the Market Abuse Regulation which is directly applicable in Belgium.

Insider dealing and market manipulation prohibitions

Pursuant to Article 14 of the Market Abuse Regulation, no natural or legal person is permitted to: (a) engage or attempt to engage in insider dealing in financial instruments listed on a regulated market or for which a listing has been requested, such as the New Shares, (b) recommend that another person engages in insider dealing or induce another person to engage in insider dealing or (c) unlawfully disclose inside information relating to the shares or the Company. Furthermore, no person may engage in or attempt to engage in market manipulation.

Public disclosure of inside information

Pursuant to Article 17 of the Market Abuse Regulation, the Company is required to inform the public as soon as possible and in a manner that enables timely access to and complete, correct and timely assessment of, inside information which directly concerns the Company. Pursuant to Article 7 of the Market Abuse Regulation, inside information is information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. An intermediate step in a protracted process can also be deemed to be inside information. The Company is required to post and maintain on its website all inside information for a period of at least five (5) years. Under certain circumstances, the disclosure of inside information may be delayed, which needs to be notified to the FSMA after the disclosure has been made. Upon request of the FSMA, a written explanation needs to be provided setting out why a delay of the publication was considered permitted.

Insiders Lists

The Company and any person acting on its behalf or on its account is obliged to draw up an insiders' list of officers, employees and other persons working for the Company with access to inside information relating to the Company, to promptly update the insider list and provide the insider list to the FSMA upon its request pursuant to Article 18 of the Market Abuse Regulation. The Company and any person acting on its behalf or on its account is obliged to take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

Managers' transactions

Persons discharging managerial responsibilities must notify the FSMA and the Company of any transactions conducted for his or her own account relating to shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto pursuant to Article 19 of the Market Abuse Regulation. Persons discharging managerial responsibilities within the meaning of the Market Abuse Regulation include: (a) members of the Board of Directors; or (b) members of the senior management who have regular access to inside information relating directly or indirectly to that entity and the authority to take managerial decisions affecting the future developments and business prospects of the Company.

In addition, pursuant to the Market Abuse Regulation and the regulations promulgated thereunder, certain persons who are closely associated with persons discharging managerial responsibilities, are also required to notify the FSMA and the Company of any transactions conducted for their own account relating to shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto. The Market Abuse Regulation and the regulations promulgated thereunder cover, *inter alia*, the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse, (ii) dependent children, (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to under (i), (ii) or (iii) above, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person or the economic interest of which are substantially equivalent to those of such a person.

These notification obligations under the Market Abuse Regulation apply when the total amount of the transactions conducted by a person discharging managerial responsibilities or a person closely associated to a person discharging managerial responsibilities reaches or exceeds the threshold of EUR 20,000 within a calendar year (calculated without netting). The first transaction reaching or exceeding the threshold must be notified as set forth above. The notifications pursuant to the Market Abuse Regulation described above must be made to the FSMA and the Company no later than the third business day following the relevant transaction date.

In addition to the notification obligations for persons discharging managerial responsibilities (and persons closely associated with them) mentioned above, a person discharging managerial responsibilities is not permitted to (directly or indirectly) conduct any transactions on its own account or for the account of a third-party, relating to shares or debt instruments of the Company or other financial instruments linked thereto, during a closed period of 30 calendar days before the announcement of a half-yearly report or the year-end report of the Company. However, transactions during a closed period are allowed under certain conditions, such as when the respective manager does not make an active investment decision, trading activities are caused by external factors or by third parties or are transactions or trading activities based on predetermined terms.

The Company is required to draw up a list of all persons discharging managerial responsibilities and persons closely associated with them and notify persons discharging managerial responsibilities of their obligations in writing. Persons discharging managerial responsibilities are required to notify the persons closely associated with them of their obligations in writing.

Non-compliance with Market Abuse Rules

Non-compliance with the notification obligations under the Market Abuse Regulation set out in the paragraphs above is a criminal offence and could lead to the imposition of criminal fines, administrative fines, imprisonment or other sanctions. The FSMA may impose administrative sanctions, including administrative fines, penalties or a cease-and-desist order under penalty for non-compliance. Breaches of the Market Abuse Regulation also constitute a criminal offence and could lead to the imposition of criminal fines or imprisonment.

TAXATION

Taxation in Belgium

The paragraphs below present a summary of certain Belgian federal income tax consequences of the ownership and disposal of the New Shares by an investor that acquires such New Shares in connection with this Offering. The paragraphs below also present a summary of certain Belgian federal income tax consequences relating to the Preferential Rights and the Net Scrips Proceeds. The summary is based on laws, treaties and regulatory interpretations in effect in Belgium on the date of this Prospectus, all of which are subject to change, including changes that could have retroactive effect.

Investors should appreciate that, as a result of evolutions in law or practice, the eventual tax consequences may be different from what is stated below.

This summary does not purport to address all tax consequences of the investment in, ownership in and disposal of the New Shares, Preferential Rights or Net Scrips Proceeds, and does not take into account the specific circumstances of particular investors, some of which may be subject to special rules, or the tax laws of any country other than Belgium. This summary does not describe the tax treatment of investors that are subject to special rules, such as banks, insurance companies, collective investment undertakings, dealers in securities or currencies, persons that hold, or will hold, New Shares as a position in a straddle, share-repurchase transaction, conversion transactions, a synthetic security or other integrated financial transactions. This summary does not address the local taxes that may be due in connection with an investment in the New Shares. The tax legislation of the country of an investor and of the issuer's country of incorporation may have an impact on the income received from the New Shares, the Preferential Rights and the Net Scrips Proceeds.

For purposes of this summary, a Belgian resident is an individual subject to Belgian personal income tax (*i.e.* an individual who is domiciled in Belgium or has his seat of wealth in Belgium or a person assimilated to a resident for purposes of Belgian tax law), a company subject to Belgian corporate income tax (*i.e.* a corporate entity that has its main establishment, its administrative seat or seat of management in Belgium and that is not excluded from the scope of the Belgian corporate income tax), an Organisation for Financing Pensions subject to Belgian corporate income tax (*i.e.* a Belgian pension fund incorporated under the form of an Organisation for Financing Pensions), or a legal entity subject to Belgian income tax on legal entities (*i.e.* a legal entity other than a company subject to Belgian corporate income tax, or that has its main establishment, its administrative seat or seat of management in Belgium).

A non-resident investor is any person that is not a Belgian resident investor.

Investors should consult their own advisors regarding the tax consequences of an investment in the New Shares or the Preferential Rights in the light of their particular circumstances, including the effect of any state, local or other national laws.

Dividends

For Belgian income tax purposes, the gross amount of all benefits paid on or attributed to the New Shares is generally treated as a dividend distribution. By way of exception, the repayment of capital of the Company carried out in accordance with the BCCA is deemed to be paid out on a *pro rata* basis of the fiscal capital and certain reserves (*i.e.* and in the following order: the taxed reserves incorporated in the statutory capital, the taxed reserves not incorporated in the statutory capital and the tax-exempt reserves incorporated in the statutory capital). Only the part of the capital reduction that is deemed to be paid out of the fiscal capital may, subject to certain conditions, for Belgian withholding tax purposes, not be considered as a dividend distribution. This fiscal capital includes, in principle, the actual paid-up statutory share capital and, subject to certain conditions, the paid-up issue premiums.

A Belgian withholding tax of 30 per cent. is normally levied on dividends, subject to such relief as may be available under applicable domestic or double tax treaty provisions.

In case of a redemption of the New Shares, the redemption distribution (after deduction of the portion of the fiscal capital represented by the redeemed New Shares) will be treated as a dividend subject to a Belgian withholding tax of 30 per cent., subject to such relief as may be available under applicable domestic or double tax treaty provisions. No Belgian withholding tax will be

triggered if such redemption is carried out on Euronext or a similar stock exchange and meets certain conditions.

In case of liquidation of the Company, any amounts distributed in excess of the fiscal capital will in principle be subject to the Belgian withholding tax at a rate of 30 per cent., subject to such relief as may be available under applicable domestic or double tax treaty provisions.

Non-Belgian dividend withholding tax, if any, will be neither creditable against any Belgian income tax due nor reimbursable to the extent that it exceeds Belgian income tax due.

Resident individuals

For Belgian resident individuals who acquire and hold the New Shares as a private investment, the Belgian dividend withholding tax fully discharges their personal income tax liability. They may nevertheless elect to report the dividends in their personal income tax return. Where such individual opts to report them, dividends will normally be taxable at the lower of the generally applicable 30 per cent. Belgian withholding tax rate on dividends or at the progressive personal income tax rates applicable to the taxpayer's overall declared income. If the beneficiary reports the dividends, any income tax due on such dividends will not be increased by local surcharges. In addition, if the dividends are reported, the dividend withholding tax levied at source may be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due, provided that the dividend distribution does not result in a reduction in value of or a capital loss on the New Shares. The latter condition is not applicable if the individual can demonstrate that he has held the New Shares in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends.

An exemption from personal income tax could in principle be claimed by Belgian resident individuals in their personal income tax return for a first tranche of dividend income up to the amount of EUR 833 (amount applicable for income year 2024), subject to certain formalities. For the avoidance of doubt, all reported dividends (hence, not only dividends distributed on the New Shares) are taken into account to assess whether said maximum amount is reached.

For Belgian resident individuals who acquire and hold the New Shares for professional purposes, the Belgian withholding tax does not fully discharge their personal income tax liability. Dividends received must be reported by the investor and will, in such case, be taxable at the investor's personal income tax rate increased with local surcharges. Belgian withholding tax levied at source may be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due, subject to two conditions: (i) the taxpayer must own the New Shares in full legal ownership at the dividend record date; and (ii) the dividend distribution may not result in a reduction in value of or a capital loss on the New Shares. The latter condition is not applicable if the investor can demonstrate that he has held the full legal ownership of the New Shares for an uninterrupted period of 12 months prior to the payment or attribution of the dividends.

Resident corporations

Corporate income tax

For Belgian resident companies, the dividend withholding tax does not fully discharge the corporate income tax liability. For such companies, the gross dividend income (after deduction of any non-Belgian withholding tax but including any Belgian withholding tax) must be declared in the corporate income tax return and will be subject to a corporate income tax rate of 25 per cent. Subject to certain conditions, a reduced corporate income tax rate of 20 per cent. applies for small enterprises (as defined by Article 1:24, §1 to §6 BCCA) on the first EUR 100,000 of taxable profits. Belgian resident companies can, under certain conditions, deduct 100 per cent. of the gross dividend received from their taxable income (the "**Dividend Received Deduction**"), provided that at the time of a dividend payment or attribution: (i) the Belgian resident company holds New Shares representing at least 10 per cent. of the share capital of the Company or a participation in the Company with an acquisition value of at least EUR 2,500,000 (it being understood that only one out of the two tests must be satisfied); (ii) the New Shares of the Company have been or will be held in full ownership for an uninterrupted period of at least one year immediately prior to the payment or attribution of the dividend; and (iii) the conditions relating to the taxation of the underlying distributed income, as described in Article 203 of the Belgian Income Tax Code (the "**Article 203 CIR**

Taxation Condition" and the "**CIR**", respectively) are met (together, the "**Conditions for the Application of the Dividend Received Deduction Regime**").

Conditions (i) and (ii) above are, in principle, not applicable for dividends received by an investment company within the meaning of art. 2, §1, 5°, f) CIR. The Conditions for the Application of the Dividend Received Deduction Regime depend on a factual analysis and for this reason the availability of this regime should be verified upon each dividend distribution.

Any Belgian dividend withholding tax levied at source can be credited against the Belgian corporate income tax due and is reimbursable to the extent it exceeds such corporate income tax, subject to two conditions: (i) the taxpayer must own the New Shares in full legal ownership at the dividend record date; and (ii) the dividend distribution does not result in a reduction in value of or a capital loss on the New Shares. The latter condition is not applicable: (i) if the taxpayer can demonstrate that it has held the New Shares in full legal ownership for an uninterrupted period of 12 months immediately prior to the payment or attribution of the dividends; or (ii) if, during that period, the New Shares never belonged to a taxpayer other than a Belgian resident company or a non-resident company that has, in an uninterrupted manner, invested the New Shares in a permanent establishment (the "**PE**") in Belgium.

If the corporate purpose of the beneficiary solely or mainly consists in managing and investing funds collected in order to pay legal or complementary pensions, the Belgian dividend withholding tax levied at source may be credited against the corporate income tax due and is reimbursable to the extent that it exceeds the corporate income tax due, provided that the taxpayer has held the New Shares in full legal ownership for an uninterrupted period of sixty days. This condition is not applicable if the taxpayer can demonstrate that the dividends are not connected to an arrangement or a series of arrangements ("*rechtshandeling of geheel van rechtshandelingen*"/"*acte juridique ou un ensemble d'actes juridiques*") which is not genuine ("*kunstmatig*"/"*non authentique*") and has been put in place for the main purpose or one of the main purposes of obtaining a tax credit of the Belgian dividend withholding tax.

Withholding Tax

Dividends distributed to a Belgian resident company will be exempt from Belgian withholding tax provided that the Belgian resident company holds, upon payment or attribution of the dividends, at least 10 per cent. of the share capital of the Company and such minimum participation is held or will be held during an uninterrupted period of at least one year.

In order to benefit from this exemption, the Belgian resident company must provide the Company or its paying agent with a certificate confirming its qualifying status and the fact that it meets the required conditions. If the Belgian resident company holds the required minimum participation for less than one year, at the time the dividends are paid on or attributed to the New Shares, the Company will levy the withholding tax but will not transfer it to the Belgian Treasury provided that the Belgian resident company certifies its qualifying status, the date from which it has held such minimum participation, and its commitment to hold the minimum participation for an uninterrupted period of at least one year. The Belgian resident company must also inform the Company or its paying agent if the one-year period has expired or if its shareholding will drop below 10 per cent. of the share capital of the Company before the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the dividend withholding tax which was temporarily withheld, will be refunded to the Belgian resident company.

Please note that the above described dividend received deduction and withholding tax exemption will not be applicable to dividends which are connected to an arrangement or a series of arrangements ("*rechtshandeling of geheel van rechtshandelingen*"/"*acte juridique ou un ensemble d'actes juridiques*") for which the Belgian tax administration, taking into account all relevant facts and circumstances, has proven, unless evidence to the contrary, that this arrangement or this series of arrangements is not genuine ("*kunstmatig*"/"*non authentique*") and has been put in place for the main purpose or one of the main purposes of obtaining the dividend received deduction, the above dividend withholding tax exemption or one of the advantages of the EU Parent-Subsidiary Directive of 30 November 2011 (2011/96/EU) ("**Parent-Subsidiary Directive**") in another EU Member State. An arrangement or a series of arrangements is regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

Organisations for financing pensions

For organisations for financing pensions (the "**OFPs**"), *i.e.* Belgian pension funds incorporated under the form of an OFP ("*organismes de financement de pensions"/"organismen voor de financiering van pensioenen"*) within the meaning of Article 8 of the Belgian Law of 27 October 2006, the dividend income is generally tax exempt.

Subject to certain limitations, any Belgian dividend withholding tax levied at source may be credited against the OFPs corporate income tax due and is reimbursable to the extent that it exceeds the corporate income tax due.

Belgian (or foreign) OFPs not holding the New Shares – which give rise to dividends – for an uninterrupted period of 60 days in full ownership amounts to a rebuttable presumption that the arrangement or series of arrangements ("*acte juridique ou un ensemble d'actes juridiques*"/ "*rechtshandeling of geheel van rechtshandelingen*") which are connected to the dividend distributions, are not genuine ("*non authentique*"/"*kunstmatig*"). The withholding tax exemption will in such case not apply and/or any Belgian dividend withholding tax levied at source on the dividends will in such case not be credited against the corporate income tax, unless counterproof is provided by the OFP that the arrangement or series of arrangements are genuine.

Other taxable Belgian resident legal entities subject to Belgian legal entities tax

For taxpayers subject to the Belgium income tax on legal entities, the Belgian dividend withholding tax in principle fully discharges their Belgian income tax liability in this respect.

Belgian non-resident individuals and companies

For non-resident individuals and companies, the dividend withholding tax at the rate of 30 per cent. will be the only tax on dividends in Belgium, unless the non-resident holds the New Shares in connection with a business conducted in Belgium through a fixed base in Belgium or a Belgian PE.

If the New Shares are acquired by a non-resident investor in connection with a business in Belgium, the investor must report any dividends received, which are taxable at the applicable Belgian non-resident individual or corporate income tax rate, as appropriate. Any Belgian withholding tax levied at source can be credited against the Belgian non-resident individual or corporate income tax and is reimbursable to the extent it exceeds the income tax due, subject to two conditions: (i) the taxpayer must own the New Shares in full legal ownership at the dividend record date; and (ii) the dividend distribution does not result in a reduction in value of or a capital loss on the New Shares. The latter condition is not applicable if: (i) the non-resident individual or the non-resident company can demonstrate that the New Shares were held in full legal ownership for an uninterrupted period of 12 months immediately prior to the payment or attribution of the dividends; or (ii) with regard to non-resident companies only, if, during the said period, the New Shares have not belonged to a taxpayer other than a resident company or a non-resident company which has, in an uninterrupted manner, invested the New Shares in a Belgian PE.

Non-resident companies that have attributed their New Shares in the Company to a Belgian PE can deduct 100 per cent. of the gross dividends included in their taxable profits if, at the date dividends are paid or attributed, the Conditions for the Application of the Dividend Received Deduction Regime are satisfied. Application of the Dividend Received Deduction regime depends, however, on a factual analysis to be made upon each distribution and its availability should be verified upon each distribution.

Belgian Dividend Withholding Tax Relief for Non-residents

Dividends paid or attributed to Belgian non-resident individuals who do not use the New Shares in the exercise of a professional activity may be exempt from Belgian non-resident individual income tax up to the amount of EUR 833 (amount applicable for income year 2024). For the avoidance of doubt, all dividends paid or attributed to such non-resident individual (and hence not only dividends paid or attributed on the New Shares) are taken into account to assess whether said maximum amount is reached. Consequently, if Belgian withholding tax has been levied on dividends paid or attributed to the New Shares, such Belgian non-resident may request in his or her Belgian non-resident income tax return that any Belgian withholding tax levied on dividends up to the amount of EUR 833 (amount applicable for income year 2024) be credited and, as the case may be, reimbursed. However, if no such Belgian income tax return has to be filed by the Belgian non-

resident individual, any Belgian withholding tax levied on such an amount could, in principle, be reclaimed by filing a request thereto addressed to the tax official ("*Adviseur-generaal Centrum Buitenland*"/"*Conseiller général du Centre Etranger*") appointed by the Royal Decree of 28 April 2019. Such a request has to be made at the latest on 31 December of the calendar year following the calendar year in which the relevant dividend(s) have been received, together with an attestation confirming the non-resident individual status and certain other formalities as determined in the Royal Decree of 28 April 2019.

Under Belgian tax law, withholding tax is not due on dividends paid to a foreign pension fund which satisfies the following conditions: (i) it is a non-resident saver within the meaning of Article 227, 3° CIR which implies that it has separate legal personality and has its tax residence outside of Belgium; (ii) whose corporate purpose consists solely in managing and investing funds collected in order to pay legal or complementary pensions; (iii) whose activity is limited to the investment of funds collected in the exercise of its corporate purpose, without any profit making aim; (iv) which is exempt from income tax in its country of residence; and (v) provided that it is not contractually obliged to redistribute the dividends to any ultimate beneficiary of such dividends for whom it would manage the New Shares, nor obliged to pay a manufactured dividend with respect to the New Shares under a securities borrowing transaction. The exemption will only apply if the foreign pension fund provides a certificate confirming that it is the full legal owner or usufruct holder of the New Shares and that the above conditions are satisfied. The organisation must then forward that certificate to the Company or its paying agent.

Dividends distributed to non-resident qualifying parent companies established in a Member State of the EU or in a country with which Belgium has concluded a double tax treaty that includes a qualifying exchange of information clause, will, under certain conditions, be exempt from Belgian withholding tax provided that the New Shares held by the non-resident company, upon payment or attribution of the dividends, amount to at least 10 per cent. of the share capital of the Company and such minimum participation is held or will be held during an uninterrupted period of at least one year. A non-resident company qualifies as a parent company provided that (i) for companies established in a Member State of the EU, it has a legal form as listed in the annex to the EU Parent-Subsidiary Directive, as amended from time to time, or, for companies established in a country with which Belgium has concluded a qualifying double tax treaty, it has a legal form similar to the ones listed in such annex; (ii) it is considered to be a tax resident according to the tax laws of the country where it is established and the double tax treaties concluded between such country and third countries; and (iii) it is subject to corporate income tax or a similar tax without benefiting from a tax regime that derogates from the ordinary tax regime. In order to benefit from this exemption, the non-resident company must provide the Company or its paying agent with a certificate confirming its qualifying status and the fact that it meets the required conditions.

