

## **EDP Servicios Financieros España, S.A.**

Independent auditor's report,  
Annual accounts as at 31 December 2024  
Management report for 2024



*This version of our report is a free translation of the original, which is prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

## Independent auditor's report on the annual accounts

To the sole shareholder of EDP Servicios Financieros España, S.A. (Unipersonal Company)

### Report on the annual accounts

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#### Opinion

We have audited the annual accounts of EDP Servicios Financieros España, S.A. (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2024, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

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#### Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

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#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Tel.: +34 985 208 550 / +34 902 021 111, Fax: +34 985 272 547, [www.pwc.es](http://www.pwc.es)

Key audit matters	How our audit addressed the key audit matters
<p><b>Assessment of the recoverability of loans to group, associated and related companies</b></p> <p>As indicated in note 1 of the annual accounts, the Company's main activity is to obtain funds to finance EDP Group companies.</p> <p>In this regard, as of 31 December 2024, the Company has loans granted to group companies, associates and related companies that are presented under the headings "Loans to companies" included in "Long-term investments in group companies, associates and related companies" and "Short-term investments in group companies, associates and related companies" of the balance sheet for an amount of 7,348,012,600 and 680,205,627 euros, respectively (notes 6 and 12 of the annual accounts).</p> <p>At the time of recognition, the Company measures these investments at fair value and, subsequently, at amortized cost (note 4.a. of the annual accounts).</p> <p>At the end of the year, the Company analyses the existence of signs of impairment in the loans granted to group companies, associates and related companies. In this assessment, the Company considers, among others, the borrower's financial position, results and working capital (current assets less current liabilities), its credit rating, if applicable, and other events or situations that have occurred during the year (note 2.d. to the annual accounts).</p> <p>If management identifies objective evidence that an impairment loss has occurred, impairment corrections are made on loans to group companies, related parties and associates. The amount of the impairment loss is the difference between the book value of the loan and the present value of the estimated future cash flows.</p> <p>The Company's management has not recorded any impairment corrections on these investments as of 31 December 2024.</p> <p>The significance of the book value of these investments has made us consider this issue as a key audit matter.</p>	<p>Our audit procedures have included, among others, the following:</p> <ul style="list-style-type: none"> <li>• Obtaining and understanding the contracts relating to the loans granted to group companies, associates and related parties.</li> <li>• Understanding the process of recognition and analysis of the recoverability of the loans granted to group companies, associates and related parties, checking that the criteria used are consistent with the applicable financial reporting framework.</li> <li>• Verifying that the calculations of the amortized cost of the loans, carried out by the Company's management, have been carried out in accordance with the content of the respective contracts and as described in note 4.a of the annual accounts.</li> <li>• Confirmation of existing balances with group, associated and related companies at the end of the year.</li> <li>• Evaluation of the analysis carried out by management on the payment capacity of the different group companies, associates and related parties with which the Company maintains loans.</li> <li>• Evaluation that the information disclosed in relation to this matter complies with the requirements of the financial information financial reporting framework applicable to the Company.</li> </ul> <p>Based on the procedures carried out, we have not identified any relevant aspects worth highlighting regarding the valuation of these credits.</p>

Key audit matters	How our audit addressed the key audit matters
<p><b>Verification of the accounting record of the bonds issuance carried out in the financial year</b></p> <p>As indicated in note 10 of the annual accounts, in 2024 the Company issued bonds under the EDP Group Debt Programme for a nominal amount of 750 million euros and maturing in July 2030 (ISIN code XS2747766090).</p> <p>As indicated in note 4.a) of the annual accounts, these issuances are recorded at fair value upon initial recognition and subsequently at amortised cost.</p> <p>As of 31 December 2024, the Company has recorded these bonds under the headings "Bonds and other marketable securities" included in "Long-term debts" and "Short-term debts" of the liabilities in the accompanying balance sheet.</p> <p>Given the significance and relevance of this transaction, we have considered it a material aspect in our audit.</p>	<p>Our audit procedures to address this matter have included, among others, the following:</p> <ul style="list-style-type: none"> <li>• Understanding the process implemented by the Company for recording transactions in the capital markets.</li> <li>• Examining the contractual terms of the issuance in order to analyze its conditions and its accounting recognition at fair value at the time of its issuance.</li> <li>• Verifying that the accounting record of the issue is in accordance with the applicable financial reporting framework.</li> <li>• Obtaining the bank documentation proving the cash collection for the issuance.</li> <li>• Verifying the calculations made by the Company to determine the amortized cost of the bonds at the end of the year.</li> <li>• Evaluating that the information disclosed in relation to this matter complies with the requirements of the financial reporting framework applicable to the Company.</li> </ul> <p>Based on the procedures performed, we have not identified any relevant aspect to highlight regarding the recording of the bond issue made.</p>

#### Other information: Management report

Other information comprises only the management report for the 2024 financial year, the formulation of which is the responsibility of the Company's sole director and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the management report and the annual accounts as a result of our knowledge of the entity obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of the management report is in accordance with applicable regulations. If, based on the work we have

performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described in the previous paragraph, the information contained in the management report is consistent with that contained in the annual accounts for the 2024 financial year, and its content and presentation are in accordance with the applicable regulations.

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**Responsibility of the sole director and the “Comissão para as Matérias Financeiras-Comissão de Auditoria” of the Group Parent Company, EDP, S.A. for the annual accounts**

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The sole director is responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the aforementioned sole director determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

The “Comissão para as Matérias Financeiras-Comissão de Auditoria” of the Group Parent Company, EDP, S.A. is responsible for overseeing the process of preparation and presentation of the annual accounts.

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**Auditor's responsibilities for the audit of the annual accounts**

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Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

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

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

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

We communicate with the “Comissão para as Matérias Financeiras-Comissão de Auditoria” of the Group Parent Company, EDP, S.A. regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the “Comissão para as Matérias Financeiras-Comissão de Auditoria” of the Group Parent Company, EDP, S.A. with a statement that we have complied with ethical requirements relating to independence and we communicate with the aforementioned those matters that may reasonably be considered to threaten our independence and, where applicable, the safeguards adopted to eliminate or reduce such threat.

From the matters communicated with the “Comissão para as Matérias Financeiras-Comissão de Auditoria” of the Group Parent Company, EDP, S.A., we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Report on other legal and regulatory requirements

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### Report to the “Comissão para as Matérias Financeiras-Comissão de Auditoria” of the Group Parent Company, EDP, S.A.

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The opinion expressed in this report is consistent with the content of our additional report to the “Comissão para as Matérias Financeiras-Comissão de Auditoria” of the Group Parent Company, EDP, S.A. dated 26 February 2025.

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### Appointment period

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The sole shareholder on 28 June 2024 appointed us as auditors for a period of three years, as from the year ended 31 December 2024.

Previously, we were appointed by the sole shareholder for a period of three years and we have audited the accounts continuously since the year ended 31 December 2018.



EDP Servicios Financieros España, S.A.

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**Services provided**

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Services provided to the audited entity for services other than the audit of the accounts are disclosed in note 14 to the annual accounts.

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PricewaterhouseCoopers Auditores, S.L. (S0242)

Originally signed in Spanish by

Jordi Toscas Vigara (23239)

26 February 2025

**EDP Servicios Financieros España, S.A.**  
(Unipersonal Company)

Annual Report as at 31 December 2024  
and Management Report for 2024



**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

**BALANCE SHEET AS AT 31 DECEMBER 2024**

(Expressed in euros)

<b>ASSETS</b>	<b>2024</b>	<b>2023</b>
<b>NON-CURRENT ASSETS</b>	<b>7,711,160,652</b>	<b>3,450,584,372</b>
<b>Long-term investments in group companies, associates and related parties</b>	<b>7,710,346,475</b>	<b>3,449,020,575</b>
Loans to companies (Notes 6 and 12)	7,348,012,600	3,449,020,575
Derivatives (Notes 6 and 7)	220,209	-
Other financial assets (Note 6)	362,113,666	-
<b>Deferred tax assets (Note 11)</b>	<b>814,177</b>	<b>1,563,797</b>
<b>CURRENT ASSETS</b>	<b>1,067,817,228</b>	<b>849,620,766</b>
<b>Investments in group companies, associates and related parties</b>	<b>689,869,594</b>	<b>395,757,941</b>
Loans to companies (Notes 6 and 12)	680,205,627	395,757,941
Other financial assets (Notes 6 and 12)	9,663,967	-
<b>Short-term financial investments (Note 6)</b>	<b>1,000</b>	<b>1,000</b>
<b>Trade and other receivables (Note 6)</b>	<b>4,831,763</b>	<b>3,356,172</b>
Client group companies, associates and related parties	4,509,239	3,166,556
Sundry receivables	313,492	182,584
Other trade receivables	7,032	7,032
Staff	2,000	-
<b>Short-term accruals</b>	<b>3,059</b>	<b>3,059</b>
<b>Cash and cash equivalents (Note 8)</b>	<b>373,111,812</b>	<b>450,502,594</b>
Cash and banks	373,111,812	450,502,594
<b>TOTAL ASSETS</b>	<b>8,778,977,880</b>	<b>4,300,205,138</b>

The accompanying notes are an integral part of the annual accounts for the financial year ended 31 December 2024.

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

**BALANCE SHEET AS AT 31 DECEMBER 2024**

(Expressed in euros)

<b>EQUITY AND LIABILITIES</b>	<b>2024</b>	<b>2023</b>
<b>EQUITY</b>	<b>529,215,426</b>	<b>519,652,506</b>
<b>Shareholders' equity (Note 9)</b>	<b>531,350,753</b>	<b>519,652,506</b>
Capital	10,300,058	10,300,058
Legal reserve	2,060,012	2,060,012
Other reserves	507,292,436	490,901,680
Profit/(loss) for the financial year	11,698,247	16,390,756
<b>Adjustments due to change in value</b>	<b>(2,135,327)</b>	<b>-</b>
Hedging operations	(2,135,327)	
<b>NON-CURRENT LIABILITIES</b>	<b>6,083,388,823</b>	<b>2,542,937,547</b>
<b>Long-term debt (Note 10)</b>	<b>2,307,984,722</b>	<b>1,410,395,469</b>
Bonds and other marketable securities	2,082,984,722	1,335,395,469
Debts with credit institutions	225,000,000	75,000,000
<b>Long-term payables to group companies, associates and related parties</b>	<b>3,775,404,101</b>	<b>1,132,542,078</b>
Financial debt (Notes 10 and 12)	3,772,556,998	1,132,542,078
Derivatives (Notes 7,10 and 12)	2,847,103	-
<b>CURRENT LIABILITIES</b>	<b>2,166,373,631</b>	<b>1,237,615,085</b>
<b>Short-term debt (Note 10)</b>	<b>52,329,091</b>	<b>12,240,151</b>
Bonds and other marketable securities	51,694,292	11,780,452
Debts with credit institutions	634,799	459,699
<b>Short-term payables to group companies, associates and related parties</b>	<b>2,109,840,743</b>	<b>1,215,743,819</b>
Financial debt (Notes 10 and 12)	2,108,975,194	1,215,743,819
Derivatives (Notes 7,10 and 12)	865,549	-
<b>Trade and other payables (Note 10)</b>	<b>4,203,797</b>	<b>9,631,115</b>
Sundry suppliers and creditors (Note 10)	2,254,869	4,153,215
Suppliers, group companies, associates and related parties	1,825,843	5,266,329
Staff (outstanding remuneration)	98,562	56,167
Other amounts payable to Public Administrations (Note 11)	24,523	155,404
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,778,977,880</b>	<b>4,300,205,138</b>

The accompanying notes are an integral part of the annual accounts for the financial year ended 31 December 2024.

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

**INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

(Expressed in euros)

<b>INCOME STATEMENT</b>	<b>2024</b>	<b>2023</b>
<b>Net turnover</b>	<b>273,882,117</b>	<b>127,787,393</b>
Financial income (Notes 6 and 13)	273,870,160	127,776,401
Provisions of services (Note 12)	11,957	10,992
<b>Supplies (Notes 10)</b>	<b>(263,242,062)</b>	<b>(104,355,341)</b>
Financial expenses	(263,242,062)	(104,355,341)
<b>Staff expenses (Note 13)</b>	<b>(467,820)</b>	<b>(64,216)</b>
Wages, salaries and similar	(411,488)	(62,775)
Social costs	(56,332)	(1,441)
<b>Other operating expenses</b>	<b>(807,200)</b>	<b>(426,282)</b>
External services (Note 13)	(722,248)	(250,285)
Taxes	(79,541)	(175,997)
Other current administrative expenses	(5,411)	-
<b>OPERATING PROFIT/(LOSS)</b>	<b>9,365,035</b>	<b>22,941,554</b>
<b>Change in fair value of financial instruments (Note 12)</b>	<b>(645,340)</b>	<b>-</b>
<b>Exchange differences (Notes 6 and 10)</b>	<b>6,883,841</b>	<b>(1,087,213)</b>
<b>NET FINANCIAL INCOME/(EXPENSE)</b>	<b>6,238,501</b>	<b>(1,087,213)</b>
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>15,603,536</b>	<b>21,854,341</b>
<b>Corporate income tax (Note 11)</b>	<b>(3,905,289)</b>	<b>(5,463,585)</b>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	<b>11,698,247</b>	<b>16,390,756</b>

The accompanying notes are an integral part of the annual accounts for the financial year ended 31 December 2024.

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024**  
(Expressed in euros)

**a) Statement of Recognised Income and Expenses for the financial year ended 31 December 2024.**

	Euro	
	2024	2023
<b>Results in the income statement</b>	<b>11,698,247</b>	<b>16,390,756</b>
<b><u>Income and expenses directly recognised in equity</u></b>		
Due to cash flow hedges	(2,847,103)	-
Tax effect	711,776	-
	<b>(2,135,327)</b>	<b>-</b>
<b>Total recognised income and expenses</b>	<b>9,562,920</b>	<b>16,390,756</b>

**b) Statement of Changes in Total Equity for the financial year ended 31 December 2024.**

	Authorised capital	Reserves	Profit/(loss) for the financial year	Interim dividend	Adjustments due to change in value	Total
<b>Balance as at 31 December 2022</b>	<b>10,300,058</b>	<b>490,598,559</b>	<b>42,363,133</b>	<b>(40,000,000)</b>	<b>-</b>	<b>503,261,750</b>
Total recognised income and expenses	-	-	16,390,756	-	-	16,390,756
Other changes in equity		2,363,133	(42,363,133)	40,000,000	-	-
<b>Balance as at 31 December 2023</b>	<b>10,300,058</b>	<b>492,961,692</b>	<b>16,390,756</b>	<b>-</b>	<b>-</b>	<b>519,652,506</b>
Total recognised income and expenses	-	-	11,698,247	-	(2,135,327)	9,562,920
Other changes in equity	-	16,390,756	(16,390,756)	-	-	-
<b>Balance as at 31 December 2024</b>	<b>10,300,058</b>	<b>509,352,448</b>	<b>11,698,247</b>	<b>-</b>	<b>(2,135,327)</b>	<b>529,215,426</b>

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**  
**CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

(Expressed in euros)

	Notes	2024	2023
<b>Profit/(loss) for the financial year before tax</b>		<b>15,603,536</b>	<b>21,854,341</b>
<b>Adjustments to results</b>		<b>(16,866,599)</b>	<b>(22,333,847)</b>
Exchange rate differences	Notes 6 and 10	(6,883,841)	1,087,213
Financial income	Note 6	(273,870,160)	(127,776,401)
Financial expenses	Note 10	263,242,062	104,355,341
Change in fair value of financial instruments	Note 6	645,340	-
<b>Changes in working capital</b>		<b>(5,109,542)</b>	<b>1,401,295</b>
Debtors and other receivables		(1,550,237)	(9,684)
Creditors and other payables		(3,559,305)	1,410,979
<b>Other cash flows from operating activities</b>		<b>1,595,695</b>	<b>37,894,694</b>
Interest receipts		198,656,747	103,131,412
Interest payments		(184,260,380)	(51,892,859)
Other receipts (payments)		(8,488,766)	-
Corporate income tax payments		(4,311,906)	(13,343,859)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>(4,776,910)</b>	<b>38,816,984</b>
Investment payments in the group companies, associates and related parties	Note 12	(4,497,295,279)	(1,275,106,707)
Payments for the purchase of bonds		(362,179,547)	-
Receipts from divestment of other financial assets	Note 12	389,000,000	450,000,000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(4,470,474,826)</b>	<b>(825,106,707)</b>
Issuance of debt to group companies, associates and related parties	Note 12	3,697,547,642	300,000,000
Redemption of debt to group companies, associates and related parties	Note 12	(199,038,482)	(1,825,276,035)
Issuance of bonds and other marketable securities		743,047,500	1,332,660,000
Issuance of debt to credit institutions	Note 10	150,000,000	75,000,000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>4,391,556,660</b>	<b>(117,616,035)</b>
<b>Effect of foreign exchange fluctuations</b>		<b>6,304,294</b>	<b>(1,087,213)</b>
<b>Net increase/(decrease) in cash or cash equivalents</b>		<b>(77,390,782)</b>	<b>(904,992,971)</b>
Cash and cash equivalents at beginning of the financial year		450,502,594	1,355,495,565
Cash and cash equivalents at the end of the financial year		373,111,812	450,502,594

The accompanying notes are an integral part of the annual accounts for the financial year ended 31 December 2024

## EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)

Annual accounts report as at 31 December 2024

### 1. Historical background and business activity

EDP Servicios Financieros España, S.A. (Unipersonal Company) (hereinafter, the Company) was incorporated on 5 March 1992 for an indefinite period by means of a public deed executed before the Notary of Oviedo, Teodoro Azaustre Torrecilla. Its registered office is at Plaza del Fresno 2, Oviedo.

On 28 June 2011, the current corporate name of the Company was agreed and its legal form was changed to a public limited company.

On 22 July 2011, the Spanish Branch of EDP Energias de Portugal Sociedade Anónima acquired from Hidroeléctrica del Cantábrico, S.A. all the shares of EDP Servicios Financieros España, S.A.U.. Since then, the Spanish Branch of EDP Energias de Portugal Sociedade Anónima has been the Company's sole shareholder.

The Company's corporate object is described in Article 2 of its Articles of Association, which were amended on 28 June 2011, as follows:

- The purchase and sale of fuels for energy production and the purchase and sale of natural gas from authorised suppliers, as well as ancillary activities for such purposes.
- To hedge the risk of power price fluctuations.
- To manage the power output of generation plants through any form of contracting and the presentation of offers for the sale and acquisition of energy in the production market, either on its own behalf, as a market agent, prior to meeting the requirements to achieve such status, or on behalf of any market agent.
- To provide commercial advice relating to electricity and gas supply activities.
- To manage power exchanges; marketing of social activities, shareholdings in companies primarily engaged in producing electricity in Spain and the sale of electric power to end customers under the terms of Law No. 54/1997, as well as the sale of natural gas to end customers.
- To engage in financial markets to obtain funds and resources to finance the activities of the group companies, associates and related parties, and their subsidiaries or investees. To grant loans and/or credit lines or other forms of unsecured funding to group companies, subsidiaries or investees. To grant guarantees in favour of group companies, subsidiaries or investees for funding purposes, as well as any other kind of collateral and/or bank guarantee.
- To manage and administer securities issued by entities not resident in Spanish territory.
- To manage financial risks, exchange rate risks, risks associated with raw materials and/or commodities, both for the company itself and for the group companies and its subsidiaries or investees.
- Any other activity the Company may decide to undertake, within the scope of its corporate object.

The activities that comprise the corporate object may be carried out by the Company, either totally or partially, indirectly, through the ownership of shares or holdings in companies having similar or identical objects.

In 2024 and 2023, the Company's main activity consisted of obtaining funds to finance EDP Group companies.

## 2. **Basis of presentation of the annual accounts**

### a) ***Fair presentation***

The annual accounts have been prepared on the basis of the Company's accounting records. The annual accounts for the 2024 financial year have been prepared in accordance with current commercial legislation and with the standards established in the General Accounting Plan approved by Royal Decree No. 1514/2007 and the amendments incorporated therein, the latest being those incorporated by Royal Decree No. 1/2021, of 12 January, in force for financial years beginning on or after 1 January 2021, aiming to provide a true and fair view of the Company's equity, financial position and results, as well as the accuracy of the cash flows included in the cash flow statement.

The Sole Director of the Company estimates that the annual accounts for the 2024 financial year will be approved by the Sole Shareholder without any changes.

### b) ***Comparison of information***

For comparative purposes, the annual accounts present, for each item in the balance sheet, income statement, statement of changes in equity, cash flow statement and accompanying notes, in addition to the figures for the 2024 financial year, those corresponding to the previous financial year that were included in the 2023 annual accounts.

### c) ***Functional and presentation currency***

The annual accounts are presented in euros, rounded to the nearest unit, since this is the Company's functional and presentation currency.

### d) ***Critical issues in the assessment and estimation of uncertainties and relevant judgements in the application of accounting policies.***

The preparation of the annual accounts requires the application of relevant accounting estimates, judgements, assumptions and hypotheses in the process of applying the Company's accounting policies. In this sense, a summary is provided below detailing the aspects that have involved a greater degree of judgement or complexity, or in which the assumptions and estimates are relevant for the preparation of the annual accounts.

#### ***Relevant accounting estimates and assumptions***

The main estimates considered are those referring to the assumptions used for the calculation of the fair value and the recoverable value of the financial instruments (Note 4.a)).

#### **Fair value of financial assets and liabilities**

Fair value is defined as the price that would be received for the sale of an asset, or paid to transfer or settle a liability, in an ordered transaction between market participants on the valuation date. Fair value is calculated without deducting any transaction costs that may be incurred due to disposal or settlement by other means. The fair value of issued bonds is determined using the market price available at the end of the financial year.

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Recoverability of loans granted to group companies, associates and related parties

At the end of the financial year, the Company carries out an assessment of the recoverability of the loans granted to the different group companies, associates and related parties, all of which belong to the EDP Group, whose parent company is EDP, S.A.

In this assessment, the Company considers, among others, the equity of said companies, the results for the financial year, the cash flows, as well as other relevant indicators such as the working capital, the credit rating (if any) and other events or situations that have occurred during the financial year.

The necessary valuation adjustments are carried out, at least, at the end of the financial year and whenever there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics valued collectively, has been impaired as a result of one or more events occurring after their initial recognition, causing a reduction or delay in estimated future cash flows, which may be triggered by the insolvency of the debtor.

**Changes in estimates**

Even though the estimates made by the Company's Sole Director have been calculated based on the best information available as of 31 December 2024, it is possible that future events may require them to be changed in the coming years. The effect on annual accounts of any changes arising from adjustments to be made in the coming years will be recorded a prospective basis.

**e) Financial statements under IFRS EU** *(International Financial Reporting Standards as adopted by the European Union)*

The Company has issued securities listed on a regulated market within the European Union and only publishes individual annual accounts.

Pursuant to the Sole Director's assessment, the application of IFRS standards in the preparation of the Company's annual accounts would not lead to any difference in the result recorded in the Company's profit and loss account, regarding that stated in these annual accounts, which are presented under the standards established in the General Accounting Plan approved by Royal Decree No. 1514/2007 and the amendments therein. Likewise, this application would not lead to any difference in the Net Equity presented in the Company's accompanying balance sheets as of 31 December 2024 and 2023. This includes the assessment of the effects of an eventual adoption of IFRS 9, which would have no significant impact.



**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)****Annual accounts report as at 31 December 2024****f) Going concern**

As at 31 December 2024, the Company has a positive result, is in compliance with the payment of all its obligations and has a net equity of 539 million euros, much higher than its share capital. Notwithstanding, it has a negative working capital of 1,098,557 thousand euros (387,994 thousand euros as of 31 December 2023).

The liquidity policy followed by the Company and its group guarantees the fulfilment of the undertaken payment commitments by maintaining sufficient credit facilities and access to the credit facilities of EDP, S.A., the ultimate parent company of the EDP Group. Accordingly, in terms of the recorded long- and short-term debt from the bonds issued, there is an agreement with the company EDP Energias de Portugal, S.A. whereby, as long as the Company has outstanding instruments in the bond issuance programme, EDP, S.A. shall provide sufficient funds to cover the Company's respective payment obligations, should the Company be unable to meet them.

Given all of the above, the Sole Director does not consider that there is a significant liquidity risk, as the liability balances with EDP group companies can be managed, if necessary, in such a way that their enforceability does not produce any risk of overdraft for the Company. Therefore, as in previous years, these annual accounts have been prepared under the principle of a going concern.

**3. Distribution of profit/(loss)**

The proposed distribution of the Company's results for the financial year ended 31 December 2024, drawn up by the Sole Director of the Company and pending approval by the Sole Shareholder, is as follows:

	<b>Euro</b>
	<b>2024</b>
<b><u>Available for distribution</u></b>	
Profit and loss: Benefits	11,698,247
	<b>11,698,247</b>
<b><u>Distribution</u></b>	
Voluntary reserves	11,698,247
	<b>11,698,247</b>

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)****Annual accounts report as at 31 December 2024**

The distribution of results for the 2023 financial year, approved by the Sole Shareholder on 28 June 2024, was as follows:

	<b>Euro</b>
	<b>2023</b>
<b><u>Available for distribution</u></b>	
Profit and loss: Benefits	16,390,756
	<b>16,390,756</b>
<b><u>Distribution</u></b>	
Voluntary reserves	16,390,756
	<b>16,390,756</b>

The amounts of non-distributable reserves correspond to the legal reserve which, as of 31 December 2024 and 2023, stands at 2,060,012 euros.

**4. Accounting policies**

The main accounting policies used by the Company in the preparation of its annual accounts for the 2024 financial year were as follows:

**a) *Financial instruments***

The Company recognises a financial instrument when it becomes a party to a contract or legal transaction, pursuant to the provisions thereof.

Debt instruments are recognised as of the date on which the legal right to receive (or the legal obligation to pay) cash is established. Financial liabilities are recognised as of the date they are contracted.

Financial instruments are classified at the moment of their initial recognition as a financial asset, a financial liability or an equity instrument, according to the economic nature of the contractual agreement and the definitions of financial asset, financial liability or equity instrument.

The Company classifies financial instruments in different categories according to their characteristics and the Management's intentions at the time of their initial recognition.

The purchase or sale of financial assets through conventional contracts, understood as those in which the reciprocal obligations of the parties must be fulfilled within a time frame established by regulation or market conventions and which may not be settled by differences, are recognised according to the type of asset on the trade or settlement date.

Transactions carried out in the currency market are registered on the settlement date, while equity instruments traded in secondary securities markets are recognised on the trading date.

Notwithstanding the above, contracts that can be settled by differences are recognised as a derivative financial instrument during the period between the contracting and settlement dates.

**(i) Financial assets at amortised cost**

This category comprises financial assets, including those admitted to trading on an organised market, in which the Company maintains the investment in order to receive the cash flows from the execution of the contract, and the contractual conditions of the financial asset result, on specified dates, in cash flows that are solely receipts of principal and interest on the outstanding principal amount.

Contractual cash flows that are solely receipts of principal and interest on the outstanding principal amount are inherent in an agreement with the nature of an ordinary or common loan, regardless of whether the transaction is agreed at a zero interest rate or below market rate.

The category includes trade and non-trade receivables:

a) Trade receivables: these are financial assets arising from the regular course of business, due to the sale of goods and the provision of services with deferred payment, and

b) Non-trade receivables: these are financial assets that are not equity instruments or derivatives, do not arise from commercial transactions and whose receipts are of a determined or determinable amount, and derive from loans or credit granted by the Company.

**Initial measurement**

Financial assets classified in this category shall be initially measured at fair value which, unless proved otherwise, shall be the transaction price, which shall be equivalent to the fair value of the consideration paid, plus directly attributable transaction costs.

Nevertheless, trade receivables with a maturity of less than one year and which do not have an explicit contractual interest rate, as well as staff loans, dividends receivable and payments due on equity instruments, the amount of which is expected to be received in the short term, are measured at their nominal value, provided that the effect of not discounting the cash flows is not considered to be significant.

**Subsequent measurement**

The financial assets included in this category shall be measured at their amortised cost. Accrued interest shall be recorded in the income statement, using the effective interest method.

Notwithstanding, receivables with a maturity of less than one year which, according to the provisions of the previous section, are initially measured at their nominal value, shall continue to be measured at that amount, unless they become impaired.

When the contractual cash flows from a financial asset are changed due to the issuer's financial difficulties, the Company assesses whether to recognise an impairment.

**Impairment**

The necessary valuation adjustments are carried out, at least, at the end of the financial year and whenever there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics valued collectively, has been impaired as a result of one or more events occurring after their initial recognition, causing a reduction or delay in estimated future cash flows, which may be triggered by the insolvency of the debtor.

In general, the impairment of these financial assets is the difference between their book value and the present value of future cash flows, including, where applicable, those arising from the execution of collateral and personal guarantees, which are estimated to be generated, discounted at the effective interest rate calculated at the time of their initial recognition. For the financial assets with variable interest rates, the effective interest rate is used corresponding to the closing date of the financial statements, according to the contractual conditions.

Impairment adjustments, as well as their reversal when the amount of the loss decreases for reasons related to a subsequent event, are recognised as an expense or income, respectively, in the profit and loss account.

The reversal of the impairment is limited to the carrying amount of the asset that would be recognised on the reversal date if the impairment had not been recorded.

### **Derecognition of financial liabilities**

Financial assets are derecognised when the rights to receive the related cash flows have expired or have been transferred, and the Company has substantially transferred the risks and rewards of ownership. The derecognition of a financial asset as a whole entails the recognition of results for the difference between its book value and the sum of the consideration received, net of transaction costs, including the assets obtained or the liabilities assumed, and any result deferred in income and expenses recognised in equity.

#### **(ii) Financial liabilities at amortised cost**

In general, this category includes trade and non-trade payables:

- a) Trade payables: these are financial liabilities, arising from the regular course of the Company's business, due to the purchase of goods and services with deferred payment, and
- b) Non-trade payables: these are financial liabilities that are not derivative instruments, do not arise from commercial transactions, but rather from loans or credit received by the Company.

Equity loans that have the characteristics of an ordinary or common loan are also included in this category, regardless of the agreed interest rate (zero or below market).

#### **Initial measurement**

Financial liabilities included in this category are initially measured at fair value, which is the transaction price, and is equivalent to the fair value of the consideration received, adjusted for directly attributable transaction costs.

Nevertheless, trade payables with a maturity of less than one year and which do not have a contractual interest rate, as well as payments demanded by third parties on holdings, the amount of which is expected to be paid in the short term, are recorded at their nominal value, provided that the effect of not discounting the cash flows is not significant.

#### **Subsequent measurement**

The financial liabilities included in this category are measured at amortised cost. Accrued interest is recorded in the profit and loss account, using the effective interest rate method.

Nonetheless, payables with a maturity of less than one year that are initially measured at their nominal value shall continue to be valued at that amount.

In the event of a renegotiation of existing debts, it is considered that there are no substantial modifications of the financial liability when the lender of the new loan is the same as the initial lender, and the present value of the cash flows, including net fees, is within 10% of the present value of the cash flows payable for the original liability, calculated using the same method.

### **Reverse factoring**

The Company has contracted reverse factoring facilities with several financial institutions for the management of payments to suppliers. Trade payables whose settlement is managed by financial institutions are recorded on the balance sheet under the heading "Trade and other payables", until the moment of their settlement, cancellation or expiry.

Receipts collected by financial institutions in exchange for the acquisition of invoices or payment documents for trade payables recorded by the Company are recognised at the time of their collection under "Other operating income" in the profit and loss account.

Likewise, debts held with financial institutions as a result of the assignment of trade liabilities are recorded on the balance sheet under the heading of "trade and other payables", as advances from credit institutions. In

those cases in which the Company requests the deferral of the initial payment date of debts with trade creditors, said debts are cancelled on the original due date and a financial liability is recognised on the balance sheet under the heading "Debts with credit institutions".

#### **Derecognition of financial liabilities**

The Company derecognises a financial liability in full or in part when the obligation under the liability is either settled or cancelled, or the Company is legally released from the primary responsibility under the liability, whether by virtue of a legal proceeding or by the creditor.

#### ***b) Financial derivatives and accounting hedging***

Financial derivatives are recognised, both initially and in subsequent evaluations, at their fair value. The method for recognising the resulting gains or losses depends on whether or not the derivative has been classified as a hedging instrument and, if so, the type of hedge.

The Company carries out fair value and cash flow hedging.

At the beginning of the hedge, the Company formally designates and documents the hedging relationships, as well as the objective and strategy it assumes with respect to them. The accounting of hedge transactions only applies when the coverage is expected to be highly effective at the beginning of the hedging and in subsequent years, to compensate for changes in fair value or in cash flows attributable to the hedged risk, during the period for which it has been designated (prospective assessment) and the actual effectiveness, which can be reliably determined. Likewise, in the hedging of the forecast transactions' cash flows, the Company assesses whether these transactions are highly probable and whether they present an exposure to variations in cash flows that could ultimately affect the result for the financial year.

The Company only designates as hedged items the assets, liabilities, binding commitments and highly probable forecast transactions involving a party external to the Company, understood as a party external to the EDP Group companies in which the Company does not have a direct or indirect holding.

The derivatives embedded in other financial instruments are accounted for separately whenever their nature and risks are not closely related to the financial instruments in which they are embedded, as long as the combined instruments are not accounted for at market value, with the variations in value being charged or credited to the profit and loss account.

##### ***(i) Fair value hedging***

The changes in the fair value of derivatives, which are designated and qualify as fair value hedges, are recorded in the profit and loss account, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When the hedged instrument is an unrecognised binding commitment or a component thereof, the cumulative change in the fair value of the hedged instrument after designation is recognised as an asset or liability, and the corresponding gain or loss is reflected in the profit and loss account.

Changes in the book value of hedged items recognised at amortised cost entail the correction of the instrument's effective interest rate, either from the moment of the change or subsequently from the moment hedge accounting ends.

##### ***(ii) Cash flow hedging***

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The profit or loss of the hedging instrument, for the part that constitutes an effective hedge, is directly recognised in equity. Therefore, the equity component that results from the coverage is adjusted so that it is equal, in absolute terms, to the lower of the following two values:

- b.1) The accumulated profit or loss of the hedging instrument since the beginning of the hedge.
- b.2) The cumulative change in the fair value of the hedged item (i.e. the present value of the cumulative change in the expected future cash flows hedged) since the beginning of the hedge.

Any remaining profit or loss of the hedging instrument, or any profit or loss required to compensate for the change in the cash flow hedge adjustment calculated in accordance with the previous paragraph, represents a hedge ineffectiveness that is recognised in the income statement for the financial year.

If a highly probable hedged forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a binding commitment that is subject to fair value hedge accounting, that amount is removed from the cash flow hedge adjustment and included directly in the initial cost or other book value of the asset or liability.

The same criterion is used to hedge the exchange rate risk of the acquisition of an investment in a group company, jointly controlled entity or associate.

Otherwise, the adjustment recognised in equity shall be transferred to the profit and loss account to the extent that the forecast future cash flows affect the profit or loss for the financial year.

Nevertheless, if the adjustment recognised in equity is a loss, and it is expected that all or part of this loss may not be recovered in one or more future financial years, the amount not expected to be recovered is immediately reclassified in the results for the financial year.

**c) Fair value**

Under the provisions of Royal Decree No. 1/2021, of 12 January, fair value is defined as the price that would be received for the sale of an asset, or paid to transfer or settle a liability, in an ordered transaction between market participants on the valuation date. Fair value is calculated without deducting any transaction costs that may be incurred due to disposal or settlement by other means. Under no circumstances shall the fair value be the result of a forced or urgent transaction, or as a consequence of an involuntary settlement situation.

To determine fair value, the Company uses the quoted prices of the instrument in an active market, provided one exists. Otherwise, the valuation methods used are based either on market references for substantially similar assets or on the application of discounted cash flow techniques, maximising the utilisation of market-observable variables.

Accordingly, based on the variables used by the Company to determine fair value, it establishes a fair value hierarchy that allows it to classify the estimates into three levels:

Level 1: The fair value of financial instruments negotiated in active markets (such as derivatives listed on the stock exchange and equity securities) is based on market prices at the end of the reporting financial year. The market price used for the financial assets held by the group is the current bid price. These instruments are considered to be level 1.

Level 2: The fair value of financial instruments that are not negotiated in an active market (for instance, OTC derivatives) is determined using valuation techniques that maximise the use of market-observable variables and rely as less as possible on the Company's specific estimates. If all the significant variables required to calculate the fair value of an instrument are observable, the instrument is considered to be level 2.

Level 3: If one or more of the significant variables are not based on market-observable data, the instrument is considered to be level 3. That is the case with unlisted equity securities.

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An estimate of fair value is classified at the same level of the fair value hierarchy as the lowest level input that is material to the outcome of the measurement. To this end, a significant variable is considered to be one that has a decisive influence on the outcome of the estimate.

Among other factors, the determination of the fair value of a financial instrument considers the credit risk and, in the specific case of a financial liability, the risk of default is taken into account, including, where appropriate, the Company's own credit risk, along with other components. Nonetheless, in order to estimate the fair value, there are no adjustments carried out for market volume or capacity.

To be precise, the valuation techniques used by the Company for financial instruments assigned to level 2 are based, according to applicable accounting standards, on an income approach, consisting of discounting known or estimated future cash flows using discount curves based on market reference interest rates (in the case of derivatives, are estimated using implicit market forward curves), including credit risk adjustments according to the life of the instruments.

The key variables for valuing financial instruments depend on the type of instrument, but they are, fundamentally, exchange rates (spot and forward), interest rate curves and the volatility of all the aforementioned factors. Whatever the case, market data is obtained from reputable information agencies or corresponds to quotations from official sources.

The classification of the financial assets recorded in the financial statements at their fair value, following the method for calculating it, is as follows:

ASSETS	Level 1		Level 2		Level 3		TOTAL	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Derivatives	-	-	220,209	-	-	-	220,209	-
<b>TOTAL</b>	-	-	<b>220,209</b>	-	-	-	<b>220,209</b>	-

The classification of financial liabilities recorded in the financial statements at their fair value, following the method for calculating it, is as follows:

LIABILITIES	Level 1		Level 2		Level 3		TOTAL	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Derivatives	-	-	3,712,652	-	-	-	3,712,652	-
<b>TOTAL</b>	-	-	<b>3,712,652</b>	-	-	-	<b>3,712,652</b>	-

**d) Cash and cash equivalents**

This balance sheet heading includes petty cash, bank demand deposits and other short-term highly-liquid investments which may be immediately convertible into cash and are subject to immaterial risk of changes in value. For these purposes, it includes investments with maturities of less than three months from the date of acquisition.

In its cash flow statement, the Company reports the payments and collections deriving from high-turnover financial assets and liabilities at their net amount. For these purposes, the turnover is considered to be high when the period between the date of acquisition and the expiry date does not exceed six months.

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For the purposes of the cash flow statement, bank overdrafts, if any, which are repayable on demand and form an integral part of the Company's cash management are included as cash and cash equivalents. In the exceptional circumstances where such bank overdrafts might occur, they are recognised in the balance sheet as financial liabilities for debts with credit institutions.

Considering its core business, the Company classifies cash flows corresponding to interest paid and received as operating activities. Likewise, receipts and payments derived from the fluctuation of credits/loans granted/received from group companies are classified as investment or financing activities, as applicable. Dividends paid are classified as financing activities.

#### **e) *Classification of assets and liabilities as current and non-current***

The Company's balance sheet classifies assets and liabilities as either current or non-current. For these purposes, current assets or liabilities are those that meet the following criteria:

- Assets are classified as current when they are expected to be disposed of, sold or consumed during the Company's regular course of business, they are held primarily for trading purposes, they are expected to be realised within twelve months of the reporting date or they represent cash or cash equivalents, except where they may not be exchanged or used to settle a liability for at least twelve months after the year-end.
- Liabilities are classified as current when they are expected to be settled during the regular course of business, they are held primarily for trading purposes, they are due to be settled within twelve months from the reporting date or the Company does not have the unconditional right to defer settlement of the liability for at least twelve months after the year-end.
- Financial liabilities are classified as current when they are due to be settled within twelve months after the reporting date, even if the original maturity was for a period longer than twelve months, and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue.

#### **f) *Corporate income tax***

Corporate income tax expense or income comprises both current and deferred tax.

Current income tax assets or liabilities are valued at the amounts expected to be payable to or recoverable from the tax authorities, according to the regulations and tax rates in force or approved and pending publication at the end of the financial year.

Current or deferred corporate income tax is recognised in the income statement, unless it arises from a transaction or economic event that has been recognised in the same or a different financial year, against equity or from a business combination.

The Company files the corporate income tax return in accordance with the special tax consolidation scheme provided for in Articles 64 to 82 of Royal Decree No. 4/2004, which enacts the Consolidated Text of the Spanish Corporate Income Tax Act. The consolidated tax group is headed by the majority shareholder of the Company, which is the Spanish Branch of EDP Energias de Portugal Sociedade Anónima.

The corporate income tax expense incurred by companies filing consolidated tax returns is determined taking into account, in addition to the parameters to be considered in the case of individual taxation outlined above, the following:

- Temporary and permanent differences caused by the elimination of results from transactions between companies in the tax group under the consolidated tax return regime, following the process of determining the consolidated tax base.



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- The deductions and tax credits that correspond to each company in the tax group under the consolidated tax return system; for these purposes, the deductions and tax credits shall be assigned to the company that carried out the activity or obtained the income necessary to qualify for the deduction or tax credit.

Temporary differences arising from the elimination of results between companies within the tax group are recognised in the company that generated the result and are valued at the tax rate applicable to that company.

Tax losses incurred by some of the companies within the group, which have been offset by other consolidated group companies, result in reciprocal receivables and payables between the companies to which they correspond and the companies that offset them. In the event of a tax loss that cannot be offset by the rest of the companies in the consolidated group, these tax credits for offsetable losses are recognised as deferred tax assets following the criteria established for their recognition, considering the tax group as a taxpayer.

The total amount of the debt (credit) corresponding to subsidiary companies is recorded with a credit (debit) to Creditors (Debtors) with companies in the group and associated companies.

Taxable temporary differences are recognised in all cases, except where they result from the initial recognition of goodwill, or of an asset or liability in a transaction that is not a business combination, and at the date of the transaction affects neither the accounting result nor the taxable base.

Deductible temporary differences are recognised whenever it is probable that there will be sufficient future taxable income to offset them, except in those cases in which the differences arise from the initial recognition of assets or liabilities in a transaction that is not a business combination and, on the date of the transaction, affects neither the accounting result nor the taxable base.

Tax planning opportunities shall only be considered in the assessment of the recovery of deferred tax assets if the Company intends to, or is likely to, adopt them.

Deferred tax assets and liabilities are valued at the tax rates that shall be applicable in the financial years in which the assets are expected to be disposed of or the liabilities paid, according to the regulations and rates that are in force or have been approved and are pending publication, and once the tax consequences that result from the manner in which the Company expects to recover the assets or settle the liabilities have been considered.

Deferred tax assets and liabilities are recognised in the balance sheet as non-current assets or liabilities, regardless of the expected date of realisation or settlement.

***g) Income and expenses***

Income and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the underlying monetary or financial flow takes place. Said income is valued at the fair value of the remuneration received, after deducting discounts and taxes.

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods sold have been transferred to the buyer, and the seller has neither retained ongoing management of the goods nor has it retained effective control over them.

Interest received from financial assets shall be recognised using the effective interest rate method, and dividends shall be recognised when the shareholder's right to receive payment is established. Whatever the case, interest and dividends from financial assets accrued after the time of acquisition are recognised as income in the profit and loss account.

**h) Environment**

In view of the business activity in which the Company is engaged, it has no environmental liabilities, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial situation and results.

**g) Transactions with related parties**

Transactions between group companies, except for those related to mergers, spin-offs and non-monetary contributions of business lines, shall be recognised at the fair value of the consideration paid or received. The difference between this value and the agreed amount is recorded in accordance with the underlying economic substance. All loans bear interest at market rates.

**5. Risk management policy**

The risk policy is designed to effectively control and manage the Company's risks, with special focus on those that are most relevant to the development of business activities:

- Market risks. Mainly those related to interest rates and foreign exchange rates.
- Contextual risks. Essentially, they include counterparty risks (default, integrity and non-compliance), among others.

**Interest rate risk**

Given the nature of its activities, the Company holds significant interest-bearing assets, and therefore the income and cash flows from its operating activities are subject to changes in market interest rates. Interest rate variations affect the future flows of assets and liabilities that are indexed to variable interest rates.

As mentioned in Notes 6 and 12, some of the loans granted and received are subject to a variable interest rate and are indexed to Euribor. The sensitivity of the result (before tax effects) to interest rate fluctuations is as follows (due to increases/reductions in basis points of interest rates):

	Basis points	Euro	
		Results	Reserves
31/12/2024	50	1,208,523	-
	(50)	(1,208,523)	-
31/12/2023	50	3,891,510	-
	(50)	(3,891,510)	-

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)****Annual accounts report as at 31 December 2024*****Foreign exchange risk***

The Company holds financial instruments in foreign currency, mainly in US dollars, and it is therefore exposed to the exchange rate risk, which could have an adverse effect on its financial results and cash flows. Consequently, to mitigate risk, the Company occasionally uses derivative financial instruments (Note 7) and considers the market risk to be hedged.

The sensitivity of the result (before tax) to changes in foreign exchange rates is as follows (due to increases/reductions in basis points of interest rates):

	Basis points	Euro	
		Results	Reserves
31/12/2024	5	(10,573,055)	-
	(5)	10,573,055	-
31/12/2023	5	(2,005,606)	-
	(5)	2,005,606	-

***Liquidity risk***

This risk is associated with the possibility that the Company may not be able to meet its short-term liabilities within the agreed deadlines, or may simply be able to do so under unfavourable conditions due to difficulties in accessing credit and a downgrading of its credit rating.

Liquidity risk is managed by contracting and maintaining lines of credit and financing with a binding underwriting commitment, with group companies, as well as with solvent international financial institutions with high credit ratings, as well as term deposits, which allow immediate access to funds, thereby covering the needs for the next 18 to 24 months.

Adverse situations in debt markets could hinder the fulfilment of the financial needs required for the development of the Company's activities.

The Company recorded a negative working capital of 1,098,556 thousand euros as at 31 December 2024 (387,995 thousand euros as at 31 December 2023). The liquidity policy in place ensures that payment commitments are met by keeping sufficient credit facilities available and having access to the credit facilities of EDP Energias de Portugal, S.A., the ultimate parent company of the EDP Group. The maturities of financial debts that are due to occur within a period of twelve months are reported in Note 10. The Sole Director does not consider that there is a significant liquidity risk since the liability balances with companies in the EDP group can be managed, if necessary, in such a way that their enforceability does not produce any risk of overdraft for the Company.

***Credit risk***

This risk is defined as the possibility of a third party not fulfilling its contractual obligations, thereby resulting in losses for the Company.

Regarding exposure to credit risk from granting loans to companies within the same business group (cf. Note 6), the Company is covered by the group's financial policy.

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**Capital management**

EDP Servicios Financieros España, S.A. is not an organisation subject to regulation in terms of capital or solvency ratios. Therefore, capital management is carried out within the organisation's financial management process.

The Company's capital management goal is to safeguard its ability to continue operating as a going concern, to grow steadily in order to meet its established objectives and to keep an optimal capital structure to reduce the cost of capital.

**6. Financial assets**

**Financial assets by category**

The classification of financial assets by category and class excluding cash, as well as a comparison of their fair value and their book value, as at 31 December 2024 and 2023, is detailed below:

	Euro							
	2024							
	Non-current				Current			
	At amortised cost		At fair value	Total	At amortised cost		At fair value	Total
	Book value	Fair value			Book value	Fair value		
<b>Financial assets at amortised cost</b>								
Loans to group companies (Note 12)								
Fixed rate	6,074,081,934	6,427,525,088	-	<b>6,074,081,934</b>	652,483,410	654,123,116	-	<b>652,483,410</b>
Variable rate	1,273,930,666	1,285,009,554	-	<b>1,273,930,666</b>	27,722,217	27,722,217	-	<b>27,722,217</b>
<b>Other financial assets</b>	362,113,666	385,608,488	-	<b>362,113,666</b>	9,663,967	9,663,967	-	<b>9,663,967</b>
<b>Deposits and guarantees</b>	-	-	-	-	1,000	1,000	-	<b>1,000</b>
<b>Trade and other receivables</b>								
Client group companies and associates	-	-	-	-	4,509,239	4,509,239	-	<b>4,509,239</b>
Other receivables	-	-	-	-	322,524	322,524	-	<b>322,524</b>
<b>Derivatives</b>	-	-	220,209	<b>220,209</b>	-	-	-	-
<b>Total financial assets</b>	<b>7,710,126,266</b>	<b>8,098,143,130</b>	<b>220,209</b>	<b>7,710,346,475</b>	<b>694,702,357</b>	<b>696,342,063</b>	-	<b>694,702,357</b>

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	Euro					
	2023					
	Non-current			Current		
	At amortised cost		Total	At amortised cost		Total
	Book value	Fair value		Book value	Fair value	
<b>Financial assets at amortised cost</b>						
<b>Loans to companies (Note 12)</b>						
Fixed rate	2,663,512,938	2,752,959,966	2,663,512,938	389,278,200	392,751,342	389,278,200
Variable rate	785,507,637	792,235,029	785,507,637	6,479,742	6,479,742	6,479,742
<b>Deposits and guarantees</b>	-	-	-	1,000	1,000	1,000
<b>Trade and other receivables</b>						
Client group companies, associates and related parties	-	-	-	3,166,556	3,166,556	3,166,556
Other receivables	-	-	-	189,618	189,618	189,618
<b>Total financial assets</b>	<b>3,449,020,575</b>	<b>3,545,194,995</b>	<b>3,449,020,575</b>	<b>399,115,116</b>	<b>402,588,258</b>	<b>399,115,116</b>

Loans to associated and related group companies

This heading includes loans to EDP Group companies for the purpose of financing their activity. Its breakdown is provided in Note 12.

Other financial assets

On 12 January 2024, the EDP Group issued an in-house invitation through the Company to purchase a cash tender offer for the USD 500 million 6.3% debt securities issued by EDP Finance, BV and due in 2027. On 29 January 2024, the cash tender offer was completed. The Company acquired USD 367 million, representing 65% of the debt securities issued. These bonds are classified as senior green debt.

The Company carried out the transaction at market prices, recognising the purchase at fair value, at the moment of acquisition.

On 31 December 2024, the amount corresponding to these acquired bonds is recorded under the heading "Other financial assets", both under non-current assets and current assets.

The recognised assets do not show any impairment at 31 December 2024 or 2023.

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The amount of net profit and loss by category of financial assets, as at 31 December 2024 and 2023, is as follows:

	Euro			
	2024			
	Financial assets at cost	Derivative financial instruments	Financial assets at amortised cost	Total
Financial income calculated using the amortised cost method (net turnover)	-	-	273,870,160	273,870,160
Variation in fair value	-	(645,340)	-	(645,340)
	-	<b>(645,340)</b>	<b>273,870,160</b>	<b>273,224,820</b>

	Euro			
	2023			
	Financial assets at cost	Derivative financial instruments	Financial assets at amortised cost	Total
Financial income calculated using the amortised cost method (net turnover)	-	-	127,776,401	127,776,401
	-	-	<b>127,776,401</b>	<b>127,776,401</b>

The detail of the exchange differences recognised in the profit and loss account, differentiating between transactions that have been settled and those that are ongoing or pending, is as follows:

	Euro			
	2024		2023	
	Settled	Pending	Settled	Pending
Loans to group companies	-	53,925,959	-	-
Other financial assets	70,475	15,264,700	-	-
Cash and banks	-	(2,450,928)	-	271,999
Other cash equivalents	1,363	-	(1,547,742)	31,551
	<b>71,838</b>	<b>66,739,731</b>	<b>(1,547,742)</b>	<b>303,550</b>

The balances, transactions and characteristics of the operations carried out with related parties are detailed in Note 12.

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**Classification by maturity date**

The classification of financial assets by maturity of long-term financial assets is detailed below.

	<b>2024</b>					
	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Subsequent years</b>	<b>Total non-current</b>
<b>Investments in group companies and associates</b>						
Loans to companies (Note 12)	1,602,855,166	1,159,746,360	659,000,000	1,993,260,626	1,933,150,448	<b>7,348,012,600</b>
Other financial assets	4,951,915	357,161,751	-	-	-	<b>362,113,666</b>
<b>Total</b>	<b>1,607,807,081</b>	<b>1,516,908,111</b>	<b>659,000,000</b>	<b>1,993,260,626</b>	<b>1,933,150,448</b>	<b>7,710,126,266</b>

The amount of the credit that is due in years after the 2029 financial year corresponds to the 2030, 2031 and 2032 financial years.

	<b>Euro</b>					
	<b>2023</b>					
	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Subsequent years</b>	<b>Total non-current</b>
<b>Investments in group companies and associates</b>						
Loans to companies (Note 12)	935,707,637	150,024,500	395,746,360	635,000,000	1,332,542,078	3,449,020,575
<b>Total</b>	<b>935,707,637</b>	<b>150,024,500</b>	<b>395,746,360</b>	<b>635,000,000</b>	<b>1,332,542,078</b>	<b>3,449,020,575</b>

The amount of credit that is due in years after the 2028 financial year corresponds to the 2029 and 2032 financial years.

**7. Derivative financial instruments**

On 31 December 2024, the Company has interest rate and currency derivative financial instrument contracts to hedge the fair value and the impacts on the cash flows of the financial instruments that are reported in the balance sheet. Such derivatives are contracted with the companies of the EDP, S.A. Group and EDP Finance BV (Note 12). On 31 December 2023, there were no derivative financial instrument contracts in force.

At the end of the financial year, the Company recorded an amount of 2,135,317 euros in equity, under the heading "Adjustments due to changes in value", due to the impact of the variations in the fair value of the derivatives contracted to hedge cash flows.

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On 31 December 2024, the Company has recorded an expense of 645,340 euros in the profit and loss account, in the financial result under the heading "Change in fair value of financial instruments" due to the impact of changes in the fair value of derivatives contracted to hedge fair value.

The Company has complied with the requirements detailed in Note 4 on valuation standards, to be able to classify derivative financial instruments as hedging instruments.

**8. Cash and other cash equivalents**

The heading "Cash and other cash equivalents" is detailed as follows:

	Thousand euro	
	2024	2023
Cash and other cash equivalents	373,111,812	450,502,594
	<b>373,111,812</b>	<b>450,502,594</b>

The income generated by short-term deposits in credit institutions amounts to 1,312,788 euros (2,677,805 euros in 2023) and is recorded under the heading "Net turnover", in the profit and loss account.

**9. Shareholders' equity**

As at 31 December 2024 and 2023, the breakdown and movement of total equity for those years are presented in the statement of changes in equity.

**Subscribed share capital**

As at 31 December 2024 and 2023, the Company's share capital is represented by 171,382 shares with a nominal value of 60.10 euros each, fully subscribed and paid up, with the same political and economic rights. EDP, S.A., Spanish Branch is the Sole Shareholder of the Company as at that date (Note 1). The Company has fulfilled all the requirements set out in the legislation in force regarding single-shareholder companies.

**Legal reserve**

Pursuant to Article 274 of the Spanish Companies Act, 10% of the profit for the financial year must be assigned to the legal reserve, until it represents at least 20% of the share capital. The legal reserve may be used to increase capital by the amount of the balance that exceeds 10% of the share capital that has already been increased.

Except for the aforementioned purpose, and as long as it does not exceed 20% of the share capital, this reserve can only be used to offset losses, provided that there are no other reserves available that are sufficient for such purpose and must be restored with future profits.

In the financial years 2024 and 2023, the legal reserve is constituted with 20% of the share capital.

**Voluntary reserves**

As at 31 December 2024 and 2023, these reserves are available for unrestricted use. As at 31 December 2024, the amount of these reserves is 507,292,436 euros (490,901,680 euros in 2023).



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During the 2024 financial year, the movement in this account only includes the part corresponding to the distribution of the result for the 2023 financial year (Note 3).

**10. Financial liabilities**

**Financial liabilities by category**

As at 31 December 2024 and 2023, the classification of financial liabilities by category and class, as well as a comparison with their fair value and their book value, is detailed below:

	Euro							
	2024							
	Non-current				Current			
	At amortised cost or cost		At fair value	Total	At amortised cost or cost		At fair value	Total
	Book value	Fair value			Book value	Fair value		
<b>Financial liabilities at amortised cost</b>								
<b>Bonds and marketable securities</b>	2,082,984,722	2,298,020,760	-	2,082,984,722	51,694,292	55,050,000	-	51,694,292
<b>Debts with credit institutions</b>	225,000,000	235,649,129	-	225,000,000	634,799	634,799	-	634,799
<b>Payables to group companies, associates and related companies</b>								
Fixed rate	3,627,556,998	3,745,046,120	-	3,627,556,998	687,867,344	698,864,263	-	687,867,344
Variable rate	145,000,000	152,529,126	-	145,000,000	1,421,107,850	1,421,107,850	-	1,421,107,850
<b>Trade and other payables</b>								
Suppliers and creditors	-	-	-	-	4,080,712	4,080,712	-	4,080,712
Other payables	-	-	-	-	98,562	98,562	-	98,562
<b>Derivatives</b>	-	-	2,847,103	2,847,103	-	-	865,549	865,549
<b>Total financial liabilities</b>	<b>6,080,541,720</b>	<b>6,431,245,135</b>	<b>2,847,103</b>	<b>6,083,388,823</b>	<b>2,165,483,559</b>	<b>2,179,836,186</b>	<b>865,549</b>	<b>2,166,349,108</b>

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	Euro					
	2023					
	Non-current			Current		
	At amortised cost		Total	At amortised cost		Total
	Book value	Fair value		Book value	Fair value	
<b>Financial liabilities at amortised cost</b>						
<b>Bonds and other marketable securities</b>	<b>1,335,395,469</b>	<b>1,501,156,856</b>	<b>1,335,395,469</b>	<b>11,780,452</b>	<b>13,997,439</b>	<b>11,780,452</b>
<b>Debts with credit institutions</b>	<b>75,000,000</b>	<b>80,640,028</b>	<b>75,000,000</b>	<b>459,699</b>	<b>459,699</b>	<b>459,699</b>
<b>Payables to group companies, associates and related parties</b>						
Fixed rate	1,132,542,078	1,123,781,998	1,132,542,078	14,328,962	14,328,962	14,328,962
Variable rate	-	-	-	1,201,414,857	1,201,414,857	1,201,414,857
<b>Trade and other payables</b>						
Suppliers and creditors	-	-	-	9,419,544	9,419,544	9,419,544
Other payables	-	-	-	56,167	56,167	56,167
<b>Total financial liabilities</b>	<b>2,542,937,547</b>	<b>2,705,578,882</b>	<b>2,542,937,547</b>	<b>1,237,459,681</b>	<b>1,239,676,668</b>	<b>1,237,459,681</b>

The amount of net profit and loss from financial liabilities by category amounted to 263,242,062 euros (104,355,341 euros in 2023).

The detail of the exchange differences recognised in the profit and loss account, differentiating between transactions that have been settled and those that are ongoing or pending, is as follows:

	Euro			
	2024		2023	
	Settled	Pending	Settled	Pending
Payables to group companies, associates and related companies	-	(58,534,250)	-	156,979
Payables to group companies, associates and related companies	-	(1,393,478)	-	-
	-	<b>(59,927,728)</b>	-	<b>156,979</b>

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)****Annual accounts report as at 31 December 2024**Bonds and other marketable securities

In September 2023, EDP updated its 2022 Green Financing Framework to reflect the shift in scope and the new decarbonisation strategy. EDP began to issue green financing instruments through the group's parent company and the companies EDP Finance BV, EDP Servicios Financieros España, S.A. and EDP Renováveis and their subsidiaries and project companies to finance or refinance eligible wind (onshore and offshore) and solar (PV and CSP) assets and projects.

On 4 October 2023, the Company carried out two bond issues for the amounts of 750 and 600 million euros, respectively, which are listed on the Euronext Dublin market, classified as senior green debt instruments.

Subsequently, on 16 January 2024, the Company issued 750 million euro bonds listed on the Euronext Dublin market, classified as senior green debt instruments.

The Company has an agreement with its ultimate parent company, EDP Energias de Portugal, S.A., which stipulates that while the Company has outstanding instruments in the Bond Issuance Programme, EDP Energias de Portugal, S.A. shall make available to it enough funds to cover its payment obligations to the extent that the Company's equity and liquidity are insufficient to meet them.

As at 31 December 2024, the breakdown of issues is as follows:

ISIN Code	Issuing date	Amount (euros)	Maturity	Fixed Coupon
XS2699159351	04/10/2023	750,000,000	04/04/2032	4.375%
XS2699159278	04/10/2023	600,000,000	04/04/2029	4.125%
XS2747766090	16/01/2024	750,000,000	16/07/2030	3.500%

On 31 December 2024, the amount that the Company has recorded for the issues of these bonds amounts to 2,082,984,722 and 51,694,292 euros and is recognised under 'Long-term debt' and 'Short-term debt', respectively (1,335,395,469 and 11,780,452 euros as at 31 December 2023). These bonds are recorded at amortised cost.

The ratings associated with the Company's debt issues for 2024 and 2023, considering a stable outlook, are as follows:

Agency	Rating
Standard & Poor's	BBB
Moody's	Baa2
Fitch	BBB

These bond issues are not bound by any covenants. The characteristics and clauses of these bonds are available on the Euronext Dublin website.

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#### Debts with credit institutions

On 20 June 2024, the Company subscribed a loan of 150,000,000 euros with Mediobanca Internacional S.A. This loan falls due in 2029 and has a variable interest rate based on the 6-month EURIBOR + 85 bps, standing at 3.502% for the next settlement period

On 6 November 2023, the Company subscribed a loan of 75,000,000 euros with UNICAJA. This loan falls due in 2028 and has a fixed rate of 3.995%.

#### Payables to group companies, associates and related parties

The balances, transactions and characteristics of the operations carried out with related parties are detailed in Note 12.

As at 31 December 2024, the long-term payables to group companies has the following maturity dates:

Euro			
2026	2027	2028	2029
550,000,000	1,096,145,924	808,229,858	1,318,181,216

On 31 December 2024, the Company holds credit lines with a limit of 155 million euros, which are set to expire in 2025 (155 million euros on 31 December 2023). On 31 December and 20 December 2024, respectively, the Company has been included as a co-borrower, together with EDP, S.A. and EDP Finance, B.V., in two revolving credit facilities of 3,000 and 4,250 million euros. At the end of the financial year there is no accounting impact on this matter.

The balances with public administrations are disclosed in Note 11.

#### Information on the supplier payment period: Third Additional Provision "Duty of information" of Law No. 15/2010, of 5 July.

The Second Final Provision of Law No. 31/2014, of 3 December, which amends the Spanish Companies Act to improve corporate governance, modifies the Third Additional Provision of Law No. 15/2010, of 5 July, amending Law No. 3/2004, of 29 December, which establishes measures to combat late payment in business transactions, to require all commercial companies to expressly include their average period of payment to suppliers in the notes to their annual accounts. The average period for payment to suppliers, the ratio of paid transactions, the ratio of transactions pending payment, the total payments carried out and the total payments pending, at the closing date of the financial year, are detailed in the following table:

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	<b>2024</b>	<b>2023</b>
	<b>Days</b>	<b>Days</b>
Average supplier payment period	11	57
Ratio of transactions settled	10	58
Ratio of transactions pending payment	30	30
	<b>Amount (euros)</b>	<b>Amount (euros)</b>
Total payments made	34,618,320	8,234,398
Total payments pending	1,853,511	202,397

The monetary volume of invoices paid in a period of less than 60 days, which is the maximum legal period established by law, is 25,992,772 euros (3,876,000 euros in 2023) corresponding to 81 invoices (28 invoices in 2023), which represents 75% (47% in 2023) of payments made in terms of amount and 85% (70% in 2023) of invoices received and paid during the financial year.

**11. Public Administrations and tax situation**

The breakdown of balances with Public Administrations on 31 December 2024 and 2023 is as follows:

	<b>Euro</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>	<b>Current</b>
<b>Assets:</b>				
Deferred tax assets	814,177	-	1,563,797	-
	<b>814,177</b>	<b>-</b>	<b>1,563,797</b>	<b>-</b>
<b>Liabilities:</b>				
Treasury creditor for different taxes	-	(24,523)	-	(155,404)
	<b>-</b>	<b>(24,523)</b>	<b>-</b>	<b>(155,404)</b>

As at 31 December 2024, the Company has recorded a credit balance with the parent company of the tax group, the Spanish Branch of EDP Energias de Portugal Sociedade Anónima, under the consolidated corporate tax regime, amounting to 2,191,908 euros (a credit balance of 4,059,922 euros in 2023). As at 31 December 2024 and 2023, this balance was recorded on the balance sheet under the heading "Sundry Suppliers and Creditors".

Given that certain operations are treated differently for the purposes of corporate income tax and the preparation of these financial statements, the tax base for the period differs from the accounting result. Deferred or advanced tax derives from the different temporal allocation of income and expenses for the purposes of prevailing tax and accounting regulations.

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**Corporate income tax**

Since 1 January 2008, the Company has been filing for corporate income tax returns under the special tax consolidation regime, as provided for in Articles 55 *et seq.* of the Corporate Income Tax Act 27/2014, of 27 November, with the Spanish Branch of EDP - Energias de Portugal, Sociedade Anónima as the parent company of the consolidated tax group.

As a consequence of the Company's taxation under the special consolidation regime, the calculation of individual corporate tax expense must take into account the elimination of results from transactions carried out during the financial year between companies that are part of the group, as well as the incorporation of eliminations made in previous financial years.

The reconciliation between the net amount of income and expenses for the financial year and the tax base as of 31 December 2024 and 2023 is as follows:

	Euro						
	2024						
	Income statement			Income and expenses recognised in equity			Total
	Increases	Decreases	Net	Increases	Decreases	Net	
<b>Balance of income and expenses for the financial year</b>			11,698,247	-	-	-	11,698,247
Corporate Income Tax	-	-	(3,905,289)	-	-	-	(3,905,289)
Income/(expenses) before taxes	-	-	15,603,536	-	-	-	15,603,536
Permanent differences	446,409	-	446,409	-	-	-	446,409
Temporary differences	-	(235)	(235)	-	-	-	(235)
<b>Tax base (taxable income)</b>			<b>16,049,710</b>			-	<b>16,049,710</b>

	Euro						
	2023						
	Income statement			Income and expenses recognised in equity			Total
	Increases	Decreases	Net	Increases	Decreases	Net	
<b>Balance of income and expenses for the financial year</b>			16,390,756	-	-	-	16,390,756
Corporate Income Tax	-	-	(5,463,585)	-	-	-	(5,463,585)
Income/(expenses) before taxes	-	-	21,854,341	-	-	-	21,854,341
Permanent differences	-	-	-	-	-	-	-
Temporary differences	-	-	-	-	-	-	-
<b>Tax base (taxable income)</b>			<b>21,854,341</b>			-	<b>21,854,341</b>

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The relationship between the income tax expense and the profit for the financial year is as follows:

	<b>Euro</b>	
	<b>Profit and loss</b>	
	<b>2024</b>	<b>2023</b>
<b>Balance of income and expenses before tax for the financial year</b>	<b>15,603,536</b>	<b>21,854,341</b>
25% tax	3,900,884	5,463,585
Non-deductible expenses	111,602	-
Other adjustments	(107,197)	-
<b>Income tax expense/(income) on continuing operations</b>	<b>3,905,289</b>	<b>5,463,585</b>

The breakdown of the income tax expense/(income) is as follows:

	<b>Thousand euro</b>	
	<b>2024</b>	<b>2023</b>
<b>Current tax</b>		
Of the financial year	4,012,428	5,463,585
	<b>4,012,428</b>	<b>5,463,585</b>
<b>Deferred tax</b>		
Of previous financial years	(107,139)	-
	(107,139)	-
<b>Income tax expense/(income)</b>	<b>3,905,289</b>	<b>5,463,585</b>

As at 31 December 2024, the Company has recognised deferred tax assets amounting to 102,319 euros related to the distribution of the percentage of negative tax bases not offset in the tax consolidation group (1,312,010 euros in 2023). The movement of these assets during the financial year has been recorded by offsetting the tax pooling account with the parent company. The reversal period for these assets is longer than 12 months.

As at 31 December 2023, the Company had recognised deferred tax assets amounting to 251,587 euros, related to the limitation on the deductibility of net financial expenses introduced by Law No. 27/2014, of 27 November, on Corporate Income Tax. This limit is calculated at a consolidated group level and then assigned for accounting purposes to the companies in the tax group, which is the reason why this deferred tax is not included in the reconciliation between the accounting result and the tax base. The movement of these assets during the financial year has been recorded by offsetting the tax pooling account with the parent company.

Furthermore, the Company has recognised a deferred tax asset of 711,722 euros corresponding to the tax burden of the variations in the fair value of the derivatives recognised under the heading "Adjustments due to changes in value" on equity.

## **EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

### **Annual accounts report as at 31 December 2024**

#### **Years open to inspection**

Pursuant to the legislation in force, tax returns cannot be considered final until they have been inspected by the tax authorities or the limitation period has elapsed. Considering the aforementioned limitation period, on 31 December 2024, the Company has the financial years 2021 to 2024 open for inspection for the main taxes applicable to it, except for corporate income tax, which has the financial years 2020 to 2023 open for inspection, since the tax return for the 2024 financial year has not yet been filed.

In March 2022, the Company received the notification of the start of an inspection of the main taxes for the 2018 and 2019 financial years, as well as the corporate income tax for the 2017 financial year. The tax group to which the Company belongs for the purposes of corporate income tax, headed by the Spanish branch of EDP, S.A., has signed a dissenting report regarding some of the assessments received as a result of the aforementioned inspection. The Sole Director of the Company considers that neither the minutes received in agreement nor those received in disagreement have any significant impact on these 2024 annual accounts.

#### **New regulatory developments in tax legislation. OECD Pillar 2**

Council Directive (EU) 2022/2523, adopted on 14 December 2022, establishes a framework for the implementation of the OECD Pillar Two global minimum tax within the European Union. This implementation establishes rules to make sure that multinational companies (MNC) and large groups with an annual income exceeding 750 million euros are subject to a minimum effective tax rate of 15% in all the jurisdictions where they operate. The directive is aligned with the Global Anti-Base Erosion Rules (GloBE), developed by the OECD/G20 Inclusive Framework, and is aimed at preventing tax evasion by limiting the transfer of profits to low-tax jurisdictions.

On 21 December 2024, to comply with the transposition of the aforementioned directive in Spain, Law No. 7/2024 of 20 December, was published establishing a supplementary tax to guarantee a minimum global level for multinational groups and large national groups, with effect for financial years beginning on or after 31 December 2023, and, therefore, it is already fully applicable to the EDP Group for the 2024 financial year.

This regulation has not had any impact on the Company as of 31 December 2024.



**12. Balances and transactions with related parties**

The breakdown of balances receivable from group companies, associates and related parties as at 31 December 2024 and 2023 is as follows:

	Euro		Euro	
	Group companies		Group companies	
	Non-current assets		Current assets	
	2024	2023	2024	2023
Loans to group companies, associates and related parties	6,294,181,934	2,738,612,938	574,300,000	365,000,000
Client group companies and associates	-	-	4,509,239	3,166,556
Interest generated and pending	-	-	105,905,627	30,757,941
Other loans to group companies, associates and related parties	1,053,830,666	710,407,637	-	-
Derivatives (Note 7)	220,209	-	-	-
Other assets with group companies (Note 6)	362,113,666	-	9,663,967	-
	<b>7,710,346,475</b>	<b>3,449,020,575</b>	<b>694,378,833</b>	<b>398,924,497</b>

**Loans to group companies, associates and related parties**Long-term

The maturity of the long-term loans included under this heading at 31 December 2024 and 2023 is as follows:

	2024	2023
2025	-	225,300,000
2026	549,024,500	150,024,500
2027	1,159,746,360	395,746,360
2028	659,000,000	635,000,000
2029	1,993,260,626	1,082,542,078
2030	750,000,000	-
2031	500,000,000	-
2032	683,150,448	250,000,000
	<b>6,294,181,934</b>	<b>2,738,612,938</b>

Short term:

Loans to group companies, associates and related parties bear interest at rates ranging from 0.429% to 8% (between 0.429% and 6.361% in the 2023 financial year).

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)****Annual accounts report as at 31 December 2024****Main movements during the financial year:**

During the 2024 financial year, there were new loans granted in the amount of 3,405,000,000 euros and loans in foreign currency in the amount of 778,000,000 US dollars (during the 2023 financial year, there were new loans granted in the amount of 1,135,000,000 euros).

In 2024, amortisations have been carried out for 389,000,000 euros.

**Current accounts with group companies, associates and related parties**

As at 31 December 2024, the Company has current account agreements with group companies, associates and related parties totalling 1,053,809,993 euros recorded under non-current assets (710,407,637 euros were long-term as at 31 December 2023). These contracts bear variable interest indexed to Euribor plus a market spread.

Included in these contracts are the current account commercial contracts in foreign currency that the Company holds with EDP Renovaveis Servicios Financieros, S.L., whose debit balance amounts to 171,251,420 euros on 31 December 2024 (it appeared with a credit balance in current liabilities on 31 December 2023 for the amount of 199,038,482 euros).

**Other financial assets**

See Note 6 for the breakdown of this heading.

**Interest generated and pending**

This heading includes accrued interest not yet due corresponding to current account contracts and to the several loans granted, amounting to 27,722,217 euros and 78,183,410 euros, respectively (6,479,741 euros and 24,278,200 euros as of 31 December 2023).

The impact of exchange rate differences on the Company's financial assets is detailed in Note 6.

As at 31 December 2024 and 2023, the breakdown of credit balances with group companies, associates and related parties is as follows:

	Euro		Euro	
	Non-current liabilities		Current liabilities	
	Group companies, associates and related parties		Group companies, associates and related parties	
	2024	2023	2024	2023
Payables to group companies, associates and related parties	3,772,556,998	1,132,542,078	2,108,975,194	1,215,743,819
Derivatives (Note 7)	2,847,103	-	865,549	-
Suppliers to group companies, associates and related parties (Note 11)	-	-	1,825,843	5,266,329
Creditors to group companies, associates and related parties (Note 11)	-	-	2,191,908	4,059,922
	<b>3,775,404,101</b>	<b>1,132,542,078</b>	<b>2,113,858,494</b>	<b>1,225,070,070</b>

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

Annual accounts report as at 31 December 2024

**Payables to group companies, associates and related parties****Long term:**

The due date of the items comprising this heading in the long term, as at 31 December 2024 and 2023, is as follows:

	<b>2024</b>	<b>2023</b>
2026	550,000,000	-
2027	1,096,145,924	-
2028	808,229,859	300,000,000
2029	1,318,181,215	832,542,078
	<b>3,772,556,998</b>	<b>1,132,542,078</b>

**Short term:**

During the 2024 financial year, EDP Finance BV granted a short-term loan to the Company for the amount of 650,000,000 euros. This loan bears interest at a rate of 3.43%.

As at 31 December 2023, the Company did not have any loans with short-term maturities.

This heading includes the outstanding accrued interest on the euro-denominated loans received from this Company, amounting to 25,985,863 euros (14,328,962 euros on 31 December 2023), and accrued interest not yet due on loans received in US dollars amounting to 11,881,481 euros (12,343,670 US dollars valued at the closing exchange rate).

Furthermore, the balance of this heading, amounting to 1,391,463,821 euros (1,183,017,482 euros in 2023), comprises the commercial current account contracts that the Company has with the various group companies, associates and related parties.

As at 31 December 2024, these current accounts have accrued non-settled interest of 29,403,041 euros (18,367,375 euros on 31 December 2023).

Current accounts with the group accrue daily interest with monthly or annual settlement. The interest rate is indexed to the 1-month Euribor minus 0.30%.

The impact of exchange rate differences on the Company's financial liabilities is detailed in Note 10.

**Transactions with group companies, associates and related parties**

The Company's transactions with related parties during 2024 and 2023 are set out below:

	<b>Euro</b>	
	<b>Group companies</b>	
	<b>2024</b>	<b>2023</b>
Provision of services	11,957	10,992
Financial income	265,184,917	118,919,520
Financial expenses	(160,954,974)	(89,233,950)
Change in fair value of financial instruments	(645,340)	-
Exchange rate differences	(6,001,769)	(1,359,212)
External services	(566,817)	(14,127)

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

Annual accounts report as at 31 December 2024

**Balances and Transactions with the Sole Shareholder**

As at 31 December 2024 and 2023, the Company has the following balances and transactions with the Sole Shareholder, the Spanish branch of EDP Energias de Portugal, Sociedade Anónima.

	Euro	
	2024	2023
Loans to group companies	888,673,164	-
Payables to group companies, associates and related parties (current account)	101,541,629	212,033,352
Clients	-	14,147
Suppliers and creditors	880	12,364
Sundry creditors (tax pooling)	2,191,908	4,059,922
Provision of services	11,957	10,992
External services	(5,299)	(13,956)
Financial expenses (current account)	(746,939)	(12,833,967)
Financial income (current account)	15,592,561	3,402
Financial income (credits)	19,129,476	-

There are no contracts, balances or transactions with the Company's current sole shareholder other than those mentioned.

**13. Income and expenses****a) *Net turnover***

As at 31 December 2024 and 2023, the net turnover mainly includes financial income associated with loans to group companies (Notes 6 and 12), as well as financial income associated with the deposits detailed in Note 8 and services provided to group companies (Note 12).

During the financial years 2024 and 2023, all the activities reflected in the net turnover of the accompanying profit and loss account took place in the national market.

**b) *Staff expenses***

As at 31 December 2024, the Company had three employees (one man and two women) (one employee as at 31 December 2023). During 2024, the average workforce has been one man and two women (one woman in 2023).

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)****Annual accounts report as at 31 December 2024**

As at 31 December 2024 and 2023, this heading is detailed as follows:

	Euro	
	31/12/2024	31/12/2023
Wages, salaries and similar	372,869	62,775
Social Security at the Company's expense	56,332	1,441
Other social expenses	38,619	-
	<b>467,820</b>	<b>64,216</b>

**c) External services**

As at 31 December 2024 and 2023, this heading is detailed as follows:

	Euro	
	31/12/2024	31/12/2023
Corporate services	566,359	13,956
Independent professional services	151,014	236,241
Other	4,875	88
	<b>722,248</b>	<b>250,285</b>

**Remuneration and other benefits of the Directors and Senior Management**

During the 2024 and 2023 financial years, the Directors have not received any remuneration due to their position, nor have they been granted any advances or credits, no obligations have been assumed on their behalf in the form of guarantees, nor have any civil liability insurance premiums been paid for damages caused by acts or omissions in the exercise of their duties. Likewise, the Company has no pension or life insurance obligations to its former or current Directors. Despite this, as a consequence of their professional work as employees of the Company, the Directors accrued a total remuneration of 213 thousand euros in 2024 (63 thousand euros in 2023). Senior management duties are carried out by the Company's Directors.

As at 31 December 2024 and 2023, the Company's Governing Body comprised three members, two men and one woman.

At the date of preparation of these financial statements, the Governing Body has changed its structure with the appointment of a new Sole Director, and the previous Directors are no longer part of it.

None of the Directors has notified the Company, nor is it aware, of the existence of any of the situations of conflict of interest described in Article 229 *et seq.* of the Spanish Companies Act.

**14. Audit fees**

PricewaterhouseCoopers Auditores, S.L., the company that audits the financial statements, has accrued fees for professional auditing services during the 2024 financial year totalling 31,721 euros (25,214 euros as of 31 December 2023). Furthermore, during the financial year, an amount of 16,875 euros has been accrued for other accounting verification services corresponding to the quarterly reviews carried out for the consolidated accounts of the Group's parent company, EDP, S.A. (no amount accrued for this item as of 31 December 2023).

Moreover, other entities affiliated to the PwC network have not accrued or invoiced the Company any amount during the financial year ended 31 December 2024, nor did they do so during the 2023 financial year.

**15. Environment**

The exposure of the Company solely occurs by means of the potential impact of the EDP Group on climate change, whose contribution to the fight against climate change is manifested through its Climate Action Focus, embodied in the Climate Transition Plan (published in a separate document in 2023). The EDP Group prepares its information on climate change following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Such information can be found in the EDP Group's Annual Report and Sustainability Report, which are both available on the website [www.edp.com](http://www.edp.com).

No material impact on the Company's financial position is expected. Starting in 2026, it is expected that the Company, as an issuer of bonds in a regulated European market, will fall within the scope of the Corporate Sustainability Reporting Directive ('CSRD'), to report during the financial year beginning on 1 January 2025. The Company, together with EDP Group, is currently working on a double-materiality assessment to identify its specific areas of focus, a process that is expected to be completed in the coming months.

Through its parent company, the Company is committed to environmental responsibility, particularly in the areas most relevant to the Group's strategy: climate change, the circular economy and biodiversity. To achieve these commitments and policies, EDP has implemented a governance framework for its sustainability objectives, which involves (i) oversight by the General and Supervisory Board; (ii) decision-making and approval by the Executive Board of Directors; and (iii) operational practices to manage, implement and monitor the Group's sustainability strategy and policies. Since 2016, the process of assessing the materiality of EDP has been carried out using a detailed and systematised methodology applied across the whole Group. The materiality assessment is carried out every two years, in line with the review of the Business Plan. This process allows the Company to identify the relevance of non-financial issues for stakeholders, with regard to its strategy and business priorities.

Furthermore, regarding the bonds issued by the Company (cf. Note 10), issued under EDP's green financing framework, it should be noted that this financing framework is aligned with the 2021 Green Bond Principles of the International Capital Markets Association (ICMA), the 2023 Green Loan Principles (GLP) of the Loan Market Association (LMA), administered by the LMA, the Asia Pacific Loan Market Association (APLMA) and the Loan Syndication & Trading Association (LSTA). The eligible assets and projects financed and refinanced shall contribute to the climate change mitigation objective of the EU Taxonomy.

**16. Events after the reporting period**

There have been no significant subsequent events between the end of the 2024 financial year and the preparation of these annual accounts, except that:

- On 13 January, the Company issued a "green debt instrument" bond for 750 million euros with a coupon of 3.5% and maturity in July 2031.

## EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)

### Management Report

## MANAGEMENT REPORT 2024

### Activities

The Company's main activity is to act as the finance company of the EDP Group ('EDP'), raising funds in the international capital markets and from bank loans to finance EDP's activities and investment plan. Therefore, the Company's activity is determined by the business plan and the global strategy defined for EDP, its debt maturity schedule and EDP's financial policy, which includes a conservative liquidity profile and the centralisation of most fundraising in EDP SA and in the Company for the Group's subsidiaries, as well as the prevailing market conditions.

EDP's consolidated financial statements are available at [www.edp.com](http://www.edp.com).

Furthermore, the Company holds a strong cash position, as the amount of available liquidity (including committed credit lines) meets the Company's refinancing requirements for at least 18 months, according to EDP's liquidity policy.

### Main advances

In September 2023, EDP SFE joined the EDP Group's EMTN programme and since then has issued bonds on the market, including a 750 million euro issue on 16 January 2024, with a maturity of 6 years and a rate of 3.5%.

The financing operations carried out during the financial year allowed the Company and the EDP Group to access different markets and investors, thereby obtaining the necessary funding for repayments in the current and next financial years, as well as strengthening the liquidity position, anticipating the refinancing requirements for the coming years.

### Debt

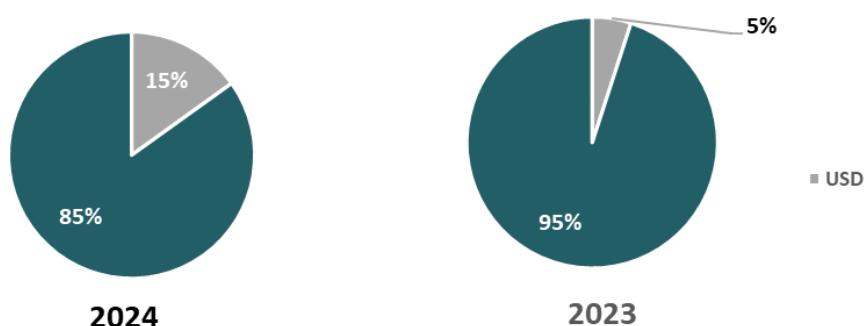
In 2024, EDP SFE's debt reached 8,248 million euros. Compared to December 2023, there has been a significant increase in debt (4,477 million euros), and this was due to the growth of external debt, such as the aforementioned bond issue, as well as the contracting of a 5-year bilateral loan of 150 million euros with Mediobanca International. The main reason, however, was the contracting of debt with group companies, especially EDP SA.

Thousand euros			
	Dec 2024	Dec 2023	Var
<b>Debt - Short term</b>	<b>2.164.468</b>	<b>1.227.984</b>	<b>76%</b>
Bonds and other marketable securities	51.694	11.780	339%
Debts with credit institutions	635	460	38%
Payables to group companies, associates and related parties	2.108.734	1.215.744	73%
Derivatives	3.405	-	
<b>Debt - Long term</b>	<b>6.083.389</b>	<b>2.542.937</b>	<b>139%</b>
Bonds and other marketable securities	2.082.985	1.335.395	56%
Debts with credit institutions	225.000	75.000	200%
Payables to group companies, associates and related parties	3.772.557	1.132.542	233%
Derivatives	2.847	-	
<b>Total debt under IFRS</b>	<b>8.247.857</b>	<b>3.770.921</b>	<b>119%</b>

## EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)

### Management Report

In terms of currencies, EDP SFE's debt in euros continues to be the Company's main financing currency (around 85% in 2024), but the Company has increased its exposure to US dollars due to the loans it has granted to EDP Renováveis.



### Rating

In March 2023, Standard & Poor's Global Ratings ("S&P") confirmed EDP SA's rating as "BBB" with a stable outlook and, in May 2023, Moody's Investors Service ("Moody's") upgraded EDP SA's rating from "Baa3" to "Baa2" with a stable outlook. More recently, in April 2024, Fitch Ratings ("Fitch") also confirmed the "BBB" rating with a stable outlook.

### Risk Management

Given the nature of the Company's activities, providing services to companies in the EDP Spain Group, there are no significant risks affecting the business, as the Group maintains a policy of remunerating its activities at market prices.

#### **Risk management policy**

The risk policy is designed to effectively control and manage the Company's risks, with special focus on those that are most relevant to the development of business activities:

- Market risks. They mainly comprise interest rate risks.
- Contextual risks. Essentially, they include counterparty risks (default, integrity and non-compliance), among others.

#### *Interest rate risk*

Given the nature of its activities, the Company holds significant interest-bearing assets, and therefore the income and cash flows from its operating activities are subject to changes in market interest rates. Interest rate fluctuations affect the future flows of assets and liabilities that are indexed to variable interest rates.

Most of the loans granted and received bear variable interest indexed to Euribor. The sensitivity of the results (before tax effects) to interest rate fluctuations is detailed in Note 5 of the accompanying report.



## **EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

### **Management Report**

#### *Foreign exchange risk*

The Company records financial instruments denominated in foreign currencies, mainly the US dollar. The Company's loans are mainly exposed to exchange rate risk, which could have an adverse effect on financial income/(expenses) and cash flows. To reduce this risk, the Company uses derivative financial instruments (Note 5) and takes into account the hedged market risk.

The sensitivity of results (before tax effects) to exchange rate fluctuations is detailed in Note 5 of the accompanying report.

#### *Liquidity risk*

The Company has a very low tendency towards liquidity risk.

This risk is associated with the possibility that the Company may not be able to meet its short-term liabilities within the agreed deadlines, or may simply be able to do so under unfavourable conditions due to difficulties in accessing credit and a downgrading of its credit rating.

Liquidity risk is managed by contracting and maintaining lines of credit and financing with a binding underwriting commitment, with group companies, as well as with solvent international financial institutions with high credit ratings, as well as term deposits, which allow immediate access to funds, thereby covering the refinancing needs for the next 18 to 24 months.

#### *Credit risk*

This risk is defined as the possibility of a third party not fulfilling its contractual obligations, thereby resulting in losses for the Company.

Regarding exposure to credit risk from granting loans to companies within the same business group (Note 5), the Company is covered by the EDP Group's financial policy.

#### *Capital management*

EDP SFE is not an organisation subject to regulation in terms of capital or solvency ratios. Therefore, capital management is carried out within the organisation's financial management process.

The Company's goal when managing its shareholders' equity is to safeguard its ability to continue operating as a going concern, to grow steadily in order to meet its established objectives and to keep an optimal capital structure to reduce the cost of capital.

### **Code of good governance**

EDP's governance structure is based on a dual model comprising the General Meeting, the Executive Board of Directors, the General and Supervisory Board and the Statutory Auditor. The split between management and supervisory duties is embodied in an Executive Board of Directors, responsible for managing the Company's business, and a General and Supervisory Board, the highest supervisory body. The separation of competences, inherent to this model, between the Executive Board of Directors and the General and Supervisory Board, has guaranteed the efficient management of the Company, which benefits from constant and close supervision. The dual corporate governance model implemented at EDP since July 2006 has enabled an effective separation between the supervision and management of the Company in the pursuit of the objectives and interests of EDP and its shareholders, employees and other stakeholders, thereby contributing to achieve the degree of trust and transparency necessary for its adequate functioning and optimisation.

## EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)

### Management Report

For a better understanding of its corporate governance, EDP's website allows shareholders and the general public to access the updated articles of association in Portuguese and English, the Internal Regulations of the Executive Board of Directors, the General and Supervisory Board and their committees, documents that have been modified to adapt them to the best practices, in particular to the principles and recommendations established by the Corporate Governance Code published by the *Instituto Português de Corporate Governance* [Portuguese Institute of Corporate Governance]. It should also be noted that, since 2010, EDP has had a Corporate Governance Manual, the main goal of which is to record and share the provisions of the Executive Board of Directors and the General and Supervisory Board regarding the recommendations of good practices applicable to EDP in terms of corporate governance. The manual is a dynamic document. Therefore, it should be periodically reviewed, taking into account the contributions of all stakeholders to the ongoing development of EDP's governance model.

Furthermore, since September 2023, the EDP Group Audit Committee has been performing the duties of the EDP Servicios Financieros S.A.

### Internal Control System

The Company's administrative and accounting procedures used in financial reporting and daily operations are periodically assessed and adjusted to the internal control system.

The controls, whether preventive or for detection, are integrated into the Company thanks to the segregation of roles and responsibilities for the different duties, as established in the procedures approved and distributed throughout the Company. These controls, applied to manage and mitigate operational and financial reporting risks, are aimed at preventing and reducing the risk of errors, i.e. the fraud factor in the financial reporting process.

An assessment has been carried out on the suitability of the procedures used to prepare the financial statements and no significant problems have been detected.

EDP Servicios Financieros España S.A.U. (EDP SFE) is a 100% subsidiary of the EDP SA (EDP) Group, Portugal, and is fully consolidated within the Group.

EDP has designed and implemented an Internal Control for Financial Reporting System (ICFR). The main objective of EDP's ICFR is to provide reasonable assurance regarding the quality and reliability of the financial information produced and reported. This EDP ICFR also includes and covers EDP SFE.

The EDP Executive Board of Directors (EBD) is responsible for the design, implementation and maintenance of the System. EDP's ICFR is developed in line with the criteria established in the Internal Control Framework of the Committee of Sponsoring Organisations of the Treadway Commission (COSO 2013) and the Control Objectives for Information and related Technologies (COBIT) model. For the purpose of managing and maintaining the ICFR in operational terms, the Group has an ICFR Standard that includes the duties and main activities in the management and maintenance of the System at all levels of the organisation. Likewise, it has a ICFR Manual that establishes and describes the general principles of the System, the methodology used, the procedures to ensure the effectiveness of internal control and the design, documentation, evaluation and reporting models.

The ICFR management addresses the following annual business cycle:

Revision and updating of the ICFR Scope of Application to identify all relevant companies, processes and accounting headings. This review addresses issues of materiality and risk, specifically financial reporting risk and fraud risk.

## **EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

### **Management Report**

Documentation, review, maintenance and updating of ICFR processes and controls to make sure that all companies, processes and relevant accounting headings are adequately covered by ICFR processes and controls.

At the end of each year, an ICFR self-assessment and self-certification process is carried out by the various managers in the organisation.

In addition, the ICFR is subject to an independent assessment by the External Auditor, at the consolidated level of the EDP Group.

An annual report from the ICFR system and a work plan are submitted to the Audit Committee on an annual basis. A quarterly report is submitted detailing the work carried out and the progress made with the plan.

EDP's ICFR contains three different types of controls:

Global Controls (CCGG): CCGG consist of policies, procedures, codes, manuals, systems, tools, organisation charts, structures and practices that apply to the entire EDP Group at a general level. It is about preventive and/or detection methods and controls that determine and describe the organisation, how it works and its competences, guiding and supporting all bodies, areas and employees in the execution of their duties.

Application Controls at process level: These controls contribute to covering the different risk concepts identified for all the Group's companies, processes and relevant accounting headings. Basically, these are controls related to approvals, verifications, reconciliations, supervision, physical control or the segregation of duties. There are manual and automatic, preventive and detection controls.

General Information Technology Controls: IT General Controls address controls related to the planning, organisation, supervision and assessment of information systems. Furthermore, they contain more application-related controls related to the acquisition, implementation, maintenance and support of the systems. These include important issues such as access control, segregation of duties, backups and change-related controls.

### **Integrity / Corruption and fraud prevention**

EDP SFE is part of the EDP Group's Specific Compliance Program for Integrity / Corruption Prevention. A fundamental part of the systematisation of this Programme was the definition of an Integrity Policy in which the commitments, general principles of action and duties of the Group's entities, its employees and business partners, in the prevention of illegal acts, were defined, complementing the set of rules and compliance mechanisms already in place at the corporate level (namely the Code of Conduct for Suppliers, the Code of Conduct for Senior Managers and Senior Financial Officers, the Procedure for the Prevention of Conflicts of Interest and the Policy on Transactions with Related Parties, in addition to the EDP Group's own Code of Ethics and the available channels for reporting irregularities). The EDP Group's Integrity Policy, distributed to all employees (as a compulsory reading document, with acknowledgement of receipt) and available both on the intranet and on the EDP website ([www.edp.com](http://www.edp.com)), reinforces the zero-tolerance policy regarding the adoption of practices that may be perceived as acts of corruption or bribery, clarifies the prohibition of facilitation payments and details the principles related to the prevention of conflicts of interest, donations and sponsorships, contributions to political parties and prevention of money laundering, conducting due diligence on the integrity of third parties, the relationship with public officials and politically exposed persons, the acceptance and transfer of offers and invitations to events and the monitoring of international sanctions. All these principles have been applied through the development of specific procedures and internal control mechanisms (such as, for instance, the authorisation of bank payments within the payment process). The EDP Group has consistently implemented measures to ensure the good governance of its companies, including the prevention of improper practices, specifically those related to accounting, internal accounting

## **EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

### **Management Report**

controls, auditing, complaints, whistleblowing or other irregularities and the fight against corruption, banking and financial crimes and, to this end, updated the Whistleblowing Procedures Regulation in April 2020.

EDP provides the Group's employees, shareholders, the auditor or any other stakeholder with a channel that allows them to report irregularities on these matters, directly and confidentially, to the Financial Affairs Committee / Audit Committee of the General and Supervisory Board. The contact is established through a platform that supports the channel's operation, with security mechanisms and encryption of all information, enabling interaction with the author while maintaining anonymity. Regarding whistleblowing, EDP's Integrity Policy reinforces the principle of non-retaliation and identifies the various channels available, both internally and externally. EDP also launched an investigation procedure to guarantee that the communications received are handled appropriately, defining the guidelines for the investigation process and the corresponding follow-up initiatives.

EDP provides more details on its website about the Regulations on Procedures for Reporting Irregularities that should be adopted with regard to the Communication of Erroneous Procedures [www.edp.com/en/edp/irregularities-communication-channel](http://www.edp.com/en/edp/irregularities-communication-channel).

### **Audit Committee**

The Company is invoking the exemption to establish its own Audit Committee, based on the third additional provision of Law No. 22/2015 on Auditing of Accounts, which implements Article 41 of EU Directive 2006/43/EC. In 2023, EDP SFE passed a resolution for the Audit Committee of the parent company, EDP, S.A., to act as the Company's Audit Committee. In 2024, the audit committee met on four occasions. This Committee is structured as follows:

- Gonçalo Moura Martins: Chairman
- Maria José Garcia: Spokesperson
- Sofia Salgado Pinto: Member
- Victor Roza Fresno: Member

### **Economic results**

The profit from the Company's ongoing activities in the 2024 financial year amounted to 11,698,247 euros (16,390,756 euros in 2023).

Turnover amounted to 273,882,117 euros (127,787,393 euros in 2023).

This decrease is partly due to the rise in the Company's operating and staff costs, and partly to the increase in the Company's financial activity, which has increased its exposure to the US dollar, generating higher exchange rate impacts, as well as costs to hedge these exposures.

Financial expenses amount to 263,242,062 euros, compared to 104,355,341 euros in 2023.

The operating profit amounts to 9,365,035 euros (22,941,554 euros in 2023).

### **Treasury shares**

No transactions have been carried out with the Company's treasury shares, or those of the parent company, during the financial year.

## **EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

### **Management Report**

#### **Events after the reporting period**

There have been no significant subsequent events between the end of the 2024 financial year and the preparation of these annual accounts, except that:

- On 13 January, the Company issued a "green debt instrument" bond for 750 million euros with a coupon of 3.5% and maturity in July 2031.

#### **Research and development**

There were no research and development activities.

#### **Business prospects**

With the addition of EDP Servicios Financieros España, S.A. to the two 'Revolving Credit Facilities' (RCFs) in 2024 (one for 3,000 million euros and another for 4,250 million), following the inclusion in the EDP group's bond issuance programme in 2023, EDP SFE's activity is expected to increase in the coming years, once its role as the group's financial vehicle is set to increase.

#### **Other aspects**

The Company's average supplier payment period is shorter than the legally stipulated maximum period.

**EDP SERVICIOS FINANCIEROS ESPAÑA, S.A. (UNIPERSONAL COMPANY)**

**AUTHORISATION FOR ISSUE OF THE ANNUAL ACCOUNTS AND MANAGEMENT REPORT FOR 2024**

On 26 February 2025, the Sole Director of EDP Servicios Financieros España, S.A.U., in compliance with the requirements established in Article 253.2 of the Consolidated Text of the Spanish Companies Act and in Article 37 of the Commercial Code, proceeds to prepare the annual accounts and management report for the financial year from 1 January 2024 to 31 December 2024. The annual accounts comprise the accompanying documents that precede this statement.

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Mr. Filipe Alves Domingues

Sole Director