Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	821 186 242
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	MIDGARD VIND HOLDING AS
Forretningsadresse:	Klæbuveien 118 7031 TRONDHEIM

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Hege Johnsen
Dato for fastsettelse av årsregnskapet:	25.06.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert

År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 19.08.2025

Resultatregnskap

Beløp i: EUR	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		700 000	143 000
Sum inntekter		**700 000**	**143 000**
Kostnader			
Lønnskostnad	2	688 000	573 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	1	2 000	2 000
Annen driftskostnad	3	307 000	176 000
Sum kostnader		**997 000**	**751 000**
Driftsresultat		**-297 000**	**-608 000**
Finansinntekter og finanskostnader			
Net finance	4	4 641 000	413 000
Sum finansinntekter		**4 641 000**	**413 000**
Netto finans		**4 641 000**	**413 000**
Resultat før skattekostnad		**4 344 000**	**-195 000**
Income expense tax	5	1 404 000	895 000
Årsresultat		**2 940 000**	**-1 090 000**
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		2 940 000	1 090 000
Sum overføringer og disponeringer		**2 940 000**	**1 090 000**

Balanse

Beløp i: EUR	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	5	25 920 000	27 324 000
Sum immaterielle eiendeler		**25 920 000**	**27 324 000**
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	1	4 000	3 000
Sum varige driftsmidler		**4 000**	**3 000**
Finansielle anleggsmidler			
Investering i datterselskap	6	157 440 000	157 440 000
Sum finansielle anleggsmidler		**157 440 000**	**157 440 000**
Sum anleggsmidler		**183 364 000**	**184 767 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		788 000	64 000
Andre fordringer		367 000	5 000
Konsernfordringer		228 217 000	234 490 000
Sum fordringer		**229 372 000**	**234 559 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	7	23 401 000	34 187 000
Sum bankinnskudd, kontanter og lignende		**23 401 000**	**34 187 000**
Sum omløpsmidler		**252 773 000**	**268 746 000**
SUM EIENDELER		**436 137 000**	**453 513 000**
BALANSE - EGENKAPITAL OG GJELD			

Balanse

Beløp i: EUR	Note	2024	2023
Egenkapital			
Innskutt egenkapital			
Selskapskapital	8	305 000	305 000
Overkurs	9	134 178 000	144 178 000
Annen innskutt egenkapital	9	204 478 000	204 478 000
Sum innskutt egenkapital		**338 961 000**	**348 961 000**
Opptjent egenkapital			
Annen egenkapital	9	-99 037 000	-101 978 000
Sum opptjent egenkapital		**-99 037 000**	**-101 978 000**
Sum egenkapital		**239 924 000**	**246 983 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	10	170 619 000	178 228 000
Sum annen langsiktig gjeld		**170 619 000**	**178 228 000**
Sum langsiktig gjeld		**170 619 000**	**178 228 000**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	10	7 783 000	9 575 000
Leverandørgjeld		35 000	32 000
Skyldige offentlige avgifter			47 000
Kortsiktig konserngjeld		17 388 000	18 478 000
Annen kortsiktig gjeld		388 000	170 000
Sum kortsiktig gjeld		**25 594 000**	**28 302 000**
Sum gjeld		**196 213 000**	**206 530 000**
SUM EGENKAPITAL OG GJELD		**436 137 000**	**453 513 000**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer:	2025 745305

Enheten

Organisasjonsnummer:	821 186 242
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	MIDGARD VIND HOLDING AS
Forretningsadresse:	Klæbuveien 118 7031 TRONDHEIM

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Hege Johnsen
Dato for fastsettelse av årsregnskapet:	25.06.2025

Grunnlag for avgivelse

År 2024: Årsregnskap er elektronisk innlevert.
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.08.2025

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 821 186 242
MIDGARD VIND HOLDING AS

RESULTATREGNSKAP

Beløp i: EUR	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		700 000	143 000
Sum inntekter		**700 000**	**143 000**
Kostnader			
Lønnskostnad	2	688 000	573 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	1	2 000	2 000
Annen driftskostnad	3	307 000	176 000
Sum kostnader		**997 000**	**751 000**
Driftsresultat		**-297 000**	**-608 000**
Finansinntekter og finanskostnader			
Net finance	4	4 641 000	413 000
Sum finansinntekter		**4 641 000**	**413 000**
Netto finans		**4 641 000**	**413 000**
Resultat før skattekostnad		**4 344 000**	**-195 000**
Income expense tax	5	1 404 000	895 000
Årsresultat		**2 940 000**	**-1 090 000**
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		2 940 000	1 090 000
Sum overføringer og disponeringer		**2 940 000**	**1 090 000**

Organisasjonsnr: 821 186 242
MIDGARD VIND HOLDING AS

BALANSE

Beløp i: EUR	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	5	25 920 000	27 324 000
Sum immaterielle eiendeler		**25 920 000**	**27 324 000**
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	1	4 000	3 000
Sum varige driftsmidler		**4 000**	**3 000**
Finansielle anleggsmidler			
Investering i datterselskap	6	157 440 000	157 440 000
Sum finansielle anleggsmidler		**157 440 000**	**157 440 000**
Sum anleggsmidler		**183 364 000**	**184 767 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		788 000	64 000
Andre fordringer		367 000	5 000
Konsernfordringer		228 217 000	234 490 000
Sum fordringer		**229 372 000**	**234 559 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	7	23 401 000	34 187 000
Sum bankinnskudd, kontanter og lignende		**23 401 000**	**34 187 000**
Sum omløpsmidler		**252 773 000**	**268 746 000**
SUM EIENDELER		**436 137 000**	**453 513 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	8	305 000	305 000
Overkurs	9	134 178 000	144 178 000
Annen innskutt egenkapital	9	204 478 000	204 478 000
Sum innskutt egenkapital		**338 961 000**	**348 961 000**

Opptjent egenkapital			
Annen egenkapital	9	-99 037 000	-101 978 000
Sum opptjent egenkapital		**-99 037 000**	**-101 978 000**
Sum egenkapital		**239 924 000**	**246 983 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	10	170 619 000	178 228 000
Sum annen langsiktig gjeld		**170 619 000**	**178 228 000**
Sum langsiktig gjeld		**170 619 000**	**178 228 000**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	10	7 783 000	9 575 000
Leverandørgjeld		35 000	32 000
Skyldige offentlige avgifter			47 000
Kortsiktig konserngjeld		17 388 000	18 478 000
Annen kortsiktig gjeld		388 000	170 000
Sum kortsiktig gjeld		**25 594 000**	**28 302 000**
Sum gjeld		**196 213 000**	**206 530 000**
SUM EGENKAPITAL OG GJELD		**436 137 000**	**453 513 000**

Organisasjonsnr: 821 186 242
MIDGARD VIND HOLDING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
0

Regnskapsprinsipper
Consolidated financial statements have not been prepared pursuant to the exemption provision in Section 3-7 of the Norwegian Accounting Act, as the company is consolidated into the parent company's group financial statements."