If the non-resident company holds a minimum participation for less than one year at the time the dividends are attributed to the New Shares, the Company must levy the withholding tax but does not need to transfer it to the Belgian Treasury provided that the non-resident company provides the Company or its paying agent with a certificate confirming, in addition to its qualifying status, the date as of which it has held the minimum participation, and its commitment to hold the minimum participation for an uninterrupted period of at least one year. The non-resident company must also inform the Company or its paying agent when the one-year period has expired or if its shareholding drops below 10 per cent. of the Company's share capital before the end of the one-year holding period. Upon satisfying the one-year holding requirement, the dividend withholding tax which was temporarily withheld, will be refunded to the non-resident company.

Please note that the above withholding tax exemption will not be applicable to dividends which are connected to an arrangement or a series of arrangements ("*rechtshandeling of geheel van rechtshandelingen*"/"*acte juridique ou un ensemble d'actes juridiques*") for which the tax Belgian tax administration, taking into account all relevant facts and circumstances, has proven, unless evidence to the contrary, that this arrangement or this series of arrangements is not genuine ("*kunstmatig*"/ "*non authentique*") and has been put in place for the main purpose or one of the main purposes of obtaining the dividend received deduction, the above dividend withholding tax exemption or one of the advantages of the Parent-Subsidiary Directive in another EU Member State. An arrangement or a series of arrangements is regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

Dividends distributed by a Belgian company to non-resident companies on a share participation of less than 10 per cent. will under certain conditions be subject to an exemption from withholding tax, provided that the non-resident companies (i) are either established in another Member State of the EEA or in a country with which Belgium has concluded a double tax treaty, where that treaty, or any other treaty concluded between Belgium and that jurisdiction, includes a qualifying exchange of information clause which is necessary to give effect to the provisions of the domestic laws of the contracting states; (ii) have a legal form as listed in Annex I, Part A to the Parent-Subsidiary Directive as amended from time to time, or a legal form similar to the legal forms listed in the aforementioned annex and which is governed by the laws of another Member State of the EEA or a similar legal form in a country with which Belgium has concluded a double tax treaty; (iii) hold a share participation in the Belgian dividend distributing company, upon payment or attribution of the dividends, of less than 10 per cent. of the Company's share capital but with an acquisition value of at least EUR 2,500,000; (iv) hold or will hold the New Shares which give rise to the dividends in full legal ownership during an uninterrupted period of at least one year; and (v) are subject to the corporate income tax or a tax regime similar to the corporate income tax without benefiting from a tax regime which deviates from the ordinary regime. The exemption from withholding tax is only applied to the extent that the Belgian withholding tax which would be applicable absent the exemption could not be credited nor reimbursed at the level of the qualifying, dividend receiving, company. The non-resident company must provide the Company or its paying agent with a certificate confirming, in addition to its full name, legal form, address and fiscal identification number (if applicable), its qualifying status and the fact that it meets the required conditions mentioned under (i) to (v) above, and indicating to which extent the withholding tax which would be applicable absent the exemption is in principle creditable or reimbursable on the basis of the law as applicable on 31 December of the year preceding the year during which the dividend is paid or attributed.

Belgian dividend withholding tax is subject to such relief as may be available under applicable tax treaty provisions. Belgium has concluded tax treaties with more than 95 countries, reducing the dividend withholding tax rate to 20 per cent., 15 per cent., 10 per cent., 5 per cent. or 0 per cent. for residents of those countries, depending on conditions, among others, related to the size of the shareholding and certain identification formalities. Such reduction may be obtained either directly at source or through a refund of taxes withheld in excess of the applicable treaty rate.

Prospective holders of New Shares should consult their own tax advisors to determine whether they qualify for a reduction in withholding tax upon payment or attribution of dividends, and, if so, to understand the procedural requirements for obtaining a reduced withholding tax upon the payment of dividends or for making claims for reimbursement.

Capital gains and losses

Belgian resident individuals

In principle, Belgian resident individuals acquiring New Shares as a private investment should not be subject to Belgian income tax on capital gains realised upon the disposal of the New Shares. Capital losses are not tax deductible.

However, capital gains realised by a private individual are taxable at 33 per cent. (plus local surcharges) if the capital gain is deemed to be realised outside the scope of the normal management of the individual's private estate. Capital losses are, however, not tax deductible in such event.

Moreover, capital gains realised by Belgian resident individuals on the disposal of the New Shares, outside the exercise of a professional activity, to a non-resident company (or body constituted in a similar legal form), to a foreign State (or one of its political subdivisions or local authorities) or to a non-resident legal entity, each time established outside the EEA, are in principle taxable at a rate of 16.5 per cent. (plus local surcharges) if, at any time during the five years preceding the sale, the Belgian resident individual has owned, directly or indirectly, alone or with his/her spouse or with certain relatives, a substantial shareholding in the Company (*i.e.* a shareholding of more than 25 per cent. in the Company). Capital losses are, however, not tax deductible in such event.

Belgian resident individuals who hold New Shares for professional purposes are taxable at the ordinary progressive personal income tax rates (plus local surcharges) on any capital gains realised upon the disposal of the New Shares, except for: (i) capital gains on New Shares realised in the framework of the cessation of activities, which are taxable at a separate rate of 10 per cent. or 16.5 per cent. (depending on the circumstances); or (ii) New Shares held for more than five years,

which are taxable at 16.5 per cent., plus local surcharges. Capital losses on the New Shares incurred by Belgian resident individuals who hold the New Shares for professional purposes are, in principle, tax deductible.

Gains realised by Belgian resident individuals upon the redemption of the New Shares or upon the liquidation of the Company are generally taxable as a dividend (see above). In the case of a redemption of the New Shares followed by their annulment, the redemption distribution (after deduction of the part of the fiscal capital represented by the redeemed New Shares) will be treated as a dividend subject to a Belgian withholding tax of 30 per cent., subject to such relief as may be available under applicable domestic or tax treaty provisions. No withholding tax will be triggered if this redemption is carried out on a stock exchange and meets certain conditions.

In case of liquidation of the Company, any amounts distributed in excess of the fiscal capital will in principle be subject to a 30 per cent. withholding tax, subject to such relief as may be available under applicable domestic or treaty provisions.

Belgian resident companies

Belgian resident companies are not subject to Belgian corporate income tax on capital gains realised upon the disposal of the New Shares of the Company provided that Conditions for the Application of the Dividend Received Deduction Regime are met.

If one or more of these conditions are not met, the capital gains realsed upon the disposal of the New Shares by a Belgian resident company are taxable at the ordinary corporate income tax rate of 25 per cent. (or, if applicable, at the reduced rate of 20 per cent. for small enterprises, as defined by Article 1:24, §1 to §6 BCCA).

Capital gains realised by Belgian resident companies upon the redemption of New Shares by the Company or upon the liquidation of the Company will, in principle, be subject to the same taxation regime as dividends (see above).

Capital losses on New Shares incurred by resident companies are as a general rule not tax deductible.

New Shares held in the trading portfolios of qualifying credit institutions, investment enterprises and management companies of collective investment undertakings are subject to a different regime. The capital gains realised by these investors will be subject to corporate income tax at the general rates, and capital losses are tax deductible. Internal transfers to and from the trading portfolio are assimilated to a realisation.

Organisations for financing pensions

OFPs are, in principle, not subject to Belgian corporate income tax on capital gains realised upon the disposal of the New Shares, and capital losses are not tax deductible.

Other taxable legal entities

Belgian resident legal entities subject to the legal entities income tax are, in principle, not subject to Belgian capital gains taxation on the disposal of New Shares.

Capital gains realised upon disposal of (part of) a substantial participation in a Belgian company (*i.e.* a participation representing more than 25 per cent. of the share capital of the Company at any time during the last five years prior to the disposal) may, however, under certain circumstances be subject to income tax in Belgium at a rate of 16.5 per cent.

Capital gains realised by Belgian resident legal entities upon the redemption of New Shares or upon the liquidation of the Company will, in principle, be taxed as dividends (see above).

Capital losses on New Shares incurred by Belgian resident legal entities are not tax deductible.

Belgian non-resident individuals

Capital gains realised on the New Shares by a non-resident individual that has not held the New Shares in connection with a business conducted in Belgium through a fixed base in Belgium are in principle not subject to taxation, unless in the following cases if such capital gains are obtained or received in Belgium:

- the gains are deemed to be realised outside the scope of the normal management of the individual's private estate. In such case, the capital gains have to be reported in a non-resident tax return for the income year during which the gain has been realised and may be taxable in Belgium; or
- the gains originate from the disposal of (part of) a substantial participation in a Belgian company (being a participation representing, directly or indirectly, alone or with his/her spouse or with certain relatives, more than 25 per cent. of the share capital of the Company at any time during the last five years prior to the disposal) to a non-resident company (or a body constituted in a similar legal form), to a foreign State (or one of its political subdivisions or local authorities) or to a non-resident legal entity, each time established outside of the EEA. Then, the realised capital gains may, under certain circumstances, give rise to a 16.5 per cent. tax (plus local surcharges).

However, Belgium has concluded tax treaties with more than 95 countries which generally provide for a full exemption from Belgian capital gains taxation on such gains realised by residents of those countries. Capital losses are generally not tax deductible.

Capital gains realised by Belgian non-resident individuals upon the redemption of New Shares or upon the liquidation of the Company will generally be taxable as a dividend (see above).

Capital gains will be taxable at the ordinary progressive income tax rates and capital losses will be tax deductible, if those gains or losses are realised on New Shares by a non-resident individual that holds the New Shares in connection with a business conducted in Belgium through a fixed base in Belgium.

Belgian non-resident companies or entities

Capital gains realised by non-resident companies or other non-resident entities that hold the New Shares in connection with a business conducted in Belgium through a PE are generally subject to the same regime as Belgian resident companies or other Belgian resident legal entities subject to Belgian legal entities tax.

Capital gains realised by non-resident companies or non-resident entities upon redemption of the New Shares or upon liquidation of the Company will, in principle, be subject to the same taxation regime as dividends (see above).

Tax on stock exchange transactions

No tax on stock exchange transactions is due upon subscription to New Shares (primary market transactions).

The purchase and the sale and any other acquisition or transfer for consideration of existing shares (secondary market transactions) in Belgium through a professional intermediary is subject to the tax on stock exchange transactions ("*taxe sur les opérations de bourse*"/"*taks op de beursverrichtingen*") if (i) it is entered into or carried out in Belgium through a professional intermediary, or (ii) deemed to be entered into or carried out in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium (both referred to as a "**Belgian Investor**"). The tax on stock exchange transactions is levied at a rate of 0.35 per cent. of the purchase price, capped at EUR 1,600 per transaction and per party.

A separate tax is due by each party to any such transaction, and both taxes are in principle collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the Belgian Investor (who will also be responsible for the filing of a stock exchange tax return), unless that Belgian Investor can demonstrate that the tax has already been paid. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement ("*bordereau*"/ "*borderel*"), at the latest on the business day after the day the transaction concerned was realised.

Professional intermediaries established outside of Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities ("**Stock Exchange Tax Representative**"). Such Stock Exchange Tax Representative will then be liable towards the Belgian Treasury for the tax on stock exchange transactions due and for complying with reporting obligations

and the obligations relating to the order statement in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

No tax on stock exchange transactions is due on transactions entered into by the following parties provided they are acting for their own account: (i) professional intermediaries described in Article 2, 9° and 10° of the Belgian Law of 2 August 2002 on the supervision of the financial sector and financial services; (ii) insurance companies described in Article 6 of the Belgian Law of 13 March 2016 on the supervision of insurance and re-insurance companies; (iii) pension institutions referred to in Article 2, 1° of the Belgian Law of 27 October 2006 concerning the supervision of pension institutions; (iv) collective investment institutions; (v) regulated real estate companies; and (vi) Belgian non-residents provided that they deliver a certificate to their financial intermediary in Belgium confirming their non-resident status.

As stated below, the European Commission has published a proposal for a Directive for a common financial transactions tax (the "**FTT**") for an enhanced cooperation in the area of financial transactions tax. The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). The proposal is still subject to negotiation between the participating Member States and may, therefore, be further amended at any time. In this respect, the German government submitted a new draft proposal in 2019, which is still subject to negotiation.

The proposed financial transactions tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "C**ommission's Proposal**") for a Directive for a common FTT, to be levied on transactions in financial instruments by financial institutions if at least one of the parties to the transaction is located in the 'FTT-zone' as defined in the Commission's Proposal. It was approved by the European Parliament in July 2013. Originally, the adopted Commission's Proposal foresaw the financial transaction tax for 11 "**Participating Member States**" (Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). However, on 16 March 2016 Estonia formally withdrew from the group of states willing to introduce the FTT. The actual implementation date of the FTT would depend on the future approval of the European Council and consultation of other EU institutions, and the subsequent transposition into local law.

If the FTT would be introduced, under current published proposals financial institutions and certain other parties would be required to pay tax on transactions in financial instruments with parties (including, with respect to the EU-wide proposal, its affiliates) located in the FTT-zone. The proposed FTT has a very broad scope and could, if introduced in its current form, apply to certain dealings in New Shares. It would be a tax on derivatives transactions (such as hedging activities) as well as on securities transactions, *i.e.* it would apply to trading in instruments such as shares and bonds. The initial issue of instruments such as shares and bonds would be exempt from the FTT in the current Commission's Proposal. This means that the issuance and subscription of the New Shares should not become subject to financial transaction tax.

Under current proposals, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

In 2019, Finance Ministers of the Member States participating in the enhanced cooperation indicated that they were discussing a new FTT proposal based on the French model of the tax and the possible mutualisation of the tax as a contribution to the EU budget.

According to the latest draft of this new FTT proposal (submitted by the German government), the FTT would be levied at a rate of at least 0.2 per cent. of the consideration for the acquisition of ownership of shares (including ordinary and any preference shares) admitted to trading on a trading venue or a similar third country venue, or of other securities equivalent to such shares ("**Financial Instruments**") or similar transactions (e.g. an acquisition of Financial Instruments by means of an

exchange of Financial Instruments or by means of a physical settlement of a derivative). The FTT would be payable to the Participating Member State in whose territory the issuer of a Financial Instrument has established its registered office. Like the Commission's Proposal, the latest draft of the new FTT proposal also stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax).

As a consequence, Belgium should abolish the tax on stock exchange transactions once the FTT enters into force.

However, the FTT Commission's Proposal remains subject to negotiation between the participating Member States. Further, its legality is at present uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective investors are advised to seek their own professional advice in relation to the FTT.

Tax on securities accounts

Pursuant to the Law of 17 February 2021 on the introduction of an annual tax on securities accounts, an annual tax is levied on securities accounts of which the average value of the taxable financial instruments (covering, amongst other things, financial instruments such as the New Shares), over a period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year, exceeds EUR 1 million.

The tax is equal to 0.15 per cent. of the average value of the securities accounts during a reference period. The reference period normally runs from 1 October to 30 September of the subsequent year. The taxable base is determined based on four reference dates: 31 December, 31 March, 30 June and 30 September. The amount of the tax is limited to 10 per cent. of the difference between the taxable base and the threshold of EUR 1 million.

The tax targets securities accounts held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held with a financial intermediary which is established or located in Belgium or abroad. The tax also applies to securities accounts held by non-residents individuals, companies and legal entities with a financial intermediary established or located in Belgium. Belgian establishments from Belgian non-residents are however treated as Belgian residents for purposes of the annual tax on securities accounts so that both Belgian and foreign securities accounts fall within the scope of this tax. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the annual tax on securities accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

Each securities account is assessed separately. When multiple holders hold a securities account, each holder is jointly and severally liable for the payment of the tax and each holder may fulfil the declaration requirements for all holders.

There are various exemptions, such as securities accounts held by specific types of regulated entities for their own account.

The annual tax on securities accounts is in principle due by the financial intermediary established or located in Belgium. A financial intermediary is defined as (i) the National Bank of Belgium, the European Central Bank and foreign central banks performing similar functions, (ii) a central securities depository included in Article 198/1, §6, 12° of the CIR, (iii) a credit institution or a stockbroking firm as defined by Article 1, §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (vi) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

In case the annual tax on securities account is not withheld, declared and paid by the financial intermediary, the tax needs to be declared and is due by the holder of the securities accounts itself, unless the holder provides evidence that the annual tax on securities accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In

this respect, intermediaries located or established outside of Belgium could appoint an annual tax on securities accounts representative in Belgium. Such a representative is then liable towards the Belgian Treasury (*Thesaurie/Trésorerie*) for the annual tax on securities accounts due and for complying with certain reporting obligations in that respect. If the holder of the securities accounts itself is liable for reporting obligations (e.g. when a Belgian resident holds a securities account abroad with an average value higher than EUR 1 million), the deadline for filing the tax return for the annual tax on securities accounts corresponds with the deadline for filing the annual tax return for personal income tax purposes electronically, irrespective whether the Belgian resident is an individual or a legal entity. In the latter case, the annual tax on securities accounts must be paid by the taxpayer on 31 August of the year following the year on which the tax was calculated, at the latest.

Anti-abuse provisions, retroactively applying from 30 October 2020, were initially also introduced: a rebuttable general anti-abuse provision and two irrebuttable specific anti-abuse provisions. However, on 27 October 2022, the Constitutional Court annulled (i) the two irrebuttable specific anti-abuse provisions and (ii) the retroactive effect of the rebuttable general anti-abuse provision, meaning that the latter provision can only apply as from 26 February 2021. The other provisions of the law of 17 February 2021 were not considered to be unconstitutional.

Prospective holders of New Shares are advised to seek their own professional advice in relation to this annual tax on securities accounts.

Payment of the Net Scrips Proceeds and sale of the Preferential Rights prior to the closing of the Rights Subscription Period

The payment of the Net Scrips Proceeds should not be subject to Belgian withholding tax.

The payment of the Net Scrips Proceeds should, in principle, not be taxable in the hands of Belgian resident or non-resident individuals who hold the Preferential Rights as a private investment, except if the sale of the Preferential Rights is deemed to be speculative or to fall outside the scope of the normal management of their private estate, in which case any gains realised will be subject to a 33 per cent. tax (plus local surcharges) for resident investors or a 30.28 per cent. professional withholding tax for non-resident investors (unless the non-resident investor would be entitled to an exemption from such capital gains tax on the basis of the applicable double tax treaty).

For resident individuals who hold the Preferential Rights for professional purposes or for non-resident individuals who hold the Preferential Rights for a business conducted in Belgium through a fixed base, the payment of the Net Scrips Proceeds will be taxed at the progressive income tax rates, increased by local surcharges.

The payment of the Net Scrips Proceeds will be taxable at the ordinary corporate tax rate for Belgian resident companies.

Non-resident companies holding the Preferential Rights through a Belgian PE will also be taxed at the ordinary non-resident income tax rate on the payment of the Net Scrips Proceeds.

Legal entities subject to Belgian tax on legal entities are not subject to tax on the payment of the Net Scrips Proceeds.

The same Belgian tax analysis applies to gains realised upon the transfer of the Preferential Rights prior to the closing of the Rights Subscription Period.

For professional investors, losses realised on the Preferential Rights are, in principle, deductible.

The rules regarding the tax on stock exchange transactions equally apply to the payment of the Net Scrips Proceeds and to the sale of the Preferential Rights prior to the closing of the Rights Subscription Period.

Common reporting standard

Following recent international developments, the exchange of information is governed by the Common Reporting Standard ("**CRS**"). As at 16 May 2024, 123 jurisdictions signed the multilateral competent authority agreement ("**MCAA**"), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

More than 48 jurisdictions, including Belgium, have committed to a specific and ambitious timetable leading to the first automatic information exchanges in 2017, relating to income year 2016 ("**early adopters**"). Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation ("**DAC2**"), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The mandatory automatic exchange of financial information by EU Member States as foreseen in DAC2 started as at 30 September 2017 (as of 30 September 2018 for Austria).

The Belgian government has implemented said Directive 2014/107/EU, respectively, the CRS, per the Law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes.

As a result of the Law of 16 December 2015, the mandatory automatic exchange of information applies in Belgium: (i) as of income year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective of the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017); (ii) as of income year 2014 (first information exchange in 2016) towards the US; and (iii) with respect to any other non-EU States as of the respective date as determined by the Royal Decree of 14 June 2017. The Royal Decree provides that: (i) for a first list of 18 countries, the mandatory exchange of information applies as of income year 2016 (first information exchange in 2017); (ii) for a second list of 44 countries, the mandatory automatic exchange of information applies as of income year 2017 (first information exchange in 2018), (iii) for one country, the mandatory automatic exchange of information applies as of income year 2018 (first information exchange in 2019), (iv) for a fourth list of six jurisdictions, the mandatory automatic exchange of information applies as of income year 2019 (first information exchange in 2020), (v) for a fifth list of two jurisdictions, the mandatory automatic exchange of information applies as of income year 2022 (first information exchange in 2023), and (vi) for a sixth list of four jurisdictions, the mandatory automatic exchange of information applies as of income year 2023 (first information exchange in 2024).

Investors who are in any doubt as to their position should consult their professional advisors.

Taxation in the Federal Republic of Germany

The paragraphs below present a summary of certain German federal income tax consequences of the ownership and disposal of the Shares by an investor that acquires such Shares in connection with this Offering. The summary is based on laws, treaties and regulatory interpretations in effect in the Federal Republic of Germany on the date of this Prospectus, all of which are subject to change, including changes that could have retroactive effect.

Investors should appreciate that, as a result of evolutions in law or practice, the eventual tax consequences may be different from what is stated below.

The following section presents a number of key German taxation principles which generally are or can be relevant to the acquisition, holding or transfer of shares by a shareholder (an individual, a partnership or corporation) that has a tax domicile in Germany (that is, whose place of residence, habitual abode, registered office or place of management is in Germany). The information is not exhaustive and does not constitute a definitive explanation of all possible aspects of taxation that could be relevant for investors. In particular, this summary does not provide a comprehensive overview on tax considerations that may be relevant to a shareholder that is a tax resident of a jurisdiction other than Germany. The information is based on the tax laws in force in Germany as at the date of the Prospectus (and their interpretation by administrative directives and courts) as well as typical provisions of double taxation treaties that Germany has concluded with other countries.

Tax law can change, sometimes retrospectively. Moreover, it cannot be ruled out that the German tax authorities or courts may consider an alternative interpretation or application to be correct that differs from the one described in this section. The tax legislation of the country of an investor and of the issuer's country of incorporation may have an impact on the income received from the New Shares, the Preferential Rights and the Scrips.

This section cannot serve as a substitute for tailored tax advice to individual potential investors. Potential investors are therefore advised to consult their tax advisers regarding the individual tax implications of the acquisition, holding or transfer of shares and regarding the procedures to be followed to achieve a possible reimbursement of German withholding tax (Kapitalertragsteuer). Only such advisors are in a position to take the specific tax relevant circumstances of individual investors into due account.

Tax residents

The Section "*Tax residents*" refers to persons who are tax residents of Germany (*i.e.* persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany).

Taxation of dividend income

Shares held as non-business assets

Dividends received by a German tax resident individual holding the Shares as non-business assets are, as a general rule, taxed as investment income (*Einkünfte aus Kapitalvermögen*) and, as such, subject to a 25 per cent. flat tax plus 5.5 per cent. solidarity surcharge (*Solidaritätszuschlag*) thereon resulting in an aggregate tax rate of 26.375 per cent. (flat tax regime, *Abgeltungsteuer*), plus church tax (*Kirchensteuer)*, if applicable. If the Shares are held in a custodial account with a German branch of a German or non-German credit or financial services institution (*Kredit- oder Finanzdienstleistungsinstitut*) or a German securities institution (*Wertpapierinstitut*) (the "**German Disbursing Agent**" – *inländische Zahlstelle*) the German Disbursing Agent generally withholds German tax at a rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) on the gross amount of the dividends paid by the Company. However, the German Disbursing Agent must credit the amount of tax withheld in Belgium against the amount of the German withholding tax. The German tax resident individual's personal income tax liability with respect to dividends is generally satisfied through the withholding. To the extent withholding tax has not been levied, such as in the case of Shares kept in custody abroad, the shareholder must report his or her income derived from the Shares on his or her tax return and then will also be taxed at a rate of 25 per cent. (plus solidarity surcharge and church tax thereon, where applicable).

Shareholders who are subject to unlimited tax liability in Germany and hold their Shares as non-business assets may provide to the German Disbursing Agent either an exemption declaration (*Freistellungsauftrag*) in the maximum amount of the saver's allowance (*Sparer-Pauschbetrag*) of EUR 1,000 (or, for investors filing jointly, EUR 2,000) or a non-assessment certificate (*Nichtveranlagungsbescheinigung*).

An automatic procedure for deducting church tax applies unless the shareholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern, Hauptdienstsitz Bonn-Beuel*, An der Küppe 1, 53225 Bonn, Germany). The church tax payable on the dividend is withheld and passed on by the German Disbursing Agent. In this case, the church tax for dividends is satisfied by the German Disbursing Agent withholding such tax. Church tax withheld at source may not be deducted as a special expense (*Sonderausgabe*) in the course of the tax assessment, but the German Disbursing Agent may reduce the withholding tax (including the solidarity surcharge) by 26.375 per cent. of the church tax to be withheld on the dividends. If the shareholder has filed a blocking notice and no church tax is withheld by a German Disbursing Agent, a shareholder subject to church tax is obligated to declare the dividends in his income tax return. The church tax on the dividends is then levied by way of a tax assessment.

The individual shareholder is taxed on his/her aggregate investment income, less the saver's allowance. Income-related expenses are generally not tax-deductible. Private investors may apply to have their investment income assessed in accordance with the general rules on determining the individual tax rate of the shareholder if this results in a lower tax, but even in this case, income-related expenses are generally not tax-deductible. Further, in such a case, tax withheld in Belgium can generally be credited against the German tax liability on the Belgium dividends received by the

German tax resident individual. The double tax treaty between Germany and Belgium does not provide for a further reduction of Belgium withholding tax on dividends for individuals to a rate lower than 15 per cent.

Exceptions from the flat tax regime apply upon application for shareholders who have a shareholding of at least 25 per cent. in the Company and for shareholders who have a shareholding of at least 1 per cent. in the Company and work for the Company in a professional capacity, which enables them to exert significant entrepreneurial influence on the Company's business activities. In this situation, the tax treatment described below under "*Taxation in the federal republic of Germany – Tax residents – Taxation of dividend income – Shares held as business assets*" applies.

Shares held as business assets

If the Shares are held as business assets by a German tax resident holder, the taxation of dividends differs depending on whether the shareholder is a corporation, a sole proprietor or a partnership. The flat tax regime does not apply to dividends paid on Shares held by a German tax resident shareholder as business assets.

Corporations

For corporations (or a partnership which has opted to be treated as a corporation) subject to an unlimited corporate income tax liability in Germany, dividends are, as a general rule, tax exempt from corporate income tax (including solidarity surcharge) provided that the corporation holds a direct participation of at least 10 per cent. in the share capital of the Company at the beginning of the calendar year in which the dividends are paid. However, in this case 5 per cent. of the dividend income is deemed to be non-deductible business expenses and, as such, is subject to corporate income tax; business expenses actually incurred in connection with dividend income from a tax perspective are generally tax-deductible. However, dividends that a shareholder receives are fully subject to corporate income tax (including solidarity surcharge thereon) if the shareholder holds a direct participation of less than 10 per cent. in the share capital of the Company at the beginning of the calendar year in which the dividends are paid (a "**Portfolio Participation**" – *Streubesitzbeteiligung*). Participations of at least 10 per cent. acquired in accordance with the view of the German tax authorities in a single transaction during a calendar year are deemed to be acquired at the beginning of the calendar year. Participations in the share capital of the Company which a corporate shareholder holds through a partnership, including a partnership that is a partnership being engaged or deemed to be engaged in a business ("**Co-Entrepreneurship**" – *Mitunternehmerschaft*), are attributable to the shareholder *pro rata* in the amount of the participation. Dividends are fully subject to trade tax, unless the shareholder holds an interest of at least 15 per cent. in the share capital of the company making the distribution at the beginning of the relevant assessment period. In this case, trade tax is levied on the amount considered to be non-deductible business expenses (amounting to 5 per cent. of the dividend). Business expenses actually incurred in connection with the dividends are deductible for corporate income tax and – subject to certain restrictions – also for trade tax purposes.

Tax withheld on the dividends in Belgium should generally be creditable against the German corporate income tax liability of the corporate shareholder within the limits of the generally applicable rules.

Even if the Shares are held in a custodial account with a German Disbursing Agent, there is generally no German withholding tax on dividends paid by the Company to a corporate shareholder.

Sole proprietors (individuals)

Where the Shares are held as business assets by an individual who is subject to unlimited tax liability in Germany, 60 per cent. of the dividends are taxed at the applicable individual income tax rate plus 5.5 per cent. solidarity surcharge on such income tax (partial income taxation method, *Teileinkünfteverfahren*) totaling up to a maximum rate of around 47.5 per cent., plus church tax, if applicable. Correspondingly, only 60 per cent. of any business expenses related to the dividends may be deducted for income tax purposes. Dividends are fully subject to trade tax, unless the sole proprietor holds at least 15 per cent. of the Company's registered share capital at the beginning of the relevant tax assessment period. In this case, the net amount of the dividend (*i.e.* after deduction of the business expenses directly connected to it) is exempt from trade tax. In general, business expenses are deductible for trade tax purposes but certain restrictions may apply. All or part of the trade tax levied may be credited on a lump sum basis against the sole proprietor's income taxes,

depending on the multiplier set by the relevant municipality and the individual tax situation of the individual shareholder.

Tax withheld on the dividends in Belgium should generally be creditable against the German personal income tax liability within the limits of the generally applicable rules.

If the Shares are held in a custodial account with a German Disbursing Agent, the German Disbursing Agent is not obliged to withhold German tax on dividends paid by the Company provided that the individual certifies to the German Disbursing Agent on an officially prescribed form that the dividends constitute business income of a German business.

If withholding tax applies, no church tax is collected by way of withholding,

Partnerships

If the shareholder is a Co-Entrepreneurship, the individual income tax or corporate income tax is not charged at the level of the partnership, but at the level of the respective partner. The taxation of each partner depends on whether the partner is a corporation or an individual. Thus, (corporate) income tax (including solidarity surcharge) and, if applicable, church tax will be assessed and levied only at the level of the partners, whereby, in principle, the respective rules applicable to a direct shareholding described above in Sections "*Shares held as non-business assets*" and "*Shares held as business assets*" apply accordingly.

Trade tax, however, is assessed and levied at the level of the partnership if the Shares are attributable to a permanent establishment of a commercial business of the partnership in Germany; this applies irrespective of whether the dividends are attributable to individual partners or corporate partners. The trade tax paid by the partnership and attributable to the individual's general profit share is completely or partially credited against the shareholder's individual income tax on a lump-sum basis.

The creditability of the tax withheld in Belgium against the German corporate or personal income tax depends on whether the partner is a corporation or an individual. If the partner is a corporation, the principles explained for corporations above apply (see Section "*Taxation of dividend income – Shares held as business assets – Corporations*" above). If the partner is an individual, the principles explained for individuals above apply (see Section "*Taxation of dividend income – Shares held as business assets – Sole proprietors (individuals)*" above).

If the Shares are held in a custodial account with a German Disbursing Agent, no German withholding tax arises provided that the partnership certifies to the German Disbursing Agent on an officially prescribed form that the dividends constitute business income of a German business.

Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds

Special rules apply to credit, financial services and securities institutions, financial enterprises (*Finanzunternehmen*), life insurance and health insurance companies (*Lebens- und Krankenversicherungsunternehmen*) and pension funds (*Pensionsfonds)*.

Taxation of capital gains

Shares held by individual shareholders as non-business assets

Capital gains from the sale of Shares which an individual shareholder holds as non-business assets are generally subject to a 25 per cent. flat tax (plus 5.5 per cent. solidarity surcharge thereon, resulting in an aggregate withholding tax rate of 26.375 per cent.), plus church tax, if applicable. Losses from the sale of such Shares can only be used to offset capital gains from the disposal of shares in stock corporations during the same year or in subsequent years (the constitutionality of this loss limitation rule is currently under review by the German Federal Constitutional Court (*Bundesverfassungsgericht*, "**BVerfG**"), cf. legal proceedings of the BVerfG with the case reference number 2 BvL 3/21). The amount of the taxable capital gain from the sale is the difference between (a) the proceeds from the sale and (b) the cost of acquisition of the Shares and the expenses directly related to the sale. Income-related expenses may not be deducted from capital gains. If the Shares are deposited with or administered by a German Disbursing Agent, the tax on the capital gains is generally settled by way of withholding through the German Disbursing Agent which is required to deduct a withholding tax of 26.375 per cent. (including solidarity surcharge), plus church tax, if applicable (as described under "*Taxation in the Federal Republic of Germany – Shares held as non-business assets*"), of the capital gains from the sale proceeds and remit it to the tax

authority. To the extent withholding tax has not been levied, such as in the case of Shares kept in custody abroad, the individual holder must report his or her capital gains derived from the Shares on his or her tax return and then will also be taxed at a rate of 25 per cent. (plus solidarity surcharge and church tax thereon, where applicable).

If, however, a shareholder, or in the case of a gratuitous acquisition, the shareholder's legal predecessor, directly or indirectly held at least 1 per cent. of the share capital of the Company at any time during the five years preceding the sale of Shares (a "**Qualified Participation**"), the flat tax regime does not apply and, rather, 60 per cent. of any capital gain resulting from the sale is taxable as business income at the shareholder's individual income tax rate plus 5.5 per cent. solidarity surcharge (and church tax, if applicable) on such income tax. Accordingly, 60 per cent. of a capital loss from the disposal of the Shares is generally recognised for tax purposes. Withholding tax is also deducted by a German Disbursing Agent in the case of a Qualified Participation, but this does not have the effect of a settlement of the shareholder's tax liability. Upon the shareholder's assessment to income tax, the withheld and remitted tax is credited against the individual income tax liability. To the extent that the amounts withheld exceed the individual income tax liability of the shareholder, it will be refunded.

Shares held as business assets

Gains on the disposal of Shares held by an individual or corporation as business assets are in principle not subject to the 25 per cent. flat tax plus 5.5 per cent. solidarity surcharge thereon. Withholding tax must only be withheld in the case of a German Disbursing Agent. The tax withheld, however, is not considered to be final as under the flat tax regime. The amount of tax withheld is credited against the shareholder's individual or corporate income tax liability and any amounts withheld in excess of such individual or corporate income tax liability will be refunded. Even if the Shares are held in a custodial account with a German Disbursing Agent, there is generally no German withholding tax (i) in the case of a corporate shareholder, or (ii) if the shareholder holds the Shares as assets of a business in Germany and certifies this on an officially prescribed form to the German Disbursing Agent. If withholding tax applies, no church tax is collected by way of withholding.

The taxation of capital gains from the disposal of Shares held as business assets depends on whether the shareholder is a corporation, a sole proprietor or a partnership:

Corporations

For corporations (or a partnership which has opted to be treated as a corporation) subject to unlimited corporate income tax liability in Germany, capital gains from the sale of Shares are, as a general rule and currently irrespective of any holding period or percentage level of participation, tax exempt from corporate income tax (including solidarity surcharge) and trade tax. 5 per cent. of the capital gains is deemed to be non-deductible business expenses and, as such, is subject to corporate income tax plus solidarity surcharge; business expenses actually incurred in connection with the capital gains from a tax perspective are generally tax-deductible. Losses from the sale of Shares and other reductions in profit in connection with the Shares are generally not deductible for corporate income tax and trade tax purposes. Capital gains are, irrespective of the percentage level of shareholding, effectively 95 per cent. exempt from trade tax.

Sole proprietors (individuals)

60 per cent. of capital gains from the sale of Shares are taxed at the individual income tax rate plus 5.5 per cent. solidarity surcharge (plus church tax, if applicable) on such income tax where the Shares are held as business assets by an individual who is subject to unlimited tax liability in Germany. Correspondingly, only 60 per cent. of the capital losses, other reductions in profit in connection with the Shares and business expenses resulting from a share sale may be deducted for income tax purposes. Only 60 per cent. of the capital gains are subject to trade tax. Correspondingly, subject to general restrictions, only 60 per cent. of the business expenses resulting from a share sale may generally be deducted for trade tax purposes. All or part of the trade tax levied may be credited on a lump sum basis against the sole proprietor's income taxes, depending on the multiplier set by the relevant municipality and the individual tax situation of the individual shareholder.

Partnerships

If the shareholder is a Co-Entrepreneurship, the individual income tax or corporate income tax is not charged at the level of the partnership, but at the level of the respective partner. The taxation of each partner depends on whether the partner is a corporation or an individual. Thus, (corporate) income tax (including solidarity surcharge) and, if applicable, church tax will be assessed and levied only at the level of the partners, whereby, in principle, the respective rules applicable to a direct shareholding described above in "*Taxation in the Federal Republic of Germany – Shares held as business assets – Corporations*" and "*Taxation in the Federal Republic of Germany – Shares held as business assets – Sole proprietors (individuals)*" apply accordingly. Trade tax, however, is assessed and levied at the level of the partnership if the Shares are attributable to a permanent establishment of a commercial business of the partnership in Germany. Generally, 60 per cent. of a capital gain attributable to an individual partner and 5 per cent. of a capital gain attributable to a corporate partner are taxable. Capital losses or other reductions in profit in connection with the Shares sold are not taken into account for purposes of trade tax to the extent they are attributable to a partner that is a corporation, and subject to general restrictions only 60 per cent. of these losses or expenses are taken into account to the extent they are attributable to a partner who is an individual. The trade tax paid by the partnership and attributable to the individual's general profit share is completely or partially credited against the shareholder's individual income tax in accordance with such lump-sum method.

Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds

Special rules apply to credit, financial services and securities institutions, financial enterprises, life insurance and health insurance companies and pension funds.

Disposal of Preferential Rights

The rules applicable to "Taxation in the Federal Republic of Germany –Taxation of capital gains –Shares held by individual shareholders as non-business assets" and "Taxation in the Federal Republic of Germany –Taxation of capital gains – Shares held as business assets" (except for "Taxation in the Federal Republic of Germany – Taxation of capital gains – Shares held as business assets – Corporations") apply in principle accordingly to the taxation of capital gains from the disposal of Preferential Rights. In case of a disposal of Preferential Rights held as non-business assets the acquisition costs for the disposed Preferential Rights are deemed to be zero.

Different to the taxation of a capital gain from a disposal of Shares ("*Taxation in the Federal Republic of Germany – Taxation of capital gains – Shares held as business assets – Corporations*") capital gains from the disposal of Preferential Rights held by corporations (or by a corporation indirectly through a partnership) are fully taxable for corporate income tax and trade tax purposes irrespective of the individual shareholding.

Non-residents

Taxation of dividend income

Shareholders who are not tax resident in Germany are only subject to taxation in Germany in respect of their dividend income if their Shares form part of the business assets of a permanent establishment or a fixed place of business in Germany, or constitute business assets for which a permanent representative has been appointed in Germany. In general, the situation described above for shareholders tax resident in Germany who hold their Shares as business assets applies accordingly ("*Taxation in the Federal Republic of Germany – Tax residents – Taxation of dividend income – Shares held as Business Assets*").

Taxation of capital gains

Capital gains from the disposal of Shares or Preferential Rights by a shareholder not tax resident in Germany are only taxable in Germany if the selling shareholder holds the Shares or the Preferential Rights through a permanent establishment or fixed place of business or as business assets for which a permanent representative is appointed in Germany. In such a case, the description above for German tax resident shareholders who hold their Shares as business assets applies accordingly ("*Taxation in the Federal Republic of Germany – Tax residents – Taxation of capital gains – Shares held as business assets*").

Inheritance and gift tax

The transfer of Shares to another person mortis causa or by way of gift is generally subject to German inheritance or gift tax (*Erbschaft- und Schenkungsteuer*) if:

- the place of residence, habitual abode, place of management or registered office of the decedent, the donor, the heir, the donee or another acquirer is, at the time of the asset transfer, in Germany, or such person, as a German national, has not spent more than five continuous years outside of Germany without maintaining a place of residence in Germany; or
- the decedent's or donor's shares belonged to business assets for which there had been a permanent establishment in Germany or a permanent representative had been appointed; or
- the decedent or the donor, at the time of the succession or gift, held a direct or indirect interest of at least 10 per cent. of the Company's share capital either alone or jointly with other related parties.

The small number of double taxation treaties in respect of inheritance and gift tax which Germany has concluded to date usually provide for German inheritance or gift tax only to be levied in the cases under the first bullet and, subject to certain restrictions, in the cases under the second bullet. Special provisions apply to certain German nationals living outside of Germany and to former German nationals.

Other taxes

No German capital transfer tax, value added tax (*Umsatzsteuer)*, stamp duty or similar taxes are levied on the purchase or disposal of shares or other forms of share transfer. Currently net assets tax (*Vermögensteuer)* is not levied in Germany. However, an entrepreneur can opt to pay value added tax on the sale of shares, despite being generally exempt from value added tax, if the shares are sold to another entrepreneur for the entrepreneur's business. It is intended to introduce a financial transaction tax (*Finanztransaktionssteuer*). However, it is still unclear if, when and in what form such tax will be introduced.

Partial Abolition of the Solidarity Surcharge as of 2021

As of 2021, the solidarity surcharge, which is an additional levy on the income tax burden of taxable persons in an amount of 5.5%, has been partly abolished. Such abolition only affects individuals subject to income tax under the German Income Tax Act (*Einkommensteuergesetz*), hence corporations that are subject to corporate income tax under the German Corporate Income Tax Act (*Körperschaftsteuergesetz*) are not affected by such abolition at all. As a result of such new law, the solidarity surcharge would only be levied if the income tax burden (*tarifliche Einkommensteuer*) exceeds an exemption limit of EUR 18,130 (or EUR 36,260 for investors filing jointly) as of the assessment period 2024. It is intended to increase such exemption limit to EUR 19,950 (or EUR 39,900 for investors filing jointly) as of the assessment period 2025 and to EUR 20,350 (or EUR 40,700 for investors filing jointly) as of the assessment period 2026. However, due to the end and break-up of the current German coalition government in November 2024, it is currently unclear whether and when the intended increase of the exemption limit will be enacted into law. If the taxable income of an investor exceeds such exemption limit, the solidarity surcharge rate increases continuously up to a total levy of 5.5 per cent. on the income tax burden.

The partial abolition of the solidarity surcharge does generally not apply for withholding tax purposes. Solidarity surcharge will still be levied on the withholding tax amount and withheld accordingly. Only if an investor is exceptionally entitled to be assessed with respect to the investment income it has received, it may also claim a refund of any solidarity surcharge in accordance with the above.

Taxation in the United States

The following is a summary of certain U.S. federal income tax consequences of the receipt of Preferential Rights pursuant to the Rights Offering and the subsequent disposition or exercise of those Preferential Rights, the purchase of New Shares pursuant to the Scrips, and the ownership and disposition of New Shares acquired upon exercise of Preferential Rights or purchased pursuant to a Scrip acquired in the Scrip Private Placement by a U.S. Holder (as defined below). This summary deals only with U.S. Holders that receive Preferential Rights in the Rights Offering, or that acquires New Shares pursuant to an exercise of such Preferential Rights or pursuant to a Scrip

acquired in the Scrips Private Placement, and in each case that hold those Preferential Rights or New Shares as capital assets for U.S. federal income tax purposes. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the receipt, exercise, expiration and disposition of Preferential Rights, the acquisition of New Shares upon exercise of rights of purchase pursuant to the Scrips Private Placement or the ownership or disposition of New Shares by particular investors (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-U.S. or other tax laws (such as estate or gift tax laws). This summary also does not address tax considerations applicable to investors that own (directly, indirectly or by attribution) 10 per cent. or more of the equity interests of the Company by vote or value, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Preferential Rights or the New Shares as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Preferential Rights, Scrips or the New Shares in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. dollar).

As used herein, the term "**U.S. Holder**" means a beneficial owner of the Preferential Rights or the New Shares that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States, or any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds the Preferential Rights or the New Shares will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisers concerning the U.S. federal income tax consequences to them and their partners of the receipt, exercise and disposition of the Preferential Rights and the acquisition, ownership and disposition of the New Shares by the partnership.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed Treasury regulations thereunder, published rulings and court decisions, as well as on the income tax treaty between the United States and Belgium (the "**Treaty**"), all as of the date hereof and all subject to change at any time, possibly with retroactive effect. No rulings have been requested from the U.S. Internal Revenue Service (the "**IRS**") and there can be no guarantee that the IRS would not challenge, possibly successfully, the treatment described below.

Except as specifically described otherwise under Section "*Passive Foreign Investment Company Considerations*" below, this discussion assumes that the Company was not, and will not become, a PFIC.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF RECEIVING, EXERCISING AND DISPOSING OF THE RIGHTS AND ACQUIRING, OWNING AND DISPOSING OF THE NEW SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Taxation in respect of Preferential Rights

Receipt of Rights

The tax consequences of the receipt of Preferential Rights by a U.S. Holder are subject to substantial uncertainties. In particular, it is not clear whether the sale of Scrips by the Underwriters, and the remittance of the Net Scrips Proceeds from the Scrips Private Placement to holders whose

Preferential Rights were not exercised, should be treated, for U.S. federal income tax purposes, as (i) a distribution of cash by the Company, or (ii) the sale of those Preferential Rights (or an exercise of the Preferential Rights and the sale of New Shares) by or on behalf of the relevant holders. If the remittance of the Net Scrips Proceeds from the Scrips Private Placement described in the preceding sentence were treated as a distribution made by the Company, then the receipt of Preferential Rights would be taxable to all U.S. Holders as a dividend to the extent of the Company's current and accumulated earnings and profits, as described below under "*Taxation in respect of the New Shares—Distributions on the New Shares*". However, although the matter is not free from doubt, based on the particular facts relating to the Preferential Rights and the sale of Scrips by the Underwriters, and to the extent it is required to do so, the Company intends to take the position that a U.S. Holder is not required to include any amount in income for U.S. federal income tax purposes as a result of the receipt of Preferential Rights. It is possible that the IRS will take a contrary view and require a U.S. Holder to include in income the fair market value of the Preferential Rights on the date of their distribution. The remainder of this discussion assumes that the receipt of Preferential Rights should not be a taxable event for U.S. federal income tax purposes. U.S. Holders should consult their own tax advisers with respect to the appropriate treatment of the receipt of Preferential Rights in the Scrips Private Placement and the receipt of Net Scrips Proceeds from the sale of Scrips by the Underwriters in the Scrips Private Placement, as applicable.

If, on the date of receipt, the fair market value of Preferential Rights is less than 15 per cent. of the fair market value of the existing Shares with respect to which Preferential Rights are received, Preferential Rights will be allocated a zero tax basis unless the U.S. Holder affirmatively elects to allocate tax basis in the U.S. Holder's existing Shares between such existing Shares and the Preferential Rights in proportion to their relative fair market values determined on the date of receipt. This election must be made in the U.S. Holder's timely filed U.S. federal income tax return for the taxable year in which Preferential Rights are received, in respect of all Preferential Rights received by the U.S. Holder, and is irrevocable.

If, on the date of receipt, the fair market value of Preferential Rights is 15 per cent. or more of the fair market value of the existing Shares with respect to which Rights are received, then, except as discussed below under "*Expiration of Preferential Rights and receipt of Net Scrips Proceeds*", the basis in the U.S. Holder's existing Shares must be allocated between the existing Shares and the Preferential Rights received in proportion to their relative fair market values determined on the date of receipt.

Sale or other disposition of Preferential Rights

This section is subject to further discussion under Section *"Passive Foreign Investment Company Considerations*" below.

Upon a sale or other taxable disposition of the Preferential Rights, a U.S. Holder will generally recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount realized on the sale or other taxable disposition and the U.S. Holder's adjusted tax basis in the Preferential Rights, in each case as determined in U.S. dollars. This capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period in the Preferential Rights exceeds one year. A U.S. Holder's holding period in the Preferential Rights will include the holding period in the existing Shares with respect to which the Preferential Rights were distributed. Non-corporate U.S. Holders are subject to tax on long-term capital gain at reduced rates. The deductibility of capital losses is subject to significant limitations. U.S. Holders should consult their own tax advisers about how to account for proceeds received on the sale or other taxable disposition of the Preferential Rights that are not paid in U.S. dollars.

Gain or loss, if any, realized by a U.S. Holder on the sale or other taxable disposition of Preferential Rights generally will be treated as U.S. source gain or loss for U.S. foreign tax credit limitation purposes. The rules governing foreign tax credits are complex and constantly evolving, and there are significant limitations on the ability of U.S. Holders to obtain foreign tax credits with respect to disposition gains. U.S. Holders should consult their tax advisers as to the foreign tax credit and other U.S. federal income tax implications (including deductibility and determination of the amount realized) if any non-U.S. taxes are imposed on a sale or retirement of the Preferential Rights in their particular circumstances, including any applicable limitations.

Exercise of the Preferential Rights

A U.S. Holder will not realize gain or loss on the exercise of the Preferential Rights and will not recognize taxable income upon the receipt of the New Shares acquired through the exercise of the Preferential Rights. A U.S. Holder's tax basis in the New Shares will equal the sum of the Issue Price and the U.S. Holder's tax basis, if any, in the Preferential Rights exercised to obtain the New Shares, in each case as determined in U.S. dollars. A U.S. Holder's holding period in each New Share acquired through the exercise of a Preferential Right will begin with and include the date of exercise.

Expiration of Preferential Rights and receipt of Net Scrips Proceeds

If a U.S. Holder allows a Preferential Right it receives to expire without selling or exercising it and does not receive any Net Scrips Proceeds pursuant to the Scrips Private Placement, the holder will not realize any loss upon the expiration of the Preferential Right and will not be entitled to allocate any basis to the Preferential Right. Instead, if the U.S. Holder had previously allocated to that Preferential Right a portion of the tax basis of the U.S. Holder's Shares, that basis will be reallocated to such U.S. Holder's existing Shares.

The U.S. federal income tax treatment of a U.S. Holder that allows a Preferential Right it receives to expire without selling or exercising it and receives its share of the Net Scrips Proceeds as a result of the sale by the Underwriters of Scrips in the Scrips Private Placement is subject to substantial uncertainty. Although other characterizations are possible, the Company believes that it is appropriate to treat the U.S. Holder as having sold the Preferential Right and on that basis such U.S. Holder should recognize capital gain or loss in an amount equal to the U.S. dollar value of the difference between (i) the share of the Net Scrips Proceeds received by the holder and (ii) the holder's tax basis (if any) in the Preferential Right. Any gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period in the Preferential Right exceeds one year. Long-term capital gains recognized by non-corporate holders generally will be subject to a lower tax rate than the rates applicable to ordinary income. The deductibility of capital losses is subject to limitations. U.S. Holders that receive a Net Scrips Proceed should consult their own tax advisers regarding the U.S. federal income tax treatment of such payments.

Taxation in respect of Scrips

A U.S. Holder will not realize taxable income upon the receipt of New Shares in accordance with the obligation to subscribe for New Shares pursuant to the acquisition of Scrips in the Scrips Private Placement. A U.S. Holder's basis in the New Shares will equal the sum of the U.S. dollar value of the Issue Price and the U.S. dollar value of the amount paid for the Scrip. A U.S. Holder's holding period in each New Share acquired through the purchase of a Scrip will begin on and include the day of purchase of the New Share.

Taxation in Respect of the New Shares

Distributions on the New Shares

This section is subject to further discussion under Section "*Passive Foreign Investment Company Considerations*" below.

Distributions paid by the Company out of current or accumulated earnings and profits (as determined for U.S. federal income tax purposes), including any Belgian taxes withheld with respect thereto, generally will be taxable to a U.S. Holder as dividend income. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder's basis in the New Shares and thereafter as capital gain. However, the Company does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any distribution by the Company with respect to the New Shares will be reported as ordinary dividend income. Such dividend income will not be eligible for the dividends received deduction allowed to corporations. U.S. Holders should consult their own tax advisers with respect to the appropriate U.S. federal income tax treatment of any distribution received from the Company.

Dividends paid by the Company generally will be taxable to a non-corporate U.S. Holder at the special reduced rate normally applicable to long-term capital gains, provided the Company qualifies for the benefits of the Treaty, and certain holding period and other requirements are met. A U.S. Holder will not be able to claim the reduced rate on dividends received from the Company if

the Company is treated as a passive foreign investment company in the Company's taxable year in which the dividends are received or in the preceding taxable year. See Section "*Passive Foreign Investment Company Considerations*" below. Prospective purchasers should consult their tax advisers regarding the qualified dividend income rules.

Dividends paid in euros will be included in income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the dividends are received by the U.S. Holder, regardless of whether the euros are converted into U.S. dollars at that time. If dividends received in euros are converted into U.S. dollars at the spot rate applicable on the day they are received, the U.S. Holder generally will not be required to recognize foreign currency gain or loss in respect of the dividend income.

A U.S. Holder may be entitled, subject to certain complex limitations and requirements, to a credit against its U.S. federal income tax liability for Belgian income taxes withheld on payments of dividends (at a rate not exceeding any applicable Treaty rate). Dividends generally will constitute foreign source "passive category income" for purposes of the foreign tax credit. The rules governing foreign tax credits are complex and recently issued final U.S. Treasury regulations ("**Final FTC Regulations**") have imposed additional requirements that must be met for a foreign tax to be creditable, and the Group does not intend to determine whether such requirements are met. However, recent notices from the IRS indicated that the U.S. Treasury and the IRS are considering proposing amendments to the Final FTC Regulations and allow taxpayers, subject to certain conditions, to defer the application of many aspects of the Final FTC Regulations until the date when a notice or other guidance withdrawing or modifying this temporary relief is issued (or any later date specified in such notice or other guidance). In lieu of claiming a credit, subject to applicable limitations and requirements, a U.S. Holder may be able to take a deduction for such taxes. An election to deduct creditable foreign taxes instead of claiming foreign tax credits must be applied to all creditable foreign taxes paid or accrued in the U.S. Holder's taxable year. Prospective purchasers should consult their tax advisers concerning the foreign tax credit implications of Belgian withholding taxes.

Sale or Other Taxable Disposition of the New Shares

This section is subject to further discussion under Section "*Passive Foreign Investment Company Considerations*" below.

Upon a sale or other taxable disposition of the New Shares, a U.S. Holder generally will recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount realised on the sale or other taxable disposition and the U.S. Holder's adjusted tax basis in the New Shares, in each case as determined in U.S. dollars. This capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period in the New Shares exceeds one year. Non-corporate U.S. Holders are subject to tax on long-term capital gain at reduced rates. The deductibility of capital losses is subject to significant limitations. U.S. Holders should consult their own tax advisers about how to account for proceeds received on the sale or other taxable disposition of the New Shares that are not paid in U.S. dollars.

Gain or loss, if any, realized by a U.S. Holder on the sale or other taxable disposition of New Shares generally will be treated as U.S. source gain or loss for U.S. foreign tax credit limitation purposes. The rules governing foreign tax credits are complex and constantly evolving, and there are significant limitations on the ability of U.S. Holders to obtain foreign tax credits with respect to disposition gains. U.S. Holders should consult their tax advisers as to the foreign tax credit and other U.S. federal income tax implications (including deductibility and determination of the amount realized) if any non-U.S. taxes are imposed on a sale or other disposition of the Preferential Rights in their particular circumstances, including any applicable limitations.

Passive Foreign Investment Company Considerations

A non-U.S. corporation will be a passive foreign investment company ("**PFIC**") in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules", either (i) at least 75 per cent. of its gross income is "passive income" or (ii) at least 50 per cent. of the average value of its assets (generally determined on a quarterly basis) is attributable to assets which produce passive income or are held for the production of passive income. For these purposes, "passive income" generally includes interest, dividends, rents, royalties and gains from non-dealer securities transactions and gains from

transactions in commodities (subject to an exception for active business gains from the sale of commodities). In general, cash is a passive asset for these purposes. Goodwill is generally treated as a non-passive asset to the extent that it is attributable to activities that produce non-passive income.

Based on the current and projected composition of the Company's income and assets and the value of its assets (including goodwill) and the manner in which the Company conducts its business, and the Company does not expect to be a PFIC for the current taxable year. However, the Company's possible status as a PFIC must be determined annually after the close of each taxable year, and therefore may be subject to change. This determination will depend on, among other things, the composition of the income and assets of the Company, as well as the value of the assets of the Company and its subsidiaries from time to time and the manner in which the Group operates its business. The value of the Company's assets (including goodwill) for purposes of the PFIC determination may be determined by reference to its market capitalisation which could fluctuate significantly. Moreover, certain minority investments could be treated as passive assets even though they relate to an underlying active business. In addition, the Company's possible status as a PFIC will also depend on the application of complex statutory and regulatory rules that are subject to potentially varying or changing interpretations. Accordingly, there can be no assurance that the Company will not be a PFIC for any year in which a U.S. Holder holds the New Shares.

If the Company is a PFIC in any year during a U.S. Holder holding period of the New Shares (or under proposed Treasury regulations that have a retroactive effective date, the Preferential Rights), and such holder has not made any of the elections described below, the U.S. Holder will generally be subject to special rules with respect to (i) any "excess distribution" (generally, the excess of the distributions during a taxable year in which distributions are received by the U.S. Holder on the New Shares over 125 per cent. of the average annual distributions received by the U.S. Holder in the three preceding taxable years or, if shorter, the U.S. Holder's holding period for the New Shares) and (ii) any gain realized on the sale or other disposition of the New Shares or the Preferential Rights. Under these rules (a) the excess distribution or gain will be allocated ratably over the U.S. Holder's holding period, (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which the Company is a PFIC will be taxed as ordinary income, and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year and an interest charge for the deemed deferral benefit will be imposed with respect to the resulting tax attributable to each such other taxable year. Additionally, dividends paid by the Company will not be eligible for the special reduced rate of tax described above under "*Distributions*". If the Company is a PFIC for any taxable year during a U.S. Holder's holding period for the New Shares, the Company would generally continue to be treated as a PFIC with respect to such U.S. Holder for all succeeding years during which such holder owns the New Shares, even if the Company ceases to meet the threshold requirements for PFIC status (unless the U.S. Holder makes a deemed sale election with respect to the New Shares once the Company is no longer a PFIC). If the Company is a PFIC for any taxable year, U.S. Holders should consult their tax advisers regarding the application of the PFIC rules to their ownership of the New Shares or the Preferential Rights.

If the Company is a PFIC for any taxable year, to the extent any of its subsidiaries are also PFICs, a U.S. Holder will generally be deemed to own equity interests in such lower-tier PFICs that are directly or indirectly owned by the Company in the proportion which the value of the New Shares owned by such U.S. Holder bears to the value of all of the Company's equity interests, and such U.S. Holder will generally be subject to the tax consequences described above (and the IRS Form 8621 reporting requirement described below) with respect to the equity interests of such lower-tier PFIC the U.S. Holder is deemed to own. As a result, if the Company receives a distribution from any lower-tier PFIC or sells equity interests in a lower-tier PFIC, a U.S. Holder will generally be subject to tax under the excess distribution rules described above in the same manner as if such U.S. Holder had held a proportionate share of the lower-tier PFIC equity interests directly, even if such amounts are not distributed to the U.S. Holder. The application of the PFIC rules to indirect ownership of any lower-tier PFIC held by the Company is complex and uncertain, and U.S. Holders should therefore consult their own tax advisers regarding the application of such rules to their ownership of New Shares.

If the Company is a PFIC in a taxable year and the New Shares (but not the Preferential Rights) are treated as "marketable stock" in such year, a U.S. Holder may make a mark-to-market election

with respect to its New Shares. A U.S. Holder that makes such election for the first taxable year in which the Company is a PFIC generally will not be subject to the PFIC rules described above. Instead, in general, such U.S. Holder will include as ordinary income each year the excess, if any, of the fair market value of the New Shares at the end of the taxable year over the U.S. Holder's adjusted basis in the New Shares. Such U.S. Holder will also be allowed to take an ordinary loss in respect of the excess, if any, of such holder's adjusted basis in the New Shares over the fair market value of such New Shares at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). The U.S. Holder's basis in the New Shares will be adjusted to reflect any such income or loss amounts. Any gain that is recognized on the sale or other taxable disposition of the New Shares would be ordinary income and any loss would be an ordinary loss to the extent of the net amount of previously included income as a result of the mark-to-market election and, thereafter, a capital loss. However, because a mark-to-market election cannot technically be made for equity interests in any lower-tier PFICs of the Company that are not "marketable stock", a U.S. Holder should expect to continue to be subject to the excess distribution rules with respect to any subsidiaries of the Company that are PFICs, any distributions received by the Company from a subsidiary that is a PFIC, and any gain recognized by the Company upon a sale of equity interests of a subsidiary that is a PFIC, even if a mark-to-market election has been made by the U.S. Holder with respect to its New Shares. The interaction of the mark-to-market rules and the rules governing lower-tier PFICs is complex and uncertain, and U.S. Holders should therefore consult their own tax advisers regarding the availability and advisability of the mark-to-market election as well as the application of the PFIC rules to their ownership of the New Shares.

In some cases, a shareholder of a PFIC may be subject to alternative treatment by making a qualified electing fund ("**QEF**") election to be taxed currently on its share of the PFIC's undistributed income. To make a QEF election, the Company must provide U.S. Holders with certain information compiled according to U.S. federal income tax principles. The Company currently does not intend to provide such information for U.S. Holders, and therefore it is expected that this election will be unavailable.

A U.S. Holder who owns, or who is treated as owning, PFIC stock during any taxable year in which the Company is classified as a PFIC may be required to file IRS Form 8621. Prospective purchasers should consult their tax advisers regarding the requirement to file IRS Form 8621 and the potential application of the PFIC regime to their investment in the Company.

Backup Withholding and Information Reporting Requirements

Payments of dividends on, and proceeds from the sale or other taxable disposition of, the New Shares or the Preferential Rights by a U.S. or U.S.-connected paying agent or other U.S. or U.S.-connected intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of the New Shares or the Preferential Rights, including reporting obligations related to the holding of certain "specified foreign financial assets".

Transfer Reporting Requirements

A U.S. Holder who purchases the New Shares (including upon exercise of Preferential Rights) may be required to file Form 926 (or similar form) with the IRS in certain circumstances. A U.S. Holder who fails to file any such required form could be subject to substantial penalties and other adverse U.S. federal income tax consequences. U.S. Holders should consult their tax advisers with respect to this or any other reporting requirement that may apply to an acquisition, exercise, ownership and disposition of the New Shares or the Preferential Rights.

INFORMATION ON THE OFFERING

Information related to the capital increase

Pursuant to an authorisation granted by the Company's extraordinary shareholders' meeting of 21 June 2024 and Article 7 of the Company's Articles of Association, the Board of Directors has the authority to issue shares, for a period of five years as from 3 July 2024 to increase the share capital:

(i) in case the capital increases take place with a preference right: by a maximum total amount equivalent to 50 per cent. of the existing capital of the Company on the date on which the general meeting approved the authorisation (*i.e.* 21 June 2024); and

(ii) in all other cases: by a maximum total amount equivalent to 20 per cent. of the existing capital of the Company on the date on which the general meeting approved the authorisation (*i.e.* 21 June 2024).

On 19 March 2025, a preliminary meeting of the Board of Directors was held, in accordance with the special board report dated 29 March 2024, in which a formal request was made to Publi-T to determine whether (i) it agrees with the capital increase mechanisms and (ii) it wishes to benefit from a guaranteed allocation, and if so, for what amount, to what extent, and under which conditions it would be prepared to commit to subscribe to a capital increase. On 20 March 2025, Publi-T confirmed its agreement with the capital increase mechanisms of the PIPE.

On 20 March 2025 the Board of Directors decided to increase the Company's share capital by a maximum amount of EUR 1,350 million (including issue premium), by way of issuance of New Shares with disapplication of the statutory preference rights of the Existing Shareholders pursuant to Article 7:188 and following of the BCCA but with extra-legal preference rights, *i.e.* the Preferential Rights granted to the Existing Shareholders at closing of Euronext Brussels on 26 March 2025. Reference is made to Section *"Shares offered with an extra-legal preferential right*" for additional information on the extra-legal preferential right and its difference from the statutory preferential right within the meaning of Article 7:188 and following of the BCCA.

The Board of Directors delegated to an ad hoc committee (the "**Ad Hoc Committee**") the determination of the Issue Price, the Ratio and the maximum number of New Shares.

On 25 March 2025, the Ad Hoc Committee decided to fix the Issue price at EUR 61.88, and the maximum number of New Shares at 21,814,521. It was also decided that the Ratio is 1 New Share for 4 Preferential Rights. The offering by the Company of the New Shares is carried out with extra-legal preference rights for the Existing Shareholders.

The Company reserves itself the right to revoke or suspend the Offering, following consultation with the Underwriters, if (i) it determines that market conditions would make the Offering more difficult in a material way, or (ii) the Underwriting Agreement has not been signed or has been terminated in accordance with its terms and conditions (see Section "*Revocation or suspension of the Offering*").

Information related to the PIPE

On 7 March 2025, the Company announced that it entered into agreements with ATLAS, BlackRock, CPP Investments and Publi-T to raise EUR 849,999,954.44 (including issue premium) through a private placement of new shares (the "PIPE") to such investors. The new shares will be issued within the framework of a capital increase with disapplication of preferential subscription rights. The PIPE is expected to be completed on 26 March 2025.

To this end, on 6 March 2025, a preliminary meeting of the Board of Directors was held, in accordance with the special board report dated 29 March 2024, in which a formal request was made to Publi-T to determine whether it agrees with the envisaged capital increase mechanisms of the PIPE. On 6 March 2025, Publi-T confirmed its agreement with the capital increase mechanisms of the PIPE.

The PIPE was approved by the Board of Directors (applying the article 7:97 BCCA procedure) on 6 March 2025, on the advice of a committee of independent directors. For a more detailed description of the RPT-procedure in the context of the PIPE, see Section "*Relationship with Significant Shareholders and Related Party Transactions – Transactions with related parties*".

On 6 March 2025, the Company entered into four separate subscription agreements with each of Publi-T, ATLAS, BlackRock and CPP Investments, pursuant to which the Company committed to execute a capital increase with disapplication of preferential subscription rights in favour of these investors, for a price of EUR 61.88 per share, such issue price corresponding to the volume-weighted average price over the last 30 calendar days up to (and including) 6 March 2025, from which EUR 2.05 is deducted, reflecting the 2024 dividend to which the new Shares are not entitled. The completion of the PIPE was subject to certain requirements being met and in particular, the effective announcement of the Offering.

The details of these commitments under the subscription agreements are as follows:

- ATLAS, subscribe to 3,791,840 new Class B Shares for an amount of EUR 234,639,028.88 (including issue premium).
- BlackRock subscribe to 1,895,919 New Shares for a total of EUR 117,319,514.44 (including issue premium).
- CPP Investments subscribe to 1,895,919 New Shares for a total of EUR 117,319,514.44 (including issue premium).
- Publi-T, subscribe to 6,152,585 New Shares for a total of EUR 380,721,959.80 (including issue premium).

On 26 March 2025, subject to the conditions to completion of the PIPE being satisfied, the Board of Directors will decide to increase the Company's share capital by an amount of EUR 849,999,954.44 (including issue premium), by issuance of 13,736,263 new Shares, in the proportions set out above.

For more information on the shareholding of Publi-T / NextGrid Holding, ATLAS, BlackRock and CPP Investments, see Section "*Relationship with significant shareholders and related party transactions – Share ownership – Expected shareholding following completion of the PIPE*".

The PIPE will result in a dilution pre-PIPE of approximately 18.7 per cent. (calculated by dividing the number of Shares issued in the PIPE by the total number of outstanding Shares before the PIPE) and in a dilution post-PIPE of 15.7 per cent. (calculated by dividing the number of Shares issued in the PIPE by the total number of outstanding Shares after the PIPE). An existing shareholder who owns 1 per cent. of the Company's capital before the PIPE and who does not subscribe to the new shares in the PIPE consequently will hold 0.84 per cent. of the Company's capital after the PIPE.

Immediately upon completion of the PIPE, Elia's capital would amount to EUR 2,176,368,731.24 and would be represented by 87,258,086 shares, including 1,836,054 Class A Shares, 46,445,466 Class B Shares and 38,976,566 Class C Shares.

For more information on the PIPE see "*Description of share capital and articles of association – Share Capital and shares – capital increase – authorised capital*" and "Section "*Information on the Offering – Dilution*".

Pursuant to the subscription agreement entered into between the Company and CPP Investments dated 6 March 2025 and as part of its ongoing corporate governance practices and subject to applicable laws, regulations and relevant consents to be obtained to that end, the Company is currently working with Publi-T / NextGrid Holding with a view to submitting to its shareholder's meeting an amendment to Article 4.4 of its Articles of Association (or finding another suitable solution) to align the scope of said Article 4.4 with the Directive (EU) 2019/944 of the European Parliament and the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU, as implemented in Belgium by the Electricity Act of 29 April 1999. This relates to the so-called unbundling requirements and whether and in which circumstances a shareholder of the Company may be restricted in the exercise of its voting rights in the Company for so long as it controls an electricity or gas producer or supplier. The purpose of this ongoing work is to ensure that any scenario that falls outside the scope of such directive is not prohibited by the Articles of Association and to enable CPP Investments to exercise its voting rights in the Company. Until such time, CPP Investments has undertaken in its Subscription Agreement with the Company not to exercise its voting rights in the Company.

The New Shares offered

Type and class

The New Shares subscribed to by a holder exercising its Class A Preferential Rights (as defined below) will be Class A Shares. The New Shares subscribed to by a holder exercising its Class B Preferential Rights (as defined below) will be Class B Shares. The New Shares subscribed to by a holder exercising its Class C Preferential Rights (as defined below) will be Class C Shares.

Applicable law and jurisdiction

The Offering and the New Shares are subject to Belgian law.

The competent courts in case of disputes concerning the Offering or the New Shares will be the courts of Brussels.

Form

The New Shares will be delivered in dematerialised (book-entry) form, except for the Existing Shareholders holding registered shares, who will receive New Shares in registered form.

Shareholders may ask the Company for their Shares in dematerialised form to be converted into registered Shares, or vice versa, in accordance with the Articles of Association, at their own expense.

An application has been made for the admission to listing and trading of the New Shares on Euronext Brussels. They will be traded under the same ISIN code as the existing Shares, that is BE0003822393. As the class A and C shares are shares in registered form, they currently do not trade under an ISIN code.

Currency

The Offering is in euro.

Rights attached to the New Shares

From their issue date, the New Shares will be subject to all provisions of the Articles of Association. All shares have identical voting and liquidation rights, except as otherwise provided by the Company's Articles of Association.

Both the Shares that will be issued in the context of the PIPE as well the New Shares will not entitle their holders to participate in the dividend distribution with respect to the results of financial year 2024. To this end, on 19 March 2025, the entitlement to receive the dividend for financial year 2024 in the amount of EUR 1.95 per Share, as well as the entitlement to receive the special dividend of EUR 0.10 per Share, jointly represented by the Dividend Coupon, has been separated from the underlying Shares. For more information on the 2024 dividend and the special dividend, see Section "*Dividends and dividend policy – Dividend restatement*".

Due to the detachment of the dividend coupon on 19 March 2025, New Shares will only carry the right to a dividend with respect to the financial year that started on 1 January 2025 and, from the date of their issue, will carry the right to any distribution made by the Company. All Shares represent an equal part of the Company's share capital and have the same rank in the event of insolvency of the Company. In the event of insolvency, any claims of holders of Shares are subordinated to those of the creditors of the Company.

The rights attached to the Shares are further described in Section "*Description of share capital and Articles of Association – General Shareholders' Meeting and voting rights*".

Restrictions on free trading in the New Shares

The Class B Shares are freely transferable. Each holder of Class A Shares or Class C Shares may freely transfer part or all of its class A or Class C Shares to the persons indicated in Article 9.2 of the Articles of Association, subject to the terms set forward in the Articles of Association being fulfilled, including the pre-emption right of the other shareholders. See in this respect also Section "*Description of share capital and Articles of Association – General Shareholders' Meeting and voting rights – Transfer of shares*".

See Section "*Plan of distribution and allocation of the New Shares*" regarding restrictions applicable to the Offering".

See Section "*Plan of distribution and allocation of the New Shares – Lock-up and standstill arrangements*" regarding the lock-up undertaking of NextGrid Holding and the standstill commitment of the Company.

Terms and conditions of the Offering

Shares offered with an extra-legal preferential right

The offering by the Company of the New Shares is carried out with extra-legal preference rights for the Existing Shareholders. The statutory preference right of the Existing Shareholders of the Company as set forth in Article 7:188 and following of the BCCA has been disapplied with respect to the Offering. However, the Existing Shareholders are being granted Preferential Rights, each conferring an extra-legal preference right, as described below.

From a practical perspective, the Preferential Rights do not substantially differ from statutory preference rights, and the Offering procedure does not differ substantively from the procedure that would otherwise have applied if the Offering had taken place with the statutory preference rights as provided for by the BCCA. In particular, the Preferential Rights will be separated from the underlying Shares and Preferential Rights in dematerialised form will be separately tradable on the regulated market of Euronext Brussels during the Rights Subscription Period.

Contrary to the procedure that would have applied if the Offering had taken place with statutory preference rights, the Rights Subscription Period will have a term of 8 days instead of the legal 15 days term provided for under Article 7:189 of the BCCA.

Preferential Rights

Each Share will entitle its holder to receive one Preferential Right. The Existing Shareholders holding registered Shares will receive Preferential Rights in registered form. The Existing Shareholders holding dematerialised Shares will receive Preferential Rights in dematerialised form.

Preferential Rights that are detached from Class B Shares entitle its holder to subscribe to class B New Shares in accordance with the Ratio (see below). Preferential Rights entitling its holder to subscribe to class B New Shares ("**Class B Preferential rights**") will be either in registered or in dematerialised form. An Existing Shareholder holding registered Class B Preferential Rights wishing to sell such Class B Preferential Rights on Euronext Brussels during the Rights Subscription Period, should contact the financial institution with which they wish to deposit their Preferential Rights on a securities account, to see if its Preferential Rights can be dematerialised in time. Class B Preferential Rights remain Preferential Rights entitling its holder to subscribe to class B New Shares, even if they are transferred to Existing Shareholders holding Class A Shares or Class C Shares.

In principle, Preferential Rights that are detached from Class A Shares entitle its holder to subscribe to class A New Shares ("**Class A Preferential Rights**") and Preferential Rights that are detached from Class C Shares entitle its holder to subscribe to class C New Shares ("**Class C Preferential Rights**"), each time in accordance with the Ratio. If Class A Preferential Rights are transferred to an Existing Shareholder holding Class C Shares or to a person affiliated or associated to a holder of Class C Shares of, or persons acting in concert with, a holder of Class C Shares, these Preferential Rights will automatically convert into Class C Preferential Rights. Similarly, if Class C Preferential Rights are transferred to an Existing Shareholder holding Class A Shares or to a person affiliated or associated to a holder of Class A Shares of, or persons acting in concert with, a holder of Class A Shares, these Preferential Rights will automatically convert into Class A Preferential Rights.

Class A Preferential Rights and Class C Preferential Rights will be in registered form.

The dematerialised Preferential Right is represented by coupon nr. 24. The Preferential Rights will be detached from the existing Shares on 26 March 2025 after closing of Euronext Brussels and, provided they are in dematerialised form, will be negotiable during the entire Rights Subscription Period on Euronext Brussels under the ISIN code BE0970187903.

It is not possible to subscribe for a New Share cumulating different classes of Preferential Rights.

Amount of the capital increase

The total amount of the capital increase (including issue premium) will be maximum EUR 1,349,882,559.48. The final number of New Shares issued and the final amount of the capital increase will be confirmed in a press release issued by the Company on or about 4 April 2025.

For more information on the subscription commitments by the current Shareholders and the Shareholders following completion of the PIPE, please see Section "*Relationship with significant shareholders – Intention of the Existing Shareholders to participate in the Offering*". The remaining New Shares are subject to a hard underwriting by the Underwriters, see Section "*Plan of distribution and allocation of the New Shares – Underwriting Agreement*".

Issue Price and Ratio

The Issue Price is equal to EUR 61.88 per New Share.

The Issue Price represents a discount to the closing price of 25 March 2025 (which amounted to EUR 82.00) of 24.5 per cent. Based on the closing price, the theoretical ex-right price ("**TERP**") is EUR 77.98, the theoretical value of a Preferential Right is EUR 4.02, and the discount of the Issue Price compared to TERP is 20.6 per cent.

As indicated in Section "*Information on the Offering – Information related to the PIPE*", the issue price of the New Shares under the PIPE is EUR 61.88 per Share, corresponding to the 30-day Volume Weighted Average Price (VWAP) without discount, adjusted for the 2024 dividend entitlement detachment, on the day the subscription agreements were signed, being 6 March 2025.

The holders of Preferential Rights can subscribe to the New Shares in the Ratio of 1 New Share for 4 Preferential Rights.

The Issue Price per New Share will be contributed as share capital up to the exact fractional value of the existing Shares (*i.e.* EUR 24.94 per Share, for legibility purposes, rounded to the nearest whole eurocent) multiplied by the number of New Shares and then rounded up to the nearest whole eurocent. The difference between this contribution to the share capital and the total Issue Price, after deduction of possible costs, will be allocated to a disposable account ("issue premiums account").

Investors will not be charged expenses by the Company or the Underwriters in connection with their role as underwriters. Investors may, however, have to bear customary transaction and handling fees charged by their account-keeping financial institution. The purchase and the sale of the Shares are, under certain conditions, subject to the Belgian tax on stock exchange transactions. For information relating to taxation, please see Section "*Taxation*" and, in particular, Section "*Taxation – Belgian non-resident companies or entities– Tax on Stock Exchange Transactions*".

Subscription periods and procedure

Rights Offering

The Rights Subscription Period shall be from 27 March 2025, 9 a.m. CET, up to and including 3 April 2025, 4 p.m. CET.

After the Rights Subscription Period, the Preferential Rights may no longer be exercised or traded and as a result subscription requests received thereafter will be void.

Subscription procedure

As indicated above, the Preferential Rights, represented by coupon nr. 24 of the existing Shares, will be separated from these Shares on 26 March 2025 after the closing of Euronext Brussels:

(i) Existing Shareholders whose holding of shares in the Company is registered in the share register of the Company will receive, at the address indicated in the share register, a letter or e-mail from the Company informing them of the procedures that they must follow, subject to the restrictions in this Prospectus and subject to applicable securities laws.

(ii) Existing Shareholders who hold dematerialised shares in the Company will automatically be allocated, by book-entry into their securities account, a corresponding number of Preferential Rights in the securities account they hold with their bank, subject to the restrictions in this Prospectus and subject to applicable securities laws. They will, in principle, be informed by their financial institution of the procedure that they must follow.

Subject to restrictions under applicable securities laws (see Section "*Plan of distribution and allocation of the New Shares*") investors holding Preferential Rights in dematerialised form (including Existing Shareholders) can, during the Rights Subscription Period, irreducibly subscribe to the New Shares directly at the counters of BNP Paribas Fortis, KBC Bank, CBC Banque, KBC Securities, and Belfius Bank if they have a client account there, or indirectly through any other financial intermediary. Subscribers should inform themselves about any costs that financial intermediaries, including the banks mentioned above in the paragraph, might charge and which they will need to pay themselves. At the time of subscription, the subscribers should remit a corresponding number of Preferential Rights in accordance with the Ratio.

Existing Shareholders whose holding of shares in the Company is registered in the share register of the Company, must elect to exercise their Preferential Rights and remit the respective amount for such subscription into the blocked account of the Company (as will be indicated in the instruction letter of the Company) by 3 April 2025, 4 p.m. CET latest. Failure to do so will imply failure of such Existing Shareholders to exercise their Preferential Rights, in which case these will receive the Net Scrips Proceeds (as defined below), if any, for such unexercised Preferential Rights.

Trading of Preferential Rights

During the Rights Subscription Period, Preferential Rights in dematerialised form can be traded on Euronext Brussels.

Preferential Rights can no longer be exercised or traded after 3 April 2025, at 4 p.m. CET, the "**Closing Date of the Rights Subscription Period**".

An announcement of the results of the subscription with Preferential Rights will be made by a press release on or about 4 April 2025.

Scrips Private Placement

At the Closing Date of the Rights Subscription Period, the unexercised Preferential Rights will be automatically converted into an equal number of Scrips and these Scrips will be sold to institutional investors by way of a private placement. Through such a procedure, a book of demand will be built to find a single market price for the Scrips. Investors who acquire Scrips irrevocably commit to exercise the Scrips and thus to subscribe to the corresponding number of New Shares at the Issue Price and in accordance with the Ratio.

The Scrips Private Placement is expected to last for one day and is expected to take place on 4 April 2025.

The Scrips Private Placement will only take place if not all of the Preferential Rights have been exercised during the Rights Subscription Period.

The net proceeds from the sale of Scrips (rounded down to a whole eurocent per unexercised Preferential Right) after deducting expenses, charges and all forms of expenditure which the Company has to incur for the sale of the Scrips (the "**Net Scrips Proceeds**"), if any, will be distributed proportionally between all holders of Preferential Rights who have not exercised them. The Net Scrips Proceeds will be published by a press release and made available to the Existing Shareholders upon presentation of coupon nr. 24. There is, however, no assurance that any or all Scrips will be sold during the Scrips Private Placement or that there will be any Net Scrips Proceeds. Neither the Company nor the Underwriters procuring a sale of the Scrips will be responsible for any lack of Net Scrips Proceeds arising from the sale of the Scrips in the Scrips Private Placement.

If the Net Scrips Proceeds are less than EUR 0.01 per unexercised Preferential Right, the holders of Preferential Rights who have not exercised them are not entitled to receive any payment and, instead, the Net Scrips Proceeds will be transferred to the Company. If the Company announces that Net Scrips Proceeds are available for distribution to holders of unexercised Preferential Rights and such holders have not received payment thereof by 9 April 2025, such holders should contact their financial intermediary, except for registered shareholders who should contact the Company.

The results of the subscription with Preferential Rights and with Scrips, the results of the sale of Scrips and the amount due to holders of unexercised Preferential Rights will be published on or about 4 April 2025 by a press release.

Rules for subscription

Investors should be aware that all New Shares they have subscribed to will be fully allocated to them. All subscriptions are binding and irrevocable, except as described in Section "*Supplement to the Prospectus*".

Holders of dematerialised Preferential Rights wishing to exercise and subscribe for New Shares need to instruct their financial intermediary accordingly. The financial intermediary is responsible for obtaining the subscription request and for duly transmitting such subscription request to the Underwriters. Holders of registered Preferential Rights wishing to exercise and subscribe for New Shares need to comply with the instructions delivered to them in the letter received from the Company. It is not possible to combine Preferential Rights attached to registered Shares with Preferential Rights attached to dematerialised Shares to subscribe for New Shares.

Joint subscriptions are not possible: the Company recognizes only one owner per Share.

Subscriptions through the exercise of Preferential Rights or Scrips will not be reduced. Hence, no procedure to refund any excess amounts paid by subscribers needs to be organised.

Existing Shareholders or investors who do not own the exact number of Preferential Rights required to subscribe for a whole number of New Shares can, during the Subscription Period, either buy (through a private transaction or on the regulated market of Euronext Brussels) the lacking Preferential Rights to subscribe for one or more additional New Shares, sell (through a private transaction or on the regulated market of Euronext Brussels) the Preferential Rights representing a share fraction, or hold such Preferential Rights in order for them to be offered for sale in the form of Scrips after the Subscription Period. Purchasing or selling Preferential Rights and/or acquiring Scrips may entail certain costs.

Minimum or maximum amount that may be subscribed

Subject to the Ratio, there is no minimum or maximum amount that may be subscribed pursuant to the Offering.

Revocation or suspension of the Offering

The Company reserves the right to revoke or suspend the Offering, following consultation with the Underwriters if (i) it determines that market conditions would make the Offering more difficult in a material way, or (ii) the Underwriting Agreement has not been signed or has been terminated in accordance with its terms and conditions. If the Company decides to revoke or suspend the Offering or the Underwriting Agreement is terminated in accordance with its terms, a press release will be published and, to the extent such event would legally require the Company to publish a supplement to the Prospectus, such supplement will be published. Such revocation or suspension of the offering can occur up to the Closing Date of the Rights Subscription Period.

Publications in respect of the Offering

Supplement to the Prospectus

In the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the evaluation of the Offering by prospective investors arises or is noted between the time of approval of the Prospectus and the time when trading of the New Shares on Euronext Brussels begins will be mentioned in a supplement to this Prospectus without undue delay. Such prospectus supplement will be subject to approval by the FSMA and subsequently be published in the same manner as this Prospectus. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus. Any statement so modified or superseded shall, except as so modified or superseded, no longer constitute a part of this Prospectus.

Investors who have already agreed to subscribe to the New Shares before the supplement is published, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the Closing Date of the Rights Subscription Period, shall have the right, exercisable within three business days after the publication of the supplement, to withdraw their subscriptions in accordance with Article 23.2 and 23.3 of the Prospectus Regulation.

The supplement is subject to approval by the FSMA. A supplement to this Prospectus will be published if, among other things: (i) the Rights Subscription Period is changed; (ii) the maximum number of New Shares is reduced prior to the allocation of the New Shares; (iii) the Underwriting Agreement is not executed or is executed but subsequently terminated; or (iv) to the extent required, the Company decides, following consultation with the Underwriters, to revoke or suspend the Offering (see Section "*Information on the Offering – Revocation or suspension of the Offering*").

Subscribers in the Rights offering withdrawing their subscription after the Rights Subscription Period, will not share in the Net Scrips Proceeds and will not be compensated in any other way, including the purchase price (and any related cost) paid in order to acquire any Preferential Rights or Scrips.

Where the subscriptions to the Rights Offering are made through a financial intermediary, the financial intermediary will inform investors of the possibility of a supplement being published, where and when it would be published and that the financial intermediary would assist them in exercising their right to withdraw acceptances in such case. The financial intermediary will contact investors by the end of the first working day following that on which the supplement is published.

Results of the Offering

The results of the subscription with Preferential Rights will be made public by a press release before the market opening on or about 4 April 2025.

The results of the subscription with Preferential Rights and with Scrips, the results of the sale of Scrips and the payment of the Net Scrips Proceeds will be published on or about 4 April 2025 in the Belgian financial press and by press release.

Payment and delivery of the New Shares

The payment of the subscriptions with dematerialised Preferential Rights is expected to take place on or around 8 April 2025 and will be done by debit of the subscriber's account with the same value date (subject to the relevant financial intermediary procedures). Payment of subscriptions with registered Preferential Rights will be done by payment into a blocked account of the Company. Payment must have reached such account by 3 April 2025, 4 p.m. CET as indicated in the instruction letter from the Company.

The payment of the subscriptions in the Scrips Private Placement is expected to take place on or around 8 April 2025. The payment of the subscriptions in the Scrips Private Placement will be made by delivery against payment.

Delivery of the New Shares will take place on or around 8 April 2025. The New Shares will be delivered under the form of dematerialised Shares (booked into the securities account of the subscriber) or as registered Shares recorded in the Company's Share register.

Dividend entitlement

Both the Shares that will be issued in the context of the PIPE as well as the New Shares will not entitle their holders to participate in the dividend distribution with respect to the results of financial year 2024. To this end, on 19 March 2025, the entitlement to receive the dividend for financial year 2024 in the amount of EUR 1.95 per Share, as well as the entitlement to receive the special dividend of EUR 0.10 per Share, jointly represented by the Dividend Coupon, has been separated from the underlying Shares. For more information on the 2024 dividend and the special dividend, see Section "*Dividend and Dividend Policy – Dividend restatement*".

Expected timetable of the Offering

Event	Timing	Date
Approval of the Prospectus by the FSMA and notification of the approved Prospectus to BaFin	T-1	25 March 2025
Publication of the launch press release and availability to the public of the Prospectus	T	26 March 2025
Detachment of coupon nr. 24 (representing the Preferential Right) after closing of the markets	T	26 March 2025
Trading of Shares ex-Right	T+1	27 March 2025
Opening of Rights Subscription Period	T+1	27 March 2025, 9 a.m. CET
Listing and trading of the Preferential Rights on Euronext Brussels	T+1	27 March 2025
Payment Date for the Registered Preferential Rights exercised by subscribers	T+8	3 April 2025
Closing Date of the Rights Subscription Period	T+8	3 April 2025, 4 p.m. CET
End of listing and trading of the Preferential Rights on Euronext Brussels	T+8	3 April 2025
Announcement via press release of the result of the subscription with Preferential Rights	T+9	4 April 2025
Suspension of trading of Shares	T+9	4 April 2025
Accelerated private placement of the Scrips	T+9	4 April 2025
Allocation of the Scrips and the subscription with Scrips	T+9	4 April 2025
Announcement via press release of the results of the subscription with Preferential Rights and with Scrips and the Net Scrip Proceed (if any) due to holders of coupons nr. 24 and end of suspension of trading of Shares	T+9	4 April 2025
Payment Date for the dematerialised Preferential Rights exercised subscribers	T+13	8 April 2025
Realisation of the capital increase	T+13	8 April 2025
Delivery of the New Shares to the subscribers	T+13	8 April 2025
Listing and trading of the New Shares on Euronext Brussels	T+13	8 April 2025
Payment to holders of non-exercised Preferential Rights	T+14	As from 9 April 2025

The Company may amend the dates and times of the share capital increase and periods indicated in the above timetable and throughout this Prospectus. If the Company decides to amend such dates, times or periods, it will notify Euronext Brussels and inform investors by a press release. Any material alterations to this Prospectus will be published in a press release and as a supplement to this Prospectus in the Belgian financial press and on the website of the Company.

Admission to trading and dealing arrangements

Admission to trading

Preferential Rights

The Preferential Rights, represented by coupon nr. 24, will be separated from the underlying shares in the Company on 26 March 2025 after the closing of Euronext Brussels.

The Company has applied for admission to trading of the Preferential Rights in dematerialised form on Euronext Brussels. The Preferential Rights are expected to be listed and traded on Euronext Brussels under ISIN BE0970187903 from 27 March 2025 to 3 April 2025 (inclusive).

Scrips

No application for admission to trading of the Scrips will be made.

Listing

The Company has applied for admission to trading of the New Shares on Euronext Brussels. The New Shares are expected to be listed on Euronext Brussels under the ISIN code BE0003822393.

No Stabilisation

No stabilisation will be carried on by the Underwriters in the framework of the Rights Offering.

Liquidity contract

The Company has entered into a liquidity contract with Exane BNP Paribas.

Financial service

The financial services for the shares of the Company (including the New Shares) are provided in Belgium by BNP Paribas Fortis SA/NV, KBC Securities NV and Belfius Bank SA/NV. No financial institutional has been appointed in Germany to provide financial services in relation to the Offering. The costs of these financial services are borne by the Company.

Costs of the Offering

The gross and net proceeds of the Rights Offering are estimated at up to EUR 1,349,882,559.48 and EUR 1,333,639,888.64, respectively. The expenses related to the Rights Offering, which the Company will pay, are estimated at up to EUR 16,242,670.84 and include, among other things, underwriting fees and commissions of EUR 10,791,663.84, the fees due to the FSMA and Euronext Brussels and legal and administrative expenses, as well as publication costs.

Dilution

Dilution following the PIPE

The Shares in the PIPE will be issued at an issuance price of EUR 61.88 per Share. The capital increase carried out in connection with the PIPE resulted in a dilution pre-PIPE of approximately 18.7 per cent. (calculated by dividing the number of Shares issued in the PIPE by the total number of outstanding Shares before the PIPE) and in a dilution post-PIPE of 15.7 per cent. (calculated by dividing the number of Shares issued in the PIPE by the total number of outstanding Shares after the PIPE).

The table below describes certain financial consequences of the PIPE from a market cap, earnings per share, dividends per share (DPS) and share ownership perspective, based on the balance sheet of 31 December 2024 and the characteristics of the PIPE. In the PIPE, 13,736,263 shares will be issued at an issue price of EUR 61.88 per share, for a total amount of EUR 849,999,954.44 (including issue premium). The issue price corresponds to the volume-weighted average price over the last 30 calendar days up to (and including) 6 March 2025, from which EUR 2.05 is deduced, reflecting the 2024 dividend to which the shares issued in the PIPE are not entitled.

	Before PIPE	**After PIPE**
Market cap[32] (€m)	6,029	6,879
Number of shares	73.5	87.3
Market cap per share[33] (€)	82.00	78.83
2024E Earnings per share (€)	5.73	5.73
2024E Dividends per share (€)	2.05	2.05
Share ownership by Publi-T / NextGrid Holding (%)	44.79%	44.79%
Shares subscribed to in the PIPE (other than Publi-T / NextGrid Holding) (%)	N/A	8.69%
Share ownership by other shareholders (%)	55.21%	46.52%

Financial consequences of the Rights Offering

Shareholders who decide not to exercise all of their allocated Preferential Rights should take into account the risk of a financial dilution of their portfolio. Such risk is a consequence of the fact that

[32] Assuming that the market capitalisation only increases by the amount of the total proceeds of the PIPE.

[33] Assuming that the market capitalisation only increases by the amount of the total issue price of the PIPE.

the Offering is priced at an Issue Price lower than the market price of the Share.[34] The table below sets out the extent of such a dilution. Theoretically, the value of the Preferential Rights should compensate for the reduction in the financial value caused by the Issue Price being lower than the market price. Existing Shareholders may suffer a financial loss if they cannot trade (sell) their Preferential Rights at their theoretical value (and the price at which the Scrips will be sold during the Scrips Private Placement does not lead to a payment equal to the theoretical value of the Scrips), please see table below for illustration purposes.

	Price before the Rights Offering[(1)]	Theoretical ex-Right price	Theoretical Right value + 50%	Theoretical Right value - 50%	Theoretical Right value - 100%
After the issue of 21,814,521 New Shares.....	EUR 82.00	EUR 77.98	EUR 6.03	EUR 2.01	EUR 0.00
% of financial dilution.....			2.5%	-2.5%	-4.9%

Note:
(1) Price of the shares in the Company as at 25 March 2025.

Consequences of the PIPE and the Rights Offering in terms of participation in the share capital

Assuming that an Existing Shareholder (other than an investor in the PIPE) holds 1.0 per cent. of the Company's share capital prior to the PIPE and the Rights Offering, the shareholding of such Existing Shareholder will decrease to 0.84 per cent. as a result of the PIPE and assuming such Existing Shareholder does not subscribe for the New Shares, such Existing Shareholder's participation in the Company's share capital would further decrease to 0.67 per cent. as a result of the Rights Offering.

If a shareholder exercises all Preferential Rights allocated to it, there will be no dilution in terms of its participation in the Company's share capital or in terms of its dividend rights as a result of the Rights Offering. However, to the extent that a shareholder is granted a number of Preferential Rights that does not entitle it to a round number of New Shares in accordance with the Ratio, such shareholders may slightly dilute if it does not purchase the missing Preferential Right(s) on the secondary market and exercises such Preferential Right(s) accordingly.

Interest of natural and legal persons involved in the Rights Offering

There is no natural or legal person involved in the Offering and having an interest that is material to the Offering, other than the Underwriters.

The Underwriters entered into an Underwriting Agreement with the Company on 25 March 2025 (see Section "*Plan of distribution and allocation of the New Shares – Underwriting Agreement*").

Belfius Bank SA/NV has provided the Company with a EUR 60 million long term credit facility (which is undrawn at the date of this Prospectus). Belfius Insurance is one of the main shareholders of the Company (0.82 per cent). Reference is also made to Section "*Operating and Financial Review – Financing arrangements – Financing arrangements of the Group").*

KBC has provided the Company with a EUR 50 million long term revolving credit facility (which is undrawn at the date of this Prospectus) and a EUR 60 million working capital facility (which is undrawn at the date of this Prospectus.

BNP Paribas Fortis, Belfius and KBC have a longstanding relationship with Elia Group in which context they each provide a wide variety of banking services to Elia Group, some of its shareholders and some of its subsidiaries, collecting fees in the process. BNP Paribas Fortis, Belfius and KBC intend to pursue providing services to Elia Group and its subsidiaries or its shareholders in the future.

[34] The net asset value per Share as at 31 December 2024 amounted to EUR 84.07. The Issue Price amounts to EUR 61.88 per New Share.

PLAN OF DISTRIBUTION AND ALLOCATION OF THE NEW SHARES

Underwriting Agreement

The Company and the Underwriters entered into an Underwriting Agreement, on 25 March 2025 which provides amongst other for a hard underwriting on the terms and conditions set forth therein and as further detailed below. The obligations of the Underwriters under the Underwriting Agreement are conditional upon (i) the FSMA approving the Prospectus and (ii) completion of the PIPE.

Pursuant to and, subject to the terms and conditions set forth in, the Underwriting Agreement, each of the Joint Global Coordinators, severally and not jointly (and not jointly and severally) will, after the end of the Rights Subscription Period, use reasonable endeavours to procure subscribers for any New Shares, other than Committed Shares, that were not subscribed for during the Rights Subscription Period or any registered New Shares that were validly subscribed for during the Rights Subscription Period but not paid for (the "**Rump Shares**") and for the corresponding Scrips in the Scrips Private Placement. Pursuant to and, subject to the terms and conditions set forth in, the Underwriting Agreement, if and to the extent that the Joint Global Coordinators are unable to procure subscribers for the Scrips and for Rump Shares or there are New Shares which have validly subscribed for in the Rights Offering (dematerialised New Shares) or in the Scrips Private Placement, but not paid for, each of the Underwriters, severally and not jointly (and not jointly and severally), will, for the proportions as set out in column (A) of the table below, agree to themselves subscribe at the Issue Price,

(a) for the remaining Rump Shares not otherwise taken up and for which subscribers are not procured; or

(b) for the New Shares validly subscribed but not paid for, other than any Committed Shares, provided that such subscriptions under sub a. and b. (as applicable) by each Underwriter itself shall in no event exceed the aggregate maximum number of Underwritten Shares as specified in column (B) of the table below.

For the purposes of the above, (i) the "**Committed Shares**" means the New Shares that certain Existing Shareholders have committed to take up pursuant to their take-up commitments (as set out in Section "*Intention of the Existing Shareholders to participate in the Offering*" above), and (ii) the "**Underwritten Shares**" means the New Shares minus the Committed Shares.

Underwriter	**(A) Underwriting commitment (%)**	**(B) Maximum number of Underwritten Shares (%)**
BNP Paribas Fortis SA/NV	23.3%	2,260,696
Citigroup Global Markets Limited	23.3%	2,260,697
Goldman Sachs International	23.3%	2,260,697
Belfius Bank SA/NV	7.5%	726,653
KBC Securities NV	7.5%	726,653
J.P. Morgan SE	7.5%	726,653
Morgan Stanley & Co. International plc	7.5%	726,653
TOTAL	**100%**	**9,688,702**

The Underwriting Agreement provides that the Joint Global Coordinators will have the right to terminate the Underwriting Agreement before the completion of the share capital increase in relation to the Offering and the Scrips Private Placement and the listing and delivery to subscribers of the New Shares subscribed with the Preferential Rights and with Scrips upon: (i) any statement contained in any document relating to the Offering is, or has become, or has been discovered to be, inaccurate or misleading in any material respect; (ii) non satisfaction of the conditions precedent set out in the Underwriting Agreement (including but not limited to the successful completion of the Pre-Commitments); (iii) any matter has arisen which would, if the documents relating to the Offering were to be issued at that time, constitute a material inaccuracy or omission therefrom; (iv) failure of the Company to comply with its material obligations under the Underwriting Agreement, and in

particular when the Company breaches the covenants and undertakings included in the Underwriting Agreement in any material respect; (v) breach of any of the representations and warranties of the Company in any material respect or an event occurs which, if those representations and warranties were repeated immediately after that event, would make any of those representations and warranties materially untrue, incorrect or misleading (vi) the Company fails to issue the New Shares, (vii) the application for admission to listing of the New Shares or the Preferential Rights on Euronext Brussels is withdrawn or refused; (viii) any event or development that causes or results or is likely to result in a material adverse effect that, in the reasonable judgement of the Joint Global Coordinators (acting on behalf of the Underwriters), is likely to materially prejudice the completion of the Offering, the placement, subscription and delivery of the New Shares, with "material adverse effect" being defined as any event or effect materially and adversely affecting the Company's ability to comply with or complete the operations as set forth in the Underwriting Agreement or to complete the Offering as described in this prospectus as well as any material adverse effect in or affecting the value, state or condition (financial, legal or otherwise) of shareholders' equity or the property, assets, rights, business, management, prospects, earnings, net worth or results of operations, general affairs, solvency of the Group, it being understood that a material adverse effect shall also be deemed to have occurred in all cases where isolated events would not have such an effect but where the aggregate of two or more of such events would, taken in aggregate, have such effect, (ix) other specific circumstances described in the Underwriting Agreement such as a suspension or material limitation of trading in the Company's securities on Euronext Brussels; a suspension or material limitation in trading of securities on Euronext Brussels, the Frankfurt Stock Exchange, the London Stock Exchange or the New York Stock Exchange; a material disruption in commercial banking or securities settlement or clearance services in the United States, the United Kingdom, Belgium, Germany or another member of the EEA, a material adverse change in the financial markets in the United States, Belgium, the United Kingdom, Germany or in the international financial markets, or, an outbreak of hostilities or escalation thereof or other similar crisis involving the United States, Belgium, Germany, the United Kingdom or the EU, or any significant change in any national or international political, military, financial, economic, monetary or social conditions or in taxation in or outside Belgium, or a general moratorium on commercial banking activities declared by the relevant authorities in Brussels, Frankfurt, Amsterdam, London or New York, if any such event, in the reasonable judgement of the Joint Global Coordinators(acting on behalf of the Underwriters), is likely to materially prejudice the completion of the Offering, the placement, subscription and delivery of the New Shares; (x) the issue of a supplement to this prospectus or the publication of additional disclosures which is materially prejudicial to the completion of the Offering. If the Underwriting Agreement is terminated in accordance with its terms, the Underwriters shall be released from their obligation to subscribe to any underwritten New Shares. If the Underwriting Agreement is terminated, the Company shall publish a prospectus supplement that will be subject to approval by the FSMA in which case subscription to the Offering and subscription to the Scrips Private Placement will automatically be cancelled.

In the Underwriting Agreement, the Company will make certain representations, warranties and undertakings to the Underwriters and the Company will agree to indemnify the Underwriters against certain liabilities in connection with the Offering.

Intention to subscribe

See the Section "*Relationship with significant shareholders – Intention of the Existing Shareholders to participate in the Offering*" and the Section "*Management and governance – Intention of the directors and the members of the Executive Management Board to participate in the Offering*".

Allocation and potential investors

The Offering is carried out with non-statutory preferential rights for the Existing Shareholders. The Preferential Rights are allocated to all the shareholders of the Company as of the closing of Euronext Brussels on 26 March 2025, and each share in the Company will entitle its holder to one Preferential Right. Both the initial holders of Preferential Rights and any subsequent purchasers of Preferential Rights, as well as any purchasers of Scrips in the Scrips Private Placement, may subscribe for the New Shares, subject to the restrictions under applicable securities laws.

The Preferential Rights are granted to the Existing Shareholders of the Company and may only be exercised by the Existing Shareholders of the Company (or subsequent purchasers of the Preferential Rights) who can lawfully do so under any law applicable to them. The New Shares to

be issued upon exercise of the Preferential Rights are being offered only to holders of Preferential Rights to whom such offer can be lawfully made under any law applicable to those holders. The Company has taken all necessary actions to ensure that Preferential Rights may lawfully be exercised by, and New Shares to be issued upon the exercise of Preferential Rights may lawfully be offered to, the public (including shareholders of the Company and holders of Preferential Rights) in Belgium and Germany. The Company has not taken any action to permit any offering of Preferential Rights or New Shares to be issued upon the exercise of Preferential Rights in any other jurisdiction outside of Belgium and Germany.

In addition, Preferential Rights relating to treasury Shares owned by the Group will not be exercised. Accordingly, the Scrips relating thereto will be offered for sale in the Scrips Private Placement.

The Scrips, and the New Shares to be issued upon exercise of Scrips as a result of the Scrips Private Placement, are being offered only in an accelerated bookbuild private placement to investors in Belgium and by way of an exempt private placement in such other jurisdictions as shall be determined by the Company in consultation with the Underwriters. The Scrips, and New Shares to be issued upon exercise of Scrips as a result of the Scrips Private Placement, are not being offered to any other persons or in any other jurisdiction.

Selling restrictions

The distribution of this Prospectus, the acceptance, sale, purchase or exercise of Preferential Rights, the purchase and the exercise of Scrips and the subscription for and acquisition of New Shares may, under the laws of certain countries other than Belgium, be governed by specific regulations. Individuals in possession of this Prospectus, or considering the acceptance, sale, purchase or exercise of Preferential Rights, the purchase or exercise of Scrips or the subscription for, or acquisition of, New Shares, must inquire about those regulations and about possible restrictions resulting from them, and comply with those restrictions. Intermediaries cannot permit the acceptance, sale or exercise of Preferential Rights, the purchase or exercise of Scrips or the subscription for, or acquisition of, New Shares, for clients whose addresses are in a country where such restrictions apply. No person receiving this Prospectus (including trustees and nominees) may distribute it in, or send it to, such countries, except in conformity with applicable law. The Company and the Underwriters expressly disclaim any liability for non-compliance with the aforementioned restrictions.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Preferential Rights, the Scrips and New Shares to which they relate or an offer to sell or the solicitation of an offer to buy Preferential Rights, Scrips or New Shares in any circumstances in which such offer or solicitation is unlawful.

The following sections set out specific notices in relation to certain countries that, if stricter, shall prevail over the foregoing general notice.

Australia

This Prospectus is not a prospectus or product disclosure statement or other disclosure statement under the Corporations Act 2001 of the Commonwealth of Australia ("**Corporations Act**") and does not constitute a recommendation to acquire, an invitation to apply for, an offer to apply for or buy, an offer to arrange the issue or sale of, or an offer for issue or sale of, any securities in Australia, except as set out below. This Prospectus has not been prepared specifically for Australian investors and is not required to, and does not purport to, include all of the information which would be required in a prospectus or product disclosure statement under the Corporations Act. The Company has not authorised or taken any action to prepare or lodge with the Australian Securities and Investments Commission ("**ASIC**") an Australian law compliant prospectus or product disclosure statement.

Any offer in Australia of the securities may only be made to persons ("**Exempt Investor**") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the securities without disclosure to investors under Chapter 6D of the Corporations Act.

This Prospectus: (i) may contain references to dollar amounts which are not Australian dollars; (ii) may not address risks associated with investment in foreign currency denominated investments; (iii) does not address Australian tax issues; and (iv) may contain financial information which is not prepared in accordance with Australian law or practices.

The information in this Prospectus is not personal advice and has been prepared without taking into account your investment objectives, financial situation or particular needs. Before acting on the information, you should consider its appropriateness having regard to your investment objectives, financial situation and needs and consider obtaining your own financial advice from an independent person who is appropriately licensed by the ASIC.

The securities applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the Offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring securities must observe such Australian on-sale restrictions.

Certain Member States of the EEA

The Company has not authorised any offer to the public of New Shares, Preferential Rights or Scrips in any Member State of the European Economic Area (each, a "**Member State**") other than Belgium and Germany. No action has been undertaken or will be undertaken to make an offer to the public of New Shares, Preferential Rights or Scrips requiring a publication of a prospectus in any Member State pursuant to the Prospectus Regulation. As a result, the New Shares, Preferential Rights or Scrips may only be offered in a Member State under the following exemptions of the Prospectus Regulation:

(i) to any legal entity that is a qualified investor in the EEA as defined under Article 2(e) of the Prospectus Regulation in accordance with Article 1.4(a) of the Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors in the EEA as defined under Article 2(e) of the Prospectus Regulation) in accordance with Article 1.4(b) of the Prospectus Regulation, subject to obtaining the prior consent of the Underwriters for any such offer; or

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation as applicable subject to obtaining the prior consent of the Underwriters for any such offer;

provided that no such offer of New Shares shall result in a requirement for the publication by the Company or any Underwriter of a prospectus pursuant to Article 3(1) or a supplement to a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer to the public" in relation to any New Shares, Preferential Rights and Scrips in any Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the New Shares, Preferential Rights and Scrips so as to enable an investor to decide to purchase or subscribe to any New Shares, Preferential Rights and Scrips within the meaning of the Prospectus Regulation.

United Kingdom

The Company has not authorised any offer to the public of New Shares, Preferential Rights or Scrips in the United Kingdom. With respect to the United Kingdom, no action has been undertaken or will be undertaken to make an offer to the public of New Shares, Preferential Rights or Scrips requiring a publication of a prospectus in the United Kingdom pursuant to the UK Prospectus Regulation. As a result, the New Shares, Preferential Rights or Scrips may only be offered in the United Kingdom under the following exemptions of the UK Prospectus Regulation:

(i) to any legal entity which is a qualified investor in the United Kingdom pursuant to Article 2 of the UK Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors in the United Kingdom as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Underwriters for any such offer; or

(iii) in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000, as amended (the "**UK FSMA**") as applicable,

provided that no such offer of New Shares shall require us or any Underwriter to publish a prospectus pursuant to Section 85 of the UK FSMA, or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

This Prospectus is directed solely at qualified investors within the meaning of Article 2(e) of the UK Prospectus Regulation who also (i) have professional experience in matters relating to investments falling within the meaning of Article 19(5) of the UK FSMA, (Financial Promotion) Order 2005, as amended (the "**Order**"), or (ii) are high net worth entities and other persons to whom such communication may otherwise lawfully be made falling within Article 49(2)(A) to (D) of the Order (all such persons together being referred to as "**Relevant Persons**"). This Prospectus must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

In any case, the Scrips Offering shall only be made to Relevant Persons in the United Kingdom. There shall be no public offering of the Preferential Rights, the Scrips or the New Shares in the United Kingdom.

For the purposes of this paragraph, the expression an "offer to the public" of New Shares, Preferential Rights or Scrips in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the Offering and the New Shares, Preferential Rights or Scrips to be offered so as to enable an investor to decide to purchase or subscribe to any such securities; and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of the domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.

United States

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the New Shares, the Preferential Rights or the Scrips offered hereby.

No actions have been taken to register or qualify the New Shares, the Preferential Rights or the Scrips offered hereby or otherwise permit a public offering of the New Shares, the Preferential Rights or the Scrips offered hereby in the United States. The New Shares and the Preferential Rights are being offered in the United States on a private placement basis solely to "qualified institutional buyers" ("**QIBs**") within the meaning of Rule 144A under the Securities Act ("**Rule 144A**") pursuant to an exemption from the registration requirements of the Securities Act. Outside the United States, the Right Offering is being made pursuant to Regulation S under the Securities Act. The Scrips Private Placement (if any) will be made outside the United States in reliance on Regulation S and within the United States to QIBs in reliance on Rule 144A.

The New Shares, the Preferential Rights and the Scrips offered hereby have not been and will not be registered under the Securities Act and may not be offered, sold or resold in, or to persons in, the United States except in accordance with an available exemption from registration under the Securities Act.

Investors may not exercise Preferential Rights, and may not purchase the New Shares or the Preferential Rights in the United States, unless they are QIBs. Investors that are QIBs may exercise their Preferential Rights only if such investors sign and timely deliver to the Company an investor letter. Investors that are QIBs exercising Preferential Rights will be deemed to have made certain representations and warranties, including the following:

(i) It is and at the time of any exercise by it of Preferential Rights or acquisition of New Shares will be, a QIB within the meaning of Rule 144A.

(ii) It understands and acknowledges that neither the New Shares nor the Preferential Rights have been or will be registered under the Securities Act, and may not be offered, sold, pledged, delivered or otherwise transferred, directly or indirectly, in or into the United States, other than in accordance with paragraph (iv) below.

(iii) As a purchaser in a private placement of securities that have not been registered under the Securities Act, it is acquiring the New Shares or the Preferential Rights for its own account, or for the account of one or more other QIBs for which it is acting as duly authorised fiduciary or agent with sole investment discretion with respect to each such account and with full authority to make the acknowledgments, representations and agreements herein with respect to each such account, in each case for investment and not with a view to any resale or distribution of any New Shares or Preferential Rights

(iv) It understands and agrees that, although offers and sales of the Preferential Rights are being made only to QIBs, and that the Preferential Rights may be exercised only by QIBs, such exercises of Preferential Rights are not being made under Rule 144A, and that if in the future it or any such other QIB for which it is acting, as described in paragraph (iii) above, or any other fiduciary or agent representing such investor decides to offer, sell, deliver, hypothecate or otherwise transfer any New Shares, Preferential Rights or Scrips, it will do so only (i) pursuant to an effective registration statement under the Securities Act, (ii) to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or the account of a QIB, (iii) outside the United States in an "offshore transaction" pursuant to Rule 903 or Rule 904 under Regulation S (and not in a pre-arranged transaction resulting in the resale of such New Shares or Preferential Rights into the United States), (iv) in another transaction exempt from, or not subject to, the registration requirements of the Securities Act or (v) in the case of New Shares, in accordance with Rule 144 under the Securities Act (if available) and, in each case, in accordance with any applicable securities laws of any state or territory of the United States and of any other jurisdiction. It understands that no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for the resale of New Shares.

(v) It understands that for so long as such New Shares are "restricted securities" within the meaning of US federal securities laws, no such New Shares may be deposited into any American depositary receipt facility established or maintained by a depositary bank, other than a restricted depositary receipt facility, and that the New Shares will not settle or trade through the facilities of The Depository Trust Company or any other US exchange or clearing system.

(vi) It has received a copy of this Prospectus and has had access to such financial and other information concerning the Company as it has deemed necessary in connection with making its own investment decision to purchase or exercise the New Shares or the Preferential Rights. It acknowledges that neither the Company nor the Underwriters nor any person representing the Company or the Underwriters has made any representation with respect to the Company or the offering or sale of any New Shares or Preferential Rights other than as set forth in the Prospectus, and upon which it is relying solely in making its investment decision with respect to the New Shares or the Preferential Rights. It has held and will hold any offering materials, including the Prospectus, it receives directly or indirectly from the Company or the Underwriters in confidence, and it understands that any such information received by it is solely for it and not to be redistributed or duplicated.

(vii) It, and each other QIB, if any, for whose account it is acquiring the New Shares or the Preferential Rights, in the normal course of business, invest in or purchase securities similar to the New Shares, the Preferential Rights or the Scrips, has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of purchasing any of the New Shares or the Preferential Rights and it is aware that it must bear the economic risk of an investment in each New Share or Preferential Right for an indefinite period of time and is able to bear such risk for an indefinite period.

(viii) It understands that these representations and undertakings are required in connection with United States securities laws.

(ix) It undertakes promptly to notify the Company and the Underwriters if, at any time prior to the closing of the Offering, any of the foregoing ceases to be true.

Terms used in this Section "*United States*" but not otherwise defined above have the meanings given to them by Regulation S.

In addition, until the expiration of the 40-day period beginning on the date of this Prospectus, an offer to sell or a sale of the New Shares or the Preferential Rights within the United States by a

broker/dealer (whether or not it is participating in the Rights Offering) may violate the registration requirements of the Securities Act.

Canada (Alberta, British Columbia, Ontario, Québec)

No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of New Shares, Preferential Rights or Scrips. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the New Shares, the Preferential Rights or the Scrips and any representation to the contrary is an offence.

Except as otherwise provided for herein, this document does not constitute an offer of New Shares, Preferential Rights or Scrips to any Investor in, or who is resident in, Canada, and under no circumstances shall be construed as a public advertisement or public offering in any province or territory in Canada. Any distribution of New Shares, Preferential Rights or Scrips in Canada is being made on a "private placement" basis exempt from the requirement that the Company prepare and file a prospectus with the securities commissions or similar regulatory authorities in Canada. New Shares, Preferential Rights or Scrips may not be offered, sold, taken up, exercised, resold, transferred or delivered in Canada, except that:

(i) this restriction does not apply to Investors in Canada who are notified in writing by the Joint Global Coordinators and the Company that such Investor is eligible to participate in the Offering and receive Preferential Rights and signs and timely delivers to the Joint Global Coordinators and the Company an investor letter; and

(ii) New Shares (including Rump Shares) and Scrips may be offered and sold by the Underwriters to purchasers in the provinces of British Columbia, Alberta, Ontario or Québec that will be deemed to have represented to the Company and the Underwriters that such purchaser is (i) purchasing, or deemed to be purchasing, as principal in accordance with applicable Canadian securities laws, (ii) an accredited investor, as defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions or, in Ontario, subsection 73.3(1) of the Securities Act (Ontario), and (iii) a permitted client, as defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Any sale or resale of New Shares, Preferential Rights or Scrips must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws. Resale restrictions may under certain circumstances apply to resales of the securities outside of Canada.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("**NI 33-105**"), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the Offering.

Lock-up and standstill arrangements

NextGrid Holding agreed to a lock-up undertaking pursuant to which it agrees to not, directly or indirectly, without the prior written consent of the Underwriters, at any time prior to the date which is 90 days after the Closing Date of the Rights Subscription Period:

(i) offer, sell, transfer, contract to sell, charge, lend, assign, grant any option, right or warrant to purchase or agree to offer, sell, lease, transfer, contract to sell, charge, mortgage, pledge, create liens, gift, lend, hypothecate, encumber, enter into any swap or other agreement or transaction which transfers, in whole or in part, any of the voting rights or economic consequences of ownership of the Shares that are owned by NextGrid Holding (which includes for the avoidance of doubt, the Shares that NextGrid Holding is expected to subscribe to in the context of the PIPE) and the New Shares that NextGrid Holding will subscribe to during the Rights Offering (the "**NextGrid Holding Shares**"), assign, grant any option to purchase or

otherwise dispose of, directly or indirectly, any NextGrid Holding Shares or any interests in any NextGrid Holding Shares (or any other securities convertible into or exchangeable for NextGrid Holding Shares or which carry rights to subscribe or purchase NextGrid Holding Shares);

(ii) enter into any transaction (including a derivative transaction) having an effect on the trading of the NextGrid Holding Shares similar to that of a sale; and

(iii) publicly announce any intention to do any of such things referred to in subclauses (i) or (ii) above.

NextGrid Holding also procured that none of its affiliates within the meaning of Article 1:20 BCCA shall do any of such things referred to in subclauses (i), (ii) or (iii) above.

However, nothing in the foregoing will prohibit NextGrid Holding from (i) accepting a public tender offer made to all or substantially all holders of NextGrid Holding Shares, or (ii) transferring NextGrid Holding Shares to a third party provided that the transferee shall enter into similar lock-up arrangements with the Joint Global Coordinators prior to the transfer for the remainder of the lock-up period, or (iii) maintaining any pledge, charge, lien or encumbrance on any NextGrid Holding Shares in the context of any existing financing or creating any pledge, charge, lien or encumbrance on any NextGrid Holding Shares in the context of one or more transactions aimed at financing or re-financing any acquisition or subscription by NextGrid Holding of NextGrid Holding Shares in the Company.

The Company has committed to the Underwriters that it will not, directly or indirectly, for a period of 180 calendar days after the first listing date of the New Shares, except with the prior written consent of the Joint Global Coordinators (acting on behalf of the Underwriters), (i) issue or sell, or attempt to dispose of, or solicit any offer to buy any shares, warrants or other securities or grant any options, convertible securities or other rights to subscribe for or purchase shares or enter into any contract (including derivative transactions) or commitment with like effect or (ii) purchase any of its securities or otherwise reduce its share capital, except within the framework of employee incentive plans in line with past practice.

DEFINITIONS AND GLOSSARY OF SELECTED TERMS

Definitions	
50Hertz	50Hertz Transmission GmbH
50Hertz Offshore	50Hertz Offshore GmbH
A Directors	List of candidates proposed by the class A Shareholders of the Company
ACER Regulation	Recast Regulation (EC) No 2019/942 establishing an Agency for the Cooperation of Energy Regulators (ACER)
AFI Directive	Alternative Fuels Infrastructure Directive 2014/94/EU
AIT	Average interruption time
API	Application Programming Interface
APM	Alternative performance measures
ARegV	The German Ordinance of 29 October 2007 on Incentive Regulation (*Verordnung über die Anreizregulierung der Energieversorgungsnetze*)
Article 203 CIR Taxation Condition	The conditions relating to the taxation of the underlying distributed income, as described in Article 203 of the CIR
Articles of Association	The articles of association of the Company, as last amended on 14 March 2025
BaFin	German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*)
Baltic 1	The first commercial offshore wind farm in the Baltic Sea
Baltic 2	A second grid connection in the Baltic Sea
Base Rate	An updated risk free base interest rate for that specific year
BCCA	The Belgian Code on Companies and Associations
Belgian GAAP	The generally accepted accounting principles in Belgium
Belgian Investor	A private individual with habitual residence in Belgium or a legal entity for the account of its seat or establishment in Belgium
BNetzA	Federal Network Agency for Germany (*Bundesnetzagentur)*
Board of Directors	The board of directors of the Company
BRP	Balance responsible parties
Brugel	The Brussels Commission for Energy ("*Bruxelles Gaz Electricité"/ "Brussel Gas Elektriciteit")*
Brussels Electricity Ordinance	The Belgian Ordinance of 19 July 2001 relating to the organisation of the electricity market in the Brussels-Capital Region
BVerfG	Federal Constitutional Court for Germany (*Bundesverfassungsgericht*)
C Directors	List of candidates proposed by the class C Shareholders of the Company
CAGR	Compound Annual Growth Rate
CBAM	Carbon Border Adjustment Mechanism
CBAM Regulation	Regulation (EU) 2023/956
CCRs	Capacity calculation regions
CEF	Connecting Europe Facility

CER Directive	The upcoming Directive on the resilience of critical infrastructure
CfDs	Contracts for Difference
Chairman	Chairman of the Board of Directors
CHP	Combined heat and power
CIR	Belgian Income Tax Code 1992, as amended from time to time
CJEU	Court of Justice of the European Union
Class A Shares	The class A Shares issued by the Company, the rights of which are summarised in Section "*Description of share capital and articles of association – Share capital and shares – amount of capital, number and categories of shares*". At the date of this Prospectus, all Class A Shares are held by Publipart, as detailed in Section "*Relationship with significant shareholders and related party transactions – Share ownership – Expected shareholding following completion of the PIPE*".
Class B Shares	The Class B Shares issued by the Company, the rights of which are summarised in Section "*Description of share capital and articles of association – Share capital and shares – amount of capital, number and categories of shares*". At the date of this Prospectus, the Class B Shares are held by Publipart, NextGrid Holding and all other Existing Shareholders, as detailed in Section "*Relationship with significant shareholders and related party transactions – Share ownership – Expected shareholding following completion of the PIPE*".
Class C Shares	The Class C Shares issued by the Company, the rights of which are summarised in Section "*Description of share capital and articles of association – Share capital and shares – amount of capital, number and categories of shares*". At the date of this Prospectus, all Class B Shares are held by NextGrid Holding, as detailed in Section "*Relationship with significant shareholders and related party transactions – Share ownership – Expected shareholding following completion of the PIPE*".
Clean Energy Package	The comprehensive update of the EU's energy policy framework adopted in 2019 aiming to facilitate the transition away from fossil fuels towards cleaner energy and to deliver on the EU's Paris Agreement commitments for reducing greenhouse gas emissions
Closing Date of the Rights Subscription Period	3 April 2025, at 4 p.m. CET
Code of Conduct	CREG's electricity code of conduct
Commission's Proposal	The European Commission proposal for a Directive for a common financial transaction tax published on 14 February 2013
Company	Elia Group SA/NV
Conditions for the Application of the Dividend Received Deduction Regime	Article 203 CIR Taxation Condition and the condition that the New Shares of the Company have been or will be held in full ownership for an uninterrupted period of at least one year immediately prior to the payment or attribution of the dividend and the participation condition provided for in Article 202 of the CIR
COP26	The UN Climate Change Conference held in Glasgow in November 2021
CORE	Refers to setup of the CORE capacity calculation region (CORE CCR), covering sixteen TSOs (CORE CCR TSOs) that are active in Central Eastern and Central Western Europe

Coreso	Coreso SA/NV
Corporate Governance Charter	The latest version of the corporate governance charter of the Company adopted by the Board of Directors on 23 July 2024
Corporate Governance Code 2020	The 2020 Belgian corporate governance code
Corporate Governance Decree	The Belgian Royal Decree of 3 May 1999 "*relatif à la gestion du réseau national de transport d'électricité*"/"*betreffende het beheer van het nationaal transmissienet voor elektriciteit*"
CREG	The Commission for Electricity and Gas Regulation (*Commissie voor de Regulering van de Elektriciteit en het Gas/Commission de Régulation de l'Électricité et du Gaz*)
CRM	Capacity remuneration mechanism
CRS	Common Reporting Standard
CWaPE	The Walloon Commission for Energy (*Commission wallonne pour l'Energie)*
CWE	Central Western Europe
DA	Day-ahead
DAC2	Directive 2014/107/EU on administrative cooperation in direct taxation
Digitalisation Act	The German Act of 29 August 2016 on the digitalisation of the energy transition (*Gesetz zur Digitalisierung der Energiewende*)
Dividend Coupon	The right to participate in the dividend distribution with respect to the results of financial year 2024, detached on 19 March 2025 and represented by coupon nr. 23
DSO	Distribution system operator
DTO	Digital Transformation Office
EE Directive	Directive 2012/27/EU on energy efficiency, as amended including by Directive (EU) 2018/2002 and Directive (EU) 2018/844
EEG	The German Renewable Energy Act, as amended (*Erneuerbare Energien Gesetz*)
EEV	The Renewable Energy Ordinance of 17 February 2015 (*Erneuerbare-Energien-Verordnung*)
EGI	Elia Grid International SA/NV
EIB Loans	The two credit facilities provided by the European Investment Bank, including (i) a EUR 100 million facility to support ETB's ongoing capex programme and (ii) a EUR 650 million facility to support the construction of the Princess Elisabeth Island
Electricity Directive	(Recast) Directive (2019/944), as amended
Electricity Law	The Belgian Law of 29 April 1999 "relative à l'organisation du marché de l'électricité"/"betreffende de organisatie van de elektriciteitsmarkt"
Electricity Market Act	The German Electricity Market Act of 29 June 2016 (*Strommarktgesetz*)
Electricity Market Design Reform (EMDR)	The European Commission proposal of 14 March 2023 to reform the EU's power market
Electricity Regulation	(Recast) Regulation (EC) No 2019/943
Elia	The single economic entity of ETB and Elia Asset

Elia Asset	Elia Asset SA/NV
Elia RE	Elia RE S.A.
Energy Efficiency Directive (EED)	Directive 2012/27/EU, as amended by Directive 2018/2002
Energy Taxation Directive	The Energy Taxation Directive 2003/96/EC
energyRe Giga	energyRe Giga-Projects USA Holdings LLC
ENTSO-E	The European Network of TSOs for Electricity
EnWG	The German Energy Industry Act, as amended (*Energiewirtschaftsgesetz)*
EPB Directive	(Recast) Directive 2010/31/EU on the energy performance of buildings, as amended including by Directive (EU) 2018/844
EPC	Energy performance certificates
EPCIP Directive	The European Program for Critical Infrastructure Protection
ES Regulation	The Effort Sharing Regulation ("ESREU) 2018/842
ESG	Environmental, Social and Governance
ESO	Elia System Operator SA/NV
ESR	Regulation of 26 April 2018 on Effort Sharing
ETB	Elia Transmission Belgium SA/NV
ETD	Energy Taxation Directive
EU ETS Directive	The EU Emission Trading System Directive2003/87/EC
EU Taxonomy Delegated Act	Commission Delegated Regulation EU 2021/2139 of 4 June 2021 supplementing Regulation EU 2020/852 of the European Parliament and of the Council
Eurogrid International	Eurogrid International SA/NV
EV	Electrical vehicle
Executive Management Board	Executive management board of the Company
Existing Shareholders	Each shareholder holding shares of the Company at closing of Euronext Brussels on 26 March 2025
Federal Grid Code	The Technical Regulations (as amended) and the Code of Conduct
FEP	Site Development Plan (*Flächenentwicklungsplan)*
Financial Instruments	In the framework of the new FTT proposal, shares (including ordinary and any preference shares) admitted to trading on a trading venue or a similar third country venue, or of other securities equivalent to such shares
Flemish Energy Act	Decree of 8 May 2009 containing general provisions on energy policy, as amended
Fluxys	Fluxys SA/NV
FSMA	The Belgian Financial Services and Market Authority
FTT	Financial transactions tax
Governance Regulation	Regulation (EU) 2018/1999 on the governance of the Energy Union and Climate Action, as amended

Grid Revenue	Revenue from tariffs levied on the use of its electricity transmission networks, as determined by the tariff methodology set by the Group's regulators
Group	The Company and its subsidiaries
HGRT	*Holding des Gestionnaires de Réseau de transport d'électricité*
HVDC	High-voltage direct current
IC	Influenceable costs
ICT	Information and communication technology
ID	Intra-day
IFM	Industry Funds Management
IFRS	International Financial Reporting Standards
IM	Investment measures
Issue Price	The issue price for the New Shares is EUR 61.88
JAO	Joint Allocation Office S.A.
KfW	*Kreditanstalt für Wiederaufbau*
KKA	The capital cost adjustment (*Kapitalkostenabgleich*)
KKA Regime	The capital cost adjustment model
KKauf	*Kapitalskostenaufschlag*
KWKG or CHP Act	Combined Heat and Power Act
Last Mile Connections Revenue	Revenue obtained from direct customer connections to the Group's grid, which adheres to the same payment and contractual terms as Grid Revenue, though it is accounted for separately due to its specific regulatory tariff-setting method.
LTTR	Long Term Transmission Right
Market Abuse Regulation	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
MCAA	Multilateral competent authority agreement
Member State	Any member state of the European Economic Area
MOG	Modular Offshore Grid
MOG II	Domain concession for the construction and operation of electricity transmission facilities in the Princess Elisabeth Zone
MsbG	The German Smart Meters Operation Act *(Messstellenbetriebsgesetz)*
MTF	Multilateral trading facility
National Grid	National Grid plc
NDP	Electricity Network Development Plan 2037/2045
NECPs	National energy and climate plans
NEMoG	*Netzentgeltmodernisierungsgesetz*
NEMOs	The nominated electricity market operators
NEP	Network development plans (*Netzentwicklungspläne)*
NET Scrips Proceeds	The net proceeds from the sale of Scrips (rounded down to a whole eurocent per unexercised Preferential Right) after

	deducting expenses, charges and all forms of expenditure which the Company has to incur for the sale of the Scrips
New Shares	Newly issued ordinary shares in the Company
NextGrid Holding	NextGrid Holding SA/NV
NextGrid Holding Shares	The shares that NextGrid Holding currently owns in the Company (which includes for the avoidance of doubt, the Shares that NextGrid Holding is expected to subscribe to in the context of the PIPE) and the New Shares that NextGrid Holding will subscribe to during the Rights Offering
NI 33-105	National Instrument 33-105 Underwriting Conflicts
NIS 2 Directive	Directive 2022/2555 of 14 December 2022
NIS Directive	The EU Network and Information Security Directive (2016/1148)
NRA	National Regulatory Authorities
Offering	The public offering to Existing Shareholders and any holders of Preferential Right to subscribe to New Shares and the Scrips Private Placement
Offshore Grid Surcharge	The revenues for the recovery of costs incurred by 50Hertz due to the obligation to connect offshore windfarms (so-called '*Offshore-Netzumlage'* or 'revenue from offshore regulation')
OFPs	Organisations for financing pensions
OLO	Obligation linéaire – lineaire obligatie – straight-line obligation
OLO10Y	Evolution of the annual daily average of the 10-year Belgian linear bond rate
O-NEP	The offshore network development plan (*Offshore-Netzentwicklungsplan)*
Order	Article 19(5) of the UK FSMA, (Financial Promotion) Order 2005, as amended
Ostwind 1	An offshore cluster connection approved by BNetzA in the O-NEP
Ostwind 2	BNetzA-approved three additional cable systems and associated onshore and offshore substations in the Cluster Westlich Adlergrund
Other Revenue	Revenue that includes third-party consultancy services and commission fees
Participating Member States	In the framework of the Commission's Proposal, Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia
PCI	(European) Project of common interest
PE	(Belgian) permanent establishment
PIPE	The capital increase with disapplication of preferential subscription rights in favour of certain investors executed by the Company on or around the date of this Prospectus in accordance with the terms and conditions of the subscription agreements entered into between the Company, Publi-T and ATLAS, BlackRock and CPP Investments
PMIs	Projects of mutual interest
PNIC	Permanently non-influenceable costs
PPA	Power Purchase Agreement

Preferential Right	The extra-legal preferential right to subscribe to New Shares
Prospectus	This prospectus, which sets out the terms of the Offering, including its schedules
Prospectus Law	The Belgian Law of 11 July 2018 on the public offering of securities and the admission of securities to trading on a regulated market as amended
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017
Publipart	Publipart SA/NV
Publi-T	Publi-T SC/CV
QIBs	Qualified institutional buyers as defined in Rule 144A under the Securities Act
RAB	Regulated Asset Base
Ratio	The ratio of 1 New Share for 4 Preferential Rights for which holders of Preferential Rights are entitled to subscribe to the New Shares
RCCs	Regional coordination centres
re.alto	re.alto-Energy SRL/BV
RED Directive	Renewable Energy Directive 2009/28/EC, as amended.
Regulation S	Regulation S under the Securities Act
REMIT	Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) No 1227/2011 and (EU) 2019/942 to improve the Union's protection against market manipulation in the wholesale energy market
RES	Renewable energy sources
RES Directive	(Recast) Directive (EU) 2018/2001on the promotion of the use of energy from renewable sources, as amended
Rights Offering	The public offering to Existing Shareholders and any holders of a Preferential Right to subscribe to New Shares
Rights Subscription Period	The subscription period for the New Shares from 27 March 2025, at 9 a.m. CET up to and including 3 April 2025, at 4 p.m. CET
Risk-Preparedness Regulation	Regulation (EU) 2019/941 on risk-preparedness in the electricity sector
RoE	Return on equity
ROP	*Raumordnungsplan*
RPT-Procedure	
Rule 144A	Rule 144A under the Securities Act
Scrips	Scrips resulting from the conversion into an equal number of Preferential Rights that are not exercised during the Rights Subscription Period
Scrips Private Placement	The offer for sale of the Scrips in a private placement to institutional investors that is expected to start on or about 4 April 2025 and to end on the same date
Securities Act	The US Securities Act of 1933
Shares	All the shares held in the Company

Stock Exchange Tax Representative	A stock exchange tax representative in Belgium
StromNEV	The German Ordinance of 25 July 2005 on Electricity Network Tariffs (*Verordnung über die Entgelte für den Zugang zu Elektrizitätsversorgungsnetzen)*
StromNZV	The German Ordinance of 25 July 2005 on Electricity Network Access (*Verordnung über den Zugang zu Elektrizitätsversorgungsnetzen)*
Takeover Law	The Belgian Law of 1 April 2007 on public takeover bids
Takeover Royal Decree	The Belgian Royal Decree of 27 April 2007 on public takeover bids
Technical Regulations	The Royal Decree of 22 April 2019, containing technical regulation for the operation of the transmission system and access to it
TEN-E Regulation	Regulation 347/2013 on guidelines for trans-European energy infrastructure
TERP	The theoretical ex-right price
TNIC	Temporarily non-influenceable costs
TPA	Third party access
Transparency Law	The Belgian law of 2 May 2007 on the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions
TSO	Transmission system operator
UK FSMA	The Financial Services and Markets Act 2000
Underwriters	BNP Paribas Fortis SA/NV, Citigroup Global Markets Limited, Goldman Sachs International, Belfius Bank SA/NV, J.P. Morgan SE, Morgan Stanley & Co. International plc and KBC Securities NV
Underwriting Agreement	The underwriting agreement which the Company and the Underwriters entered into on 25 March 2025
Vice Chairman	Vice chairman of the Board of Directors
VREG	The Flemish Regulator for the Electricity and Gas Markets (*Vlaamse Regulator van de Elektriciteits- en Gasmarkt*)
Walloon Electricity Act	The Decree of 12 April 2001 regarding the organisation of the regional electricity market, as amended
WindGrid	WindGrid SA/NV
Xgen	Annual adjustment by a general productivity factor
Xind	Individual efficiency value

Glossary of selected terms

In addition to the above definitions, the following explanations are provided in order to assist the reader to understand the most important terms used in this Prospectus (and are not intended as technical definitions):

AIT	Average interruption time, which is the quality indicator for lasting power interruptions, expressed in minutes/customer per year.
Ancillary services	The services for primary control, secondary control, tertiary reserve, regulation of the voltage and the reactive power, congestion management and black start.

Balance Responsibility Contract	The contract concluded between Elia and a BRP concerning the balancing obligations of the BRP for the Injections and Off-takes of electricity within its responsibility.
Belpex	The Belgian day-ahead power exchange, to be incorporated by the Company as majority shareholder, in partnership with APX (the Amsterdam power exchange), Powernext (the French power exchange), TenneT (the Dutch Transmission System Operator) and probably RTE (the French Transmission System Operator).
Black start service	An ancillary service for restoring the power system after a black-out assuring the availability of generation means fit to start and to supply electricity to the network without the need for external electricity supply from the network.
Combined heat and power (CHP)	CHP or cogeneration is an energy conversion process, where electricity and useful heat are produced simultaneously in one process. CHP heat can be used either for district heating or for industrial processes. The CHP process may be based on the use of steam or gas turbines or combustion engines. The primary energy source can be a wide range of fuels, including biomass and fossil fuels, as well as geothermal or solar energy.
Congestion Management	All the measures taken by electricity network operators to alleviate capacity constraints on the network and maximise the availability of network capacity to the market actors.
Connection Contract	The agreement entered into between Elia and the network users, which provides for the rights and obligations of Elia and the network users regarding the connection, including the relevant technical specifications.
Distribution	The transport of electricity on networks with a view to its delivery to customers on voltages up to 70kV in the Flemish Region, lower than 36kV in the Brussels-Capital Region and lower than 30kV in the Walloon Region, with the exception of the supply to these customers.
Distribution network	The electricity network, consisting of overhead lines, underground cables, substations and other equipment necessary to enable the transport of electricity at voltages up to 70kV in the Flemish Region, lower than 36kV in the Brussels-Capital Region and lower than 30kV in the Walloon Region.
Distribution system operator (DSO)	A natural or legal person responsible for operating, maintaining and developing a distribution system in a given area and, where applicable, its interconnections with other systems in order to seek to ensure the long-term ability of the system to meet reasonable demands for the distribution of electricity.
Electricity demand	The total consumption of electrical energy in a given geographical area during a given period of time.
Eligible customers	Customers who are free to purchase electricity from the supplier of their choice, as per the Electricity Act.
EMF	Electric and magnetic fields.
Extra high-voltage (electricity) network	The 380kV to 150kV electricity network.
Generation	The production of electricity.
Green certificates	Tradable certificates that are allocated to producers of renewable energy (green electricity).

Grid Code	The technical rules (either at a federal level or at a regional level) governing the operation, the access to and the use of the electricity network and the respective rights and obligations of the network users (generators, traders, suppliers and end users) and of the transmission or distribution system operators.
GW	Stands for gigawatt. One gigawatt corresponds to 1 billion watts.
High-voltage (electricity) network	The 30kV to 70kV electricity network.
Injection	The injection of electricity into the network.
Interconnectors	The equipment (mostly overhead lines) used to connect electricity networks between neighboring countries that are operated by system operators.
kV	Stands for kilovolt. One kilovolt corresponds to 1000 volts.
kWh	Stands for kilowatt hour, which is a unit of energy equal to 3.6 megajoules.
KWKG	Gesetz zur Förderung der Kraft-Wärme-Kopplung (KWKG 2009).
Local Transmission	The transport of electricity on the electricity network of a tension of 30 up to 70kV in the Walloon Region.
Metering	The activity that consists in measuring Off-takes and/or Injections of a network user from and/or into the network.
MW	Stands for megawatt. One megawatt corresponds to 1 million watts.
Nomination	The activity of providing, in accordance with the Balance Responsibility Contract, schedules to Elia which comprise the tables indicating the quantity of active power per time frame to be injected and/or off-taken for such day.
Off-take	The off-take of electricity from the network.
Power Hub	A bilateral market platform to exchange electricity between BRPs.
Power Station	An industrial installation that is able to generate electricity.
Regional Transmission	The transport of electricity on the electricity network of a tension of 30-36kV in the Brussels-Capital Region.
Regulated Asset Base (RAB)	The Regulated Asset Base, which corresponds to the iRAB plus investments minus depreciation minus divestments minus decommissioning plus/minus change in working capital need of successive years.
Renewable Energy Sources ("RES")	Renewable non-fossil energy sources (wind, solar, geothermal, wave, tidal, hydropower, biomass, landfill gas, sewage treatment plant gas, biogases, etc.).
Retail Supplier	A person who produces or buys electricity in order to sell it to one or more end users.
Return on Equity (adj.)	Determined as the result of attributable to ordinary shareholder/ Equity attributable to owners of ordinary shares adjusted for the value of the future contracts (hedging reserve)
Settlement	The process that handles the calculation of the invoicing to customers related to the contracts.
Subscription	The yearly and monthly reservation of capacity for Injection and/or Off-take points directly connected to the Company's network on a use it or lose it basis.

Supply	The sale, including resale, of electricity to end-users.
Trader	A person, other than a producer or a distributor, who buys electricity in order to resell it.
Transmission	The transport of electricity on the very high-voltage and, except if otherwise defined by regional regulation, high-voltage interconnected network with a view to its delivery to final customers or to distributors, but not including supply.
Transmission network	The electricity network, consisting of overhead lines, underground cables, substations and other equipment necessary to enable the transmission of electricity at the voltages of 30kV to 380kV.
Transmission system operator (TSO)	A natural or legal person responsible for operating, maintaining and, when necessary, developing a Transmission network in a given area and, where applicable, its interconnections with other networks, in order to seek to ensure the long-term ability of the network to meet reasonable demands for the transmission of electricity.
TW	Stands for terawatt. One terawatt corresponds to 1 trillion watts.
W	Stands for watt, which is a derived unit of power in the International System of Units (SI) and measures the rate of energy conversion.

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