Note
2

Antall årsverk i regnskapsåret
3.00

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

PKF ReVisjon AS
Sandakerveien 114A, 0484 Oslo

+47 22 78 28 00
post@pkf.no
pkf.no

Org./revisornr. 983 773 370
Medlem av Den norske Revisorforening

To the General Meeting of Midgard Vind Holding AS

INDEPENDENT AUDITOR`S REPORT

Opinion

We have audited the financial statements of Midgard Vind Holding AS (the company) showing a profit of EUR 2 940 000. The financial statements comprise the balance sheet as at 31 December 2024, the statement of income and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of financial position of the Company as at 31 December 2024 and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or the information in the Board of Directors' report otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

PKF ReVisjon AS er medlem av PKF Global, et nettverk av medlemsselskaper i PKF International Limited. Medlemmene er selvstendige juridisk uavhengige selskaper, og fraskriver seg ethvert ansvar for arbeid eller manglende arbeid utført av andre individuelle selskapsmedlem eller samarbeidende selskap(er).

PKF ReVisjon

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements

Responsibilities of management for the Financial Statements

The management are responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 ISAs 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 financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:
https://revisorforeningen.no/revisjonsberetninger

Oslo, 24. April 2025
PKF REVISJON AS

Kristoffer Jossan Hegge
State Authorised Public Accountant

Admincontrol

List of Signatures

2024 Financial Statement Midgard Vind Holding AS.pdf

Name	Method	Signed at
Finnanger, Idunn Gangaune	BANKID	2025-04-28 22:54 GMT+02
Felix Corradini	One-Time-Password	2025-04-28 12:19 GMT+02
Færestrand, Roger Beite	BANKID	2025-04-28 10:38 GMT+02
Julia Kufner	One-Time-Password	2025-04-26 17:40 GMT+02
Vogt, Christian	BANKID	2025-04-24 14:49 GMT+02

This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.

External reference: 51A0041D348548C9BE9490EF24ECA546

MIDGARD

Midgard Vind Holding AS

Financial statements 2024

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

Profit & loss

in EUR 1000

	Note	2024	2023
Other income		700	143
Revenue		**700**	**143**
Delivery settlement		0	0
Depreciation	1	-2	-2
Personnel cost	2	-688	-573
Other operating expenses	3	-307	-176
Total operating expenses		**-998**	**-751**
OPERATING PROFIT/ (LOSS)		**-297**	**-608**
Net finance	4	**4 641**	**413**
PROFIT/ (LOSS) BEFORE INCOME TAX		**4 344**	**-195**
Income tax expense	5	-1 404	-895
NET PROFIT/ (LOSS)		**2 940**	**-1 090**
Attributable to:			
Other equity		2 940	-1 090
Total		2 940	-1 090

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

Balance

in EUR 1000

Assets	Note	2024	2023
Intangible assets			
Deferred tax asset	5	25 920	27 324
Total intangible assets		**25 920**	**27 324**
Tangible assets			
Fixtures, equipment, tools, office machines etc.	1	4	3
Total tangible assets		**4**	**3**
Financial assets			
Investments in subsidiaries	6	157 440	157 440
Total financial assets		**157 440**	**157 440**
Total non-current assets		**183 364**	**184 768**
Current assets			
Accounts receivable		788	64
Receivables group company		493	0
Other receivables		367	5
Group contribution		1 519	3 458
Group cashpool		226 205	231 032
Bank deposits	7	23 401	34 187
Total current assets		**252 773**	**268 746**
Total assets		**436 137**	**453 513**

Equity and liabilities		2024	2023
Equity			
Share capital	8	305	305
Share premium reserve	9	134 178	144 178
Other paid-in capital	9	204 478	204 478
Total paid-in equity		**338 961**	**348 961**
Other equity	9	-99 037	-101 977
Total equity		**239 923**	**246 983**
Non-current liabilites			
Long term interest bearing debt	10	170 619	178 228
Total non-current liabilities		**170 619**	**178 228**
Current liabilities			
Short term interest bearing debt	10	7 783	9 575
Group cashpool		17 388	18 478
Accounts payable		35	32
Public duties payable		0	47
Other short debt	11	389	170
Total current liabilities		**25 595**	**28 302**
Total equity and liabilities		**436 137**	**453 513**

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

Trondheim 24.04.2025

Christian Vogt
Chairman

Felix Corradini
Board member

Idunn Finnanger
Board member

Julia Kufner
Board member

Roger Beite Færestrand
Board member

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

Cash flow statement

in EUR 1000

	2024	2023
Cash flow from operating activities		
Profit/ (loss) before income taxes	4 344	-195
Depreciations	2	2
Change in value power purchase agreement (PPA)	0	0
Interest expense/ Interest income (-)	-3 227	-3 822
Changes in accounts receivables	853	1 354
Changes in accounts payable	3	-21 992
Changes in other accruals	-148	176
Net cash flow from operating activities	**1 827**	**-24 476**
Cash flow from investing activities		
Cash outflows for investments in property, plant and equipment	-3	-5
Net cash flow from investing activities	**-3**	**-5**
Cash flow from financing activities		
Cash inflows from issuance of loans	0	0
Cash outflows for redemption of loans	-9 575	-27 200
Cash inflows from additions to shareholders' equity	-10 000	0
Interest expense/ Interest income (-)	3 227	3 822
Net cash flow from financing activities	**-16 347**	**-23 378**
Net change in cash and cash equivalents	-14 523	-47 859
Net change group cashpool	3 737	-5 169
Cash and cash equivalents at 01.01	34 187	87 216
Cash and cash equivalents at 31.12	**23 401**	**34 187**

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

Parent company and goup accounts

Midgard Vind Holding AS is a subsidary of SWM Erneuerbare Energien Norwegen GmbH and the company's business office are in München.
Midgard Vind Holding AS and its subsidaries is consolidated into Stadtwerke München and the Annual report can be dowmloaded at www.SWM.de.

Accounting Principles

The Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Foreign currency
Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into EURO using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into EURO using the exchange rate applicable on the transaction date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Sales revenue
Sales revenues are recognized upon delivery. Revenue from services is recognized when the service is rendered.

Taxes
The income tax expense is comprised of both tax payable for the period, and changes in deferred tax. Deferred tax is determined on the basis of existing temporary differences between accounting net income and tax net income, including year-end loss carry-forwards, calculated at 22%. Temporary differences, both positive and negative, which will or are likely to reverse in the same period, are recorded as a net amount.

Balance sheet classification
Current assets and short term liabilities consist of receivables and payables due within one year. Other balance sheet items are classified as non-current assets and long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Interest rate instruments are recognized at fair value if the value is negative.

Fixed assets and depreciation
Property, plant and equipment is capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component.

Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset.

The carrying amount of fixed assets are written down to recoverable amount when decreases in recoverable amount are expected to be permanent. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. Impairments losses recognised are reversed when the basis for the impairment loss is no longer evident.

Account receivables and other receivables
Accounts receivables and other receivables are recorded in the balance sheet at nominal value less a provision for doubtful accounts. Provision for doubtful accounts is determined on the basis of an assessment of individual receivables.

Financial instruments
Interest rate instruments are recognized at fair value if the value is negative.
Hedge accounting is applicable on one interest rate swaps that is regarded as cash flow hedging and value change on the interest rate swap is not recognized in the balance sheet.

Power purchase agreements with financial settlement are valued at the lowest of cost or fair value.

Investments in subsidiaries
Investments in subsidiaries are reported in the annual accounts at cost. The shares in subsidiaries are written down to fair value, if the impairment is not temporary.

Pension costs and pension liabilities
The defined contribution scheme is expensed on an ongoing basis and the company's obligation to the employee is to provide continuous contributions of a specified size to the employees' pension savings.

Cash flow statement
The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash and bank deposits.

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

Notes

1 Fixed assets
2 Personnell cost
3 Auditor compensation
4 Interest and financial expenses
5 Tax
6 Investments in subsidaries
7 Cash and restricted funds
8 Share capital and shareholder information
9 Equity
10 Pledge and debt
11 Financial instruments

1 Fixed assets *In EUR 1 000*

	Equipment
Acquisition cost as at 01.01.2024	5
Additions	3
Disposals	
Acquisition cost as at 31.12.2024	8
Accumulated depreciation 31.12.2024	4
Accumulated write-downs 31.12.2024	
Net value 31.12.2024	4
Depreciation for the year	2
Useful economic life	3 years
Amortisation plan	linear

2 Personnell cost

In EUR 1 000

Personnell cost	**2024**	**2023**
Salaries	538	460
Payroll tax	88	84
Pension costs	52	25
Other personnell costs	9	4
Total	**688**	**573**

The company has employed 3 man-labour years in 2024.

Pension costs
The company has defined contribution plan in accordance with Norwegian legislation (Lov om obligatorisk tjenestepensjonsordning). The defined contribution plans cover full-time emplyees and at December 2024, 3 members were covered by the plans.
Costs related to the contribution plan are expensed as incurred.

General managers compensation

	2024
Wages	260
Provision for bonuspayment	69
Other compensation	9
Sum	**338**

The general manager is part of the company's ordinary pension scheme.
The general manager has a bonus arrangement for up to 30% of his yearly salary.
If the company terminates the employment contract, the general manager is entitled to 6 months severance pay after the 6-month notice period.

There is no compensation to board members.

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

3 Auditor compensation

In 2024 the company expensed EUR 28.559 for statutory audit

4 Interest and financial expenses

In EUR 1 000

Income	2024	2023
Interest income	1 219	1 998
Interest income group	12 512	11 575
Currency gain	22	176
Unrealized gains on Interest rate swaps	0	0
Group contribution	1 519	3 458
Total financial income	**15 272**	**17 207**

Expenses	2024	2023
Interest expenses	-4 446	-5 820
Interest expenses group	-79	-1 256
Interest expenses shareholder loan	0	0
Currency loss	-5 871	-9 440
Other financial expenses	-234	-278
Total financial expenses	**-10 631**	**-16 793**
Net finance	**4 641**	**413**

5 Tax

In EUR 1 000

This years income tax expense consists of	2024	2023
Tax payable		
Correction of tax payable from prior period		
Changes in deferred tax	1 404	895
Effect of changes in tax rate		
Total tax expense	**1 404**	**895**

Deferred tax is revalued based on the exchange rate at the balance sheet date.

In EUR 1 000

Specification of temporary d	2024		2023	
related to deferred tax	Assets	Liability	Assets	Liability
Tangible assets	1		0	
Financial instruments	0		22	
Profit and loss account	117 818		124 179	
Total	**117 818**	**0**	**124 201**	**0**
Deferred income tax liability	25 920		27 324	

6 Investments in subsidaries

In EUR 1 000

Company	Acquisition date	Share ownership	Voting rights	Acquisition cost	Book value 31.12.2024	Net P&L 2024	Book equity 31.12.2024
Ytre Vikna 1 AS	20.12.2018	100 %	100 %	26 226	26 226	150	17 842
Midgard Vind AS	20.12.2018	100 %	100 %	47 591	47 591	-292	27 691
Stokkfjellet AS	20.12.2018	100 %	100 %	12 269	12 269	-1 507	11 291
Sørmarksfjellet AS	20.12.2018	100 %	100 %	23 893	23 893	-2 813	15 497
Frøya Vind AS	20.12.2018	100 %	100 %	23 814	23 814	-358	9 112
Hundhammerfjellet AS	20.12.2018	100 %	100 %	23 647	23 647	76	10 970
Total				**157 440**	**157 440**	**-4 744**	**92 403**

All subsidaries are located in Trondheim

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

7 Cash and restricted funds

Of the bank deposit of 23.401 tEUR, 8,6 tEUR is restricted funds on employee tax account

Midgard Vind Holding is the owner of the group cash pool.

8 Share capital and shareholder information

in NOK

Share capital in Midgard Vind Holding AS 31.12.2024	Number of shares	Face value	Book value
Shares	300 000	10,10	3 030 000

Shareholders at 31.12.2024	Ownership interest	Voting rights
SWM Erneuerbare Energien Norwegen GmbH	70 %	70 %
Aneo Production Holding AS	30 %	30 %
Total	100 %	100 %

9 Equity

In EUR 1 000

	Issued capital	Share premium	Other pain-in capital	Other eqity	Total
Equity 01.01.2024	305	144 178	204 478	-101 977	246 983
New equity		-10 000			-10 000
New equity not registred					0
Net profit				2 940	2 940
Equity 31.12.2024	**305**	**134 178**	**204 478**	**-99 037**	**239 923**

10 Pledge and debt

In favor of the lender SEB / EKF, collateral has been provided in 100% of the company's bank accounts, operating accessories, inventories, accounts receivable and any intra-group loans in addition to all shares in all subsidiaries. The book value of pledged assets is 409 mEUR.

Final maturity date is 31.12.2039. As of 31.12.2024, 133mEUR has a maturity > 5 years

11 Financial instruments

In EUR 1 000

Instruments pr 31.12.2024	Off balance Asset	Asset	Non-current Liability	Current Liability
Interest rate swap	324	0	0	0

Hedge accounting

The construction loan is swapped from floating to fixed interest. The interest rate swap is regarded as cash flow hedging and value change on the interest rate swap is not recognized in the balance sheet. Unrecognized value of the interest rate swap is 15,4 mEUR as of 31.12.2024. The valuation is done by an external bank. Final maturity of the Interst rate swap and loan is 31.12.2039

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
51A0041D348548C9BE9490EF24ECA546

Skatteetaten

Vår dato	Din dato	Saksbehandler
07.10.2019	09.09.2019	Bente Halvorsen
800 80 000	Din referanse	Postadresse
Skatteetaten.no	AR335220265	Postboks 9200 Grønland
		0134 OSLO
	Vår referanse	
	2019/6423613	

MIDGARD VIND HOLDING AS
Klæbuveien 118
7031 TRONDHEIM

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 9. september 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

Midgard Vind Holding AS	**org.nr. 821 186 242**
Midgard Vind AS	**org.nr. 921 894 066**
Stokkfjellet AS	**org.nr. 921 894 295**
Sørmarksfjellet AS	**org.nr. 921 886 241**
Frøya Vind AS	**org.nr. 921 886 098**
Ytre Vikna 1 AS	**org.nr. 921 886 292**
Hundhammerfjellet AS	**org.nr. 921 891 628**

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det pålegger den regnskapspliktige å dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn
Midgard Vind Holding AS eier de øvrige seks selskapene. Midgard Vind Holding eies 30 % av et norsk selskap og 70 % av et utenlandsk selskap. Konsernet driver med kraftproduksjon og eneste kunde vil være kraftbørsen Nord Pool. Långiver er utenlandsk og konsernets største enkeltleverandør av turbiner er også utenlandsk. Majoriteten av kommunikasjonen internt i konsernet og eksternt fra Midgard Vind holding skjer på engelsk fordi daglig leder er utenlandsk.

Skattekontorets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> "Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

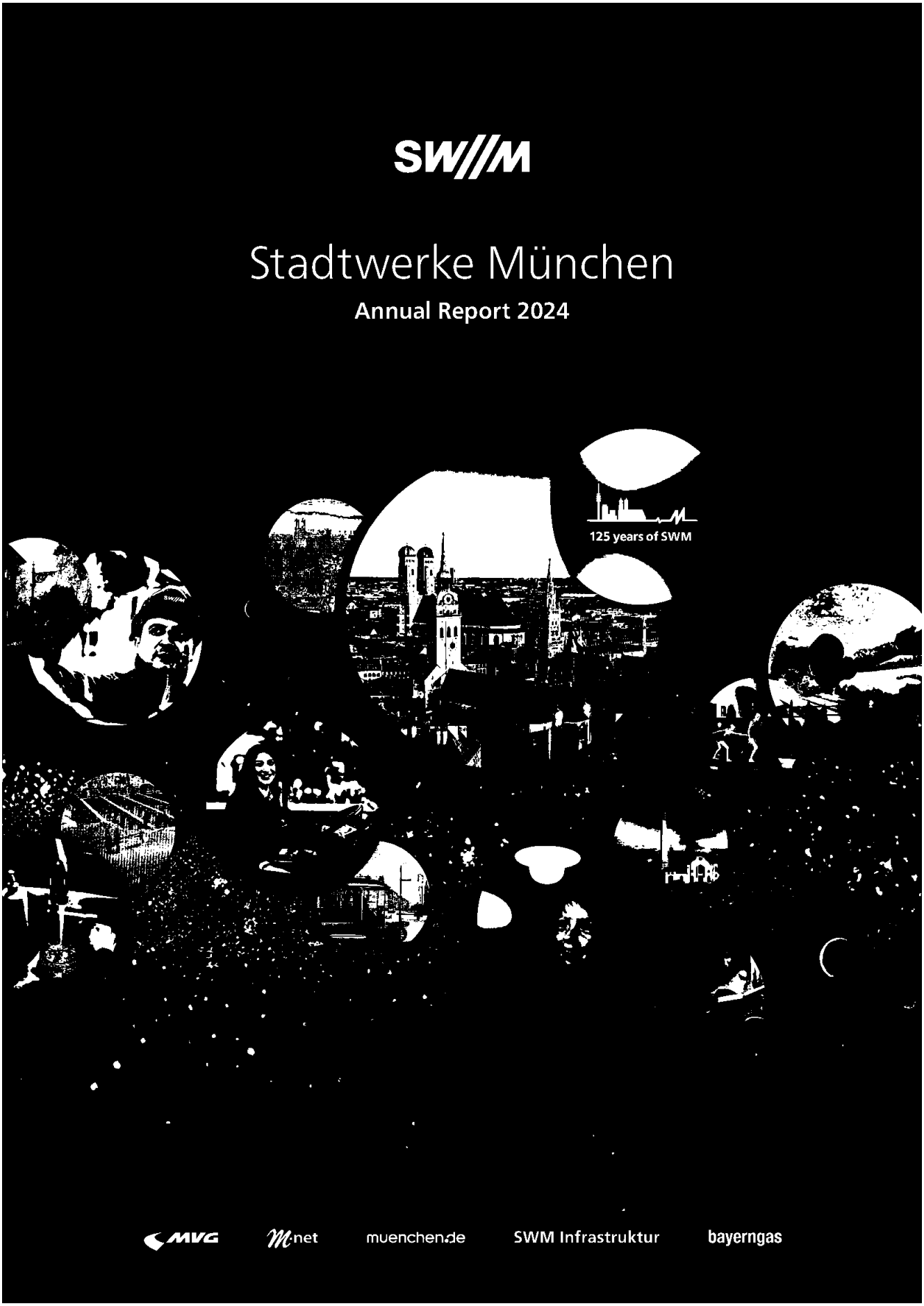
Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på majoritetseier er et utenlandsk selskap og at konsernet har begrenset eierkrets. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Bente Halvorsen
spesialrevisor
Brukerdialog, juridisk stab, gruppe 1
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.


SWM
Stadtwerke München
Annual Report 2024
125 years of SWM
MVG
M-net
muenchen.de
SWM Infrastruktur
bayerngas

Group in figures

in EUR million		2020	2021	2022	2023	2024
Key operating figures						
Revenues	[1]	7,483.4	8,296.5	10,629.4	9,672.2	6,934.1
Electricity		2,859.1	2,940.2	3,885.7	3,718.2	2,806.2
Gas		3,021.6	3,724.5	4,787.4	3,727.6	2,081.5
District Heating		351.2	391.1	653.5	786.8	599.6
Water		172.4	174.7	171.0	168.9	175.9
Public Transport		438.8	381.1	429.9	548.8	564.3
Public Pools		9.3	7.0	14.7	18.4	20.3
Telecommunications		271.4	273.2	266.9	271.4	268.1
Other		359.6	404.7	420.2	432.1	418.2
Consolidated net income for the year		–152.0	99.4	281.7	655.9	412.6
EBIT		414.4	260.3	455.4	239.5	574.6
EBITDA		905.2	789.1	1,054.9	815.2	1,185.5
Structure of assets and capital						
Fixed assets		8,599.7	9,438.6	9,130.7	9,201.0	9,420.0
Current assets	[2]	2,163.4	2,828.0	4,229.4	3,636.4	3,134.6
Shareholders' equity	[3]	5,714.2	5,932.4	6,190.4	6,811.9	7,218.6
Debt and liabilities	[3]	5,048.8	6,334.2	7,169.7	6,025.5	5,336.0
Non-operating financial assets	[4]	1,813.9	1,970.6	1,726.6	1,611.6	1,984.7
Bank borrowings		2,041.8	1,750.4	1,741.1	1,491.7	1,279.2
Total assets		10,763.0	12,266.6	13,360.1	12,837.4	12,554.6
Cash flow/capital expenditure/ depreciation and amortisation						
Cash flow from operating activities	[5]	949.9	1,167.1	216.5	824.4	1,513.8
Quick ratio	[6]	196 %	120 %	178 %	162 %	224 %
Capital expenditure on property, plant, and equipment (PPE)		1,086.8	879.3	739.8	731.8	875.2
Equity investments	[7]	71.6	71.4	13.3	18.7	95.1
Employees						
Employees	[8]	10,004	10,418	10,647	10,851	11,604
Key ratios						
ROS	[9]	–0.6 %	2.8 %	5.0 %	8.5 %	8.8 %
Equity ratio	[3]	53 %	48 %	46 %	53 %	57 %
Reinvestment rate (tangible and intangible fixed assets)	[10]	228 %	168 %	124 %	129 %	147 %

[1] Revenues, excl. electricity and energy tax
[2] Including deferred tax assets, prepayments and accrued income, and excess of plan assets over pension liabilities
[3] Including pro-rata investment grants, pro-rata income grants, and pro-rata
[4] Securities held as fixed and current assets, incl. cash and cash equivalents
[5] GAS 21 took effect in 2015
[6] (Current assets (see 3) less inventories)/current liabilities
[7] Investments in affiliated companies and equity participations, excluding loans to companies in which participating interests are held and in affiliated companies
[8] Average number of employees in the fully consolidated companies (excluding trainees, temporary employees, and seasonal workers)
[9] Result from ordinary operations/revenues
[10] Ratio of capital expenditure on PPE and investments in intangible assets to scheduled depreciation and amortisation

Note: Rounding differences may occur in percentages and figures.

Contents

02–03

Letter from the Management Board

04–25

Our Strategy

27–84

Financial Report

27 Group Management Report
47 Consolidated Financial Statements
52 Notes
81 Independent Auditor's Report
84 Report of the Supervisory Board

Munich, April 2025

Dear SWM customers, employees, and business partners,

Against the background of what are still great economic challenges, we again made a positive contribution to the city of Munich in the 2024 financial year. In particular, the increase in electricity generation from renewable energies made another very positive contribution to our net income, even though it was slightly below expectations. At the same time, contracting sales volumes and falling prices resulted in a decrease in our revenues. Gas sales volumes saw a particularly sharp decline, which was mainly due to the fact that Bayerngas GmbH exited natural gas sales and trading for strategic reasons. This resulted in a further decarbonisation of our portfolio.

The volatile geopolitical situation has been impacting the European energy markets and, by extension, also our business activities. Concurrently, we are facing increasingly regulatory density, which aims to create more planning certainty on the one hand, but comes with complex requirements on the other. These political uncertainties were further heightened by the early federal elections in Germany, which means that framework conditions for long-term investments in the energy and heating transition are changing constantly. To ensure our ability to handle the tasks that are important for the future of Munich amid these dynamic development and economic challenges, we initiated efficiency enhancement and process optimisation measures throughout the entire group in 2024.

We continue to invest in the maintenance and expansion of our networks, grids, and plants as well as in sustainable energy projects, with a special focus on the expansion of renewable energies and the transformation of the district heating supply. In 2024, one key milestone in these endeavours was the groundbreaking ceremony for our seventh geothermal plant on the grounds housing the Michaelibad public pool. Together with the city of Munich as well as regional partners, we are scouting out locations for further plants. In addition, we are involved in the GIGA-M research project that aims to rapidly and sustainably develop the geothermal potential in the greater Munich area.

Similarly, we continue to expand our green electricity generation: we again installed numerous photovoltaics plants in Munich and the surrounding region in 2024. In addition, we are drawing up plans for a further regional solar farm and a wind park. Our goal remains unchanged: we want to generate sufficient green electricity in 2025 to cover all of Munich's consumption. In these efforts, we are keeping an eye on the city's growing electricity demand and are developing sustainable solutions for the future.

We are also committed to working towards high-performance and affordable mobility. Although the funding of local public transport systems is still under pressure, the fact that MVG was directly awarded a public service contract for Munich's urban transport until the year 2047 gives us a higher level of certainty. In 2024, we mainly took measures to stabilise current operations and

From left to right:
Helge-Uve Braun, Dr Karin Thelen, Dr Florian Bieberbach, Dr Gabriele Jahn, Ingo Wortmann

drove the fundamental renewal of the existing infrastructure forward. The western tangential tram route is under construction, and we expanded the electrification of our bus fleet. In addition, we rely on digitalisation and state-of-the-art technologies to make our mobility offers more efficient and attractive.

The economic situation remains challenging, but we are convinced that our sustainable investments, our innovative strength, and our employees' dedicated work will allow us to continue to provide stable and reliable basic services for Munich going forward. Our corporate strategy remains clearly oriented towards customer proximity, economic efficiency, reliability, and future readiness. We thank you for trusting and supporting us on this path.

Sincerely yours

Dr Florian Bieberbach
Chief Executive Officer

Ingo Wortmann
Director,
Mobility

Helge-Uve Braun
Director,
Technology

Dr Karin Thelen
Director,
Regional Energy Transition

Dr Gabriele Jahn
Director, Human Resources,
Real Estate, and Public Pools

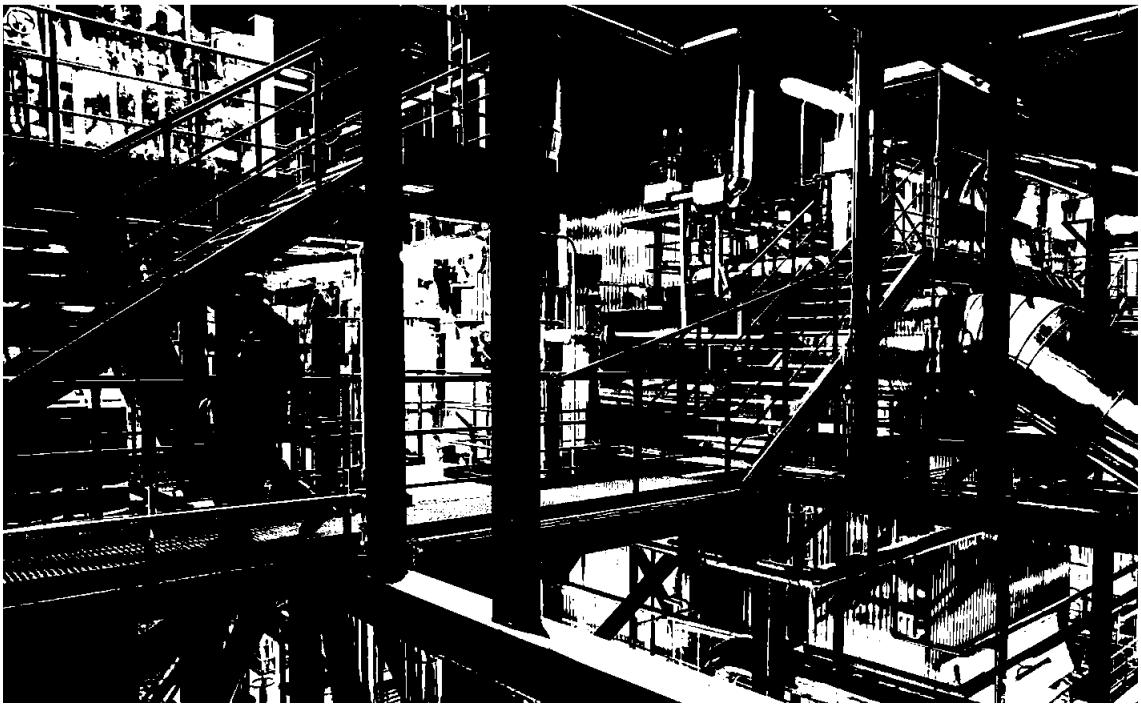
125 years of SWM

STRONG ROOTS FOR THE FUTURE

On 1 November 1899, Munich's energy supply became a municipal service, marking the birth of Stadtwerke München. We celebrated our 125th anniversary in 2024 – time to take a look back at our history, which is closely linked with the development and rise of the city of Munich. Without trail-blazing feats in energy and water supply and local public transport, Munich would not be what it is today: one of the world's most liveable cities. We operate the lifelines of the city: the electricity, gas, and water grids, the public transport system, and a large share of the telecommunication networks. In these efforts, our focus has always been on supply reliability and the most resilient supply possible. The benefits for the people in Munich have always been and continue to be key guiding principles of our activities, making us an essential element of the city's vibrant life.

SWM's **oldest conventional generation site**, the "Elektrizitätswerk Isartalstraße" power plant, commenced operations in 1899. Today, the site has become the "Energiestandort Süd" energy location.

After coal-firing and waste-incineration phases, the "Energiestandort Süd" energy location now houses a **modern combined heat-and-power plant** and what is currently Germany's **largest geothermal plant**. A cooling centre and a heat storage reservoir are under construction.



Interview on the company's history

In collaboration with SWM, the historian Prof Dr Johannes Bähr has academically researched our company's history, from our predecessor institutions to the present.

What surprised you most during your research? What did you not expect at all?

Prof Dr Bähr: The wide variety of challenges that have arisen and been mastered again and again in the provision of basic services to Munich. From the greed of the sovereign, the cholera and typhoid epidemics of the 19th century to the economic crises of the 20th century and the destruction wrought by air raids. Later, big challenges mainly arose through changes in the market and the transition to different resources.

What do you find special about SWM's history?

Prof Dr Bähr: What I find special is how much Stadtwerke München has always retained its roots in a big city that has been growing so strongly and a population that has seen so many changes.

Many companies were directly or indirectly entangled in the Nazi system. What about SWM?

Prof Dr Bähr: The Nazi era also casts a shadow on SWM's history. Municipal utility and transport operations were part of the city administration and, as such, bound by political guidelines – like the entire civil service. After the National Socialists took power, employees of Jewish descent and politically unwanted employees had to be dismissed, and Jewish citizens were excluded from the use of public pools and trams. In 1933, the works directors remained in office even though they were not members of the NSDAP. They conformed with the expectations of the ruling powers and also joined the NSDAP at a later date. During the war, the municipal utility used forced labourers, including Jews pressed into service.

Please find the full interview (in German) with Prof Dr Johannes Bähr here.

The historian Prof Dr Bähr (left, next to Dr Florian Bieberbach, SWM's Chief Executive Officer) was commissioned by SWM to research the company's history.

In 2000, a German federal law established the Foundation Remembrance, Responsibility and Future (Stiftung "Erinnerung, Verantwortung und Zukunft" – EVZ). Stadtwerke München contributed to the DEM 10 billion fund set up to compensate former forced labourers and other Nazi victims and establish a dedicated "Remembrance and Future" fund. In addition, we are a founding member of the support association for the Munich NS Documentation Center that conveys the history of National Socialism with a view to the present and the future.

The "Isarwerk 2" hydroelectric power plant has unfailingly generated green electricity **since 1923**, and its annual output is enough to supply 6,000 Munich households.

Energy

We have reliably supplied energy to Munich for 125 years. Technical innovations are an indispensable prerequisite for this. A look back demonstrates our continuous progress and our ability to tackle the challenges of the energy market.

A few milestones of Munich's energy supply:

1899
The city takes over the energy supply.

The Isartalstrasse power plant – later called "Heizkraftwerk Süd", today's "Energiestandort Süd" energy location – commences operation.

1907–1930
Hydroelectric power is expanded on the Isar river.

From 1957
The energy market is disrupted by the coal crisis and the emergence of natural gas and oil.

⟶ Power plants with increasing capacities are progressively added to the grid, including the "Heizkraftwerk Nord" combined heat-and-power station (1964).

Until today and in future
expansion of renewable energies

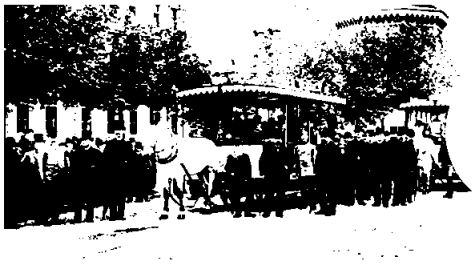
⟶ 2004: The Riem geothermal plant commences operation.
⟶ Since 2009: SWM has pursued its renewable energies expansion campaign.

Drinking water

Construction of the Deisenhofen overhead reservoir, one of three collection tanks of Munich's water supply, in 1883.

A mere 150 years ago, Munich was considered to be one of Europe's dirtiest cities. Contaminated drinking water drawn from municipal well houses repeatedly led to typhoid and cholera epidemics. At the suggestion of Max von Pettenkofer, a medical expert and hygienist, the city administration eventually resolved to obtain drinking water from outside the city. In 1883, the first fresh-from-the-source water was transported from the Mangfall valley to the city – and the tide turned. Today, Munich's drinking water ranks among the best in Europe, and SWM will continue to safeguard its quality for future generations.

of **Munich's drinking water** still comes from the Mangfall valley.



was the year in which the **first horse-drawn tram** ushered in the era of tramways in Munich.

Mobility

In 1881, Werner von Siemens successfully tested the world's first electric tram in Berlin. Munich also banked on this innovative technology and began to electrify its trams in 1895 – a project that cost millions and could only be realised with public funding. This is why the tram system was taken over by the city in 1907. Since then, local public transport in Munich has been handled by a municipal organisation and has gone through manifold developments: from the first automated ticket machines to the underground trains that have been running in Munich since 1971 to the mobile phone ticket and the ongoing electrification of buses (see page 19). Together with our MVG subsidiary, we continuously work on the evolution of local public transport and its optimisation for the needs of the people in Munich and the metropolitan region.

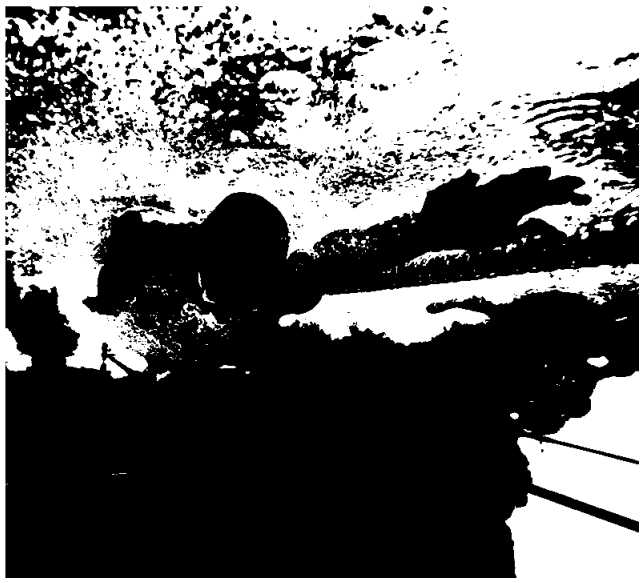
Telecommunications

With the establishment of M-net in 1996, SWM also entered the telecommunications market. Fibre-optic installation in Munich began in 2010. Today, 70 % of Munich's households have already been hooked up to SWM's fibre-optic network, and the roll-out of fibre optics right into the home continues (see page 24).

Public pools

More than 100 years ago, Munich's public pools were primarily used for hygiene and physical training – with a strict separation of the sexes. Over time, both the public-pool landscape and their amenities expanded, and it goes without saying that everyone may avail themselves of their offers today. Since 1990, we have invested approximately EUR 290 million in the public pools to make them more attractive to the whole family and supplement the sport facilities with leisure and wellness offerings. By 2040, Munich's public pools will be climate neutral. [1)]

[1)] See the footnote on page 9 for our definition of climate neutrality.



Munich is a city with a high quality of life. To preserve this quality in the long term, we are a trail blazer, solution provider, and competent partner for the Munich metropolitan region and the people who live there. With our activities, we support the City of Munich in the **achievement of its climate goals** and make a major contribution to the economic strength of Munich and the surrounding region.

More than

billion is the amount we plan to invest in the period from 2025 to 2029 – mostly in the Munich metropolitan region.

This amount will be allocated as follows:

- approximately EUR 1,850 million to the renewable energies expansion campaign
- approximately EUR 1,650 million to local public transport
- approximately EUR 1,000 million to the expansion and modernisation of the network and grid infrastructure
- approximately EUR 650 million to geothermal energy for our district heating vision
- approximately EUR 400 million to the company-flat expansion campaign
- approximately EUR 150 million to the expansion and maintenance of conventional generation plants
- approximately EUR 100 million to the expansion of fibre optics
- approximately EUR 50 million to maintenance and modernisation of public pools

million is the average annual order volume we place with companies in the Munich metropolitan region.

EUR 155 **million** per year goes on average to orders placed with companies located in the city of Munich itself.

Our climate goals

We will avoid and reduce greenhouse gas emissions to achieve climate neutrality by 2040. [1)]

From 2025 onwards, we will generate sufficient green electricity in our own plants to cover all of Munich's consumption.

By 2040 at the latest, we will supply CO_2-neutral district heating to Munich. For additional needs, we will offer up-to-date solutions such as local heating infrastructure and heat pumps.

We will shape a cost-effective transformation to hydrogen along the value chain.

We will electrify our fleets by 2035.

By 2040, we will achieve climate neutral [1)] operation of all public pools in Munich, focusing on measures that are cost-effective and technically necessary.

Read more on our engagement on the pages that follow and **on our website.**

Excellent service

We want to be the best utility our customers can imagine. Recurring surveys confirm that they feel in good hands with us. For example, FOCUS Money magazine selected us in 2024 as "fairest gas supplier in Germany" and "fairest electricity supplier" for the 11th and 13th time in a row, respectively. Furthermore, our customer service was awarded the "very high service quality" label in an analysis performed by SZ Institute, putting it in rank 2 among a total of 37 energy utilities examined.

Our yardstick in the definition of climate neutrality is the net zero approach of the Science Based Targets Initiative. Accordingly, we plan to cut greenhouse gas emissions measured in CO_2e by more than 90 % by actively avoiding and reducing them. In 2040, any remaining emissions that cannot yet be avoided are to be compensated through certificates that fulfil high quality standards and through technically feasible solutions such as CO_2 capture.

We believe it is our responsibility as a municipal energy utility to actively help shape the energy transition. This applies to both the electricity market and the heating market (see page 14 for more information on the heating transition). **As far back as in 2009, we defined our ambitious goal to generate sufficient green electricity in our own plants to cover all of Munich's consumption from 2025 onwards.** A look at the current situation shows that this goal remains ambitious, but we are on track towards achieving it.

ENERGY TRANSITION

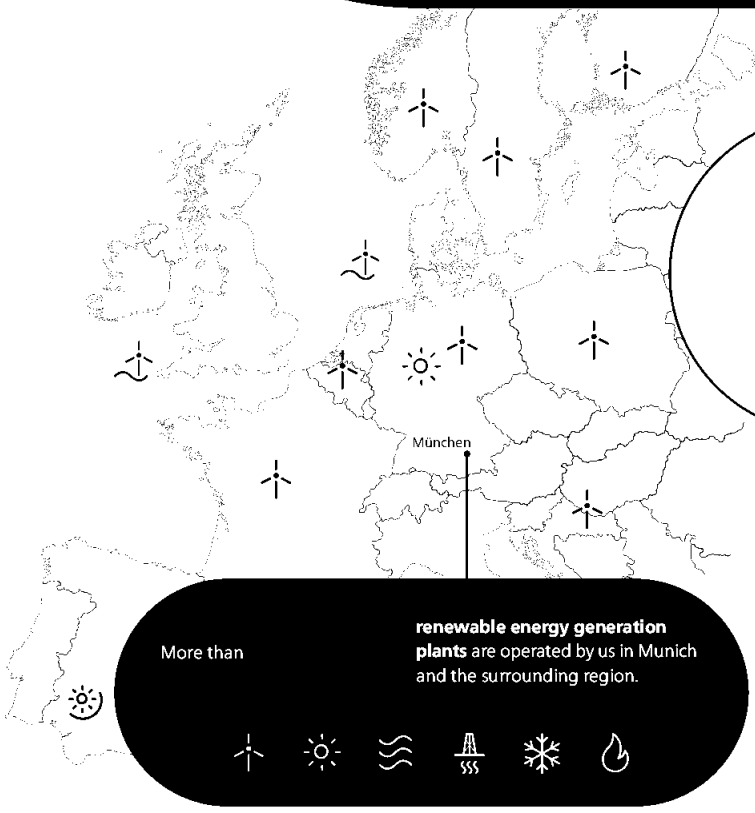
We are driving the energy transition forward:

We are actively engaged in the **expansion of renewable energies.** Given the limited space in Munich and the surrounding region, we are also active elsewhere in Germany and Europe. Our focus is on wind energy.

In Munich and the metropolitan region, we are putting particular emphasis on unleashing the **potential of photovoltaics.** In these efforts, we rely on ground-mounted PV plants in rural areas and rooftop PV plants in the city.

We are shaping a secure **exit and transition from fossil energy sources.**

The population in the city of Munich is growing, and the same goes for electromobility and the use of heat pumps. We therefore expect Munich's electricity demand to continue to grow in the period until 2035. Our plans provide for also covering this increase from renewable sources, and we continue to drive their expansion forward.



Our **largest green electricity producers** are the two German offshore wind parks operated by DanTysk Sandbank Offshore Wind GmbH & Co. KG (SWM stake: 49 %) and the Norwegian onshore wind parks operated by Midgard Vind Holding AS (SWM stake: 70 %). They have a generation capacity of more than 1 billion kilowatt-hours each (SWM share). This corresponds to more than 15 % of Munich's electricity consumption per shareholding.

A transition without borders

Our wind parks in Germany and Europe are the main contributors to big leaps in the generation of renewable energies. Concurrently, we are also using the potential in and around Munich: in this region, we now operate more than 140 electricity plants relying on renewable energy sources, including hydroelectric, photovoltaic, wind-energy, and geothermal power plants, as well as one biomass cogeneration plant.

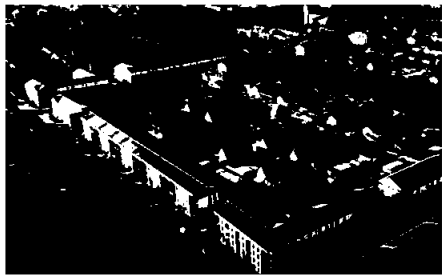
Onshore wind parks · Offshore wind parks · Photovoltaic plants and solar thermal systems · Parabolic trough power plants
Hydropower plants · Geothermal power plants · District cooling systems from ground water/underground streams · Biomass power plants

Regional energy transition

Photovoltaics in Munich

It is the goal of the City of Munich to cover a share of approximately 20–25 % of municipal electricity consumption with green electricity generated within the Munich city limits by 2050. We support this goal with a broad range of solar solutions, from our M-Solar Plus photovoltaic product for homeowners to commercial offers for businesses and companies to our tenant-geared M-Mieterstrom product for multi-family buildings.

Slightly under 550 M-Solar Plus plants were installed in 2024 – the same number as in 2023. Furthermore, 147 new tenant-geared M-Mieterstrom plants were added to the portfolio. Together with our own plants, we thus built plants with a potential annual electricity output of 10 gigawatt-hours in 2024. This corresponds to the electricity demand of approximately 4,000 Munich households.



In 2024, we completed Munich's **largest tenant-geared electricity project**: 47 PV plants with an output capacity of 1.9 megawatts peak were installed in a residential complex in the Harthof neighbourhood.

Ground-mounted photovoltaics

We already operate three solar farms in the region around Munich. In Zengermoos near Moosinning, we are now building our largest regional solar farm. Its annual output of 44 gigawatt-hours will correspond to the electricity demand of 17,600 Munich households. At the same time, solar farms create valuable habitats for a rich flora with many different blossoms and species, insects, and grazing animals, enhancing ecological diversity in their environment.

A trail blazer for the power supply grid of the future: supraconductors

In October 2024, a prototype for the world's first commercial high-voltage supra-conductor, known under the name of "SuperLink", commenced operation at SWM's Menzing transformer station. This innovative technology permits virtually loss-free electricity transmission and could make our power grid more efficient and climate-friendly in the future. If the prototype satisfies all specified requirements, a roughly 15-kilometre-long supraconductor cable is to be laid between Menzing and Sendling. Use of supraconductors in urban areas would not only reduce cable laying costs, but also minimise disruptions for local residents. The project has received funding from the German federal government and is setting new stand-ards for the energy supply of the future.

Exit from coal combustion

In 2024, SWM converted the coal-fired Block 2 of its "Heizkraftwerk Nord" cogeneration plant to gas-based operation. Russia's war of aggression against Ukraine had slowed down the exit from coal that had originally been scheduled for 2022. Just in time for the 2024/2025 heating season, gas-fired electricity and district-heating genera-tion commenced operation to reliably cover the high heating demand during the winter months. In warmer months, the use of Block 2 will be reduced significantly, because electricity and district-heating demand can be satisfied by more efficient plants during this time.

A further regional success for the renewable energies expansion campaign: we won the contract for a wind park in the Eichstätt district in 2024. By **2030**, we will build **six wind energy turbines** there.

Our green-electricity offerings

We focus on renewable energies, and our customers can also rely on them by installing a photovoltaic plant on their own roofs or selecting one of our green-electricity tariffs. Our M-Ökostrom KlimaAktiv product uses certificates of origin to guarantee that an equal quality of green electricity is generated in plants in Germany, and the M-Ökostrom Regional product even focuses on green electricity generated in the Munich region. In addition, both tariffs invest a contribution of one cent per kilowatt-hour sold in the construction of new green-electricity plants. This allows our customers to actively contribute to the success of the energy transition.

To also achieve an energy transition in the heating segment, we want to ensure **CO_2-neutral coverage of Munich's demand for district heating by 2040 at the latest**, largely relying on deep geothermal energy. We presented a transformation plan for the decarbonisation of district heating in 2024. Key elements are the expansion of geothermal plants, measures to expand and solidify our district heating grid, and the use of new technologies to replace fossil fuels.

HEATING TRANSITION

Secure transition

The heating supply accounts for more than 50 % of the energy consumed in Germany. This is why we are also converting our heating services to renewable energies. The supply solution of the future depends on the location:

- **M-Fernwärme:** District heating plays a pivotal role for Munich's future heating supply and the city's municipal heat planning. It is already more energy-efficient and climate-friendly than purely fossil thermal energy. With the help of deep geothermal energy, we will make M-Fernwärme district heating CO_2-neutral in the long run.
- **M-Nahwärme:** Outside the district heating grid, we want to use local heating infrastructure to hook up entire neighbourhoods to close-to-the-surface geothermal sources.
- **M-Wärmepumpe:** We offer heat pumps for individual heating supply.
- **M-Fernkälte:** We use the emission-free environmental cold of ground water and underground streams and are cooling more and more buildings in Munich with our steadily growing M-Fernkälte district cooling grid.

During the transitional period to climate-neutral heating, we will certainly continue to provide a reliable **gas supply** to our customers.

Ca. **kilometres is the length** of SWM's district heating grid, making it one of the largest in Germany.

Expansion of the heating grids

To implement its transformation plan, SWM will expand and solidify the district heating grid. It is to grow by a good 600 kilometres in the period until 2040. One important step is the conversion of the existing steam-operated grid in downtown Munich to hot-water operation to make the integration of geothermal energy possible.

Expansion of geothermal energy

SWM is already Germany's largest operator of geothermal energy. In September 2024, the groundbreaking ceremony for our seventh geothermal plant in Munich took place on the grounds of the Michaelibad public pool in the presence of Germany's former Federal Minister of Economics Robert Habeck. This will be the largest inner-city geothermal plant in Continental Europe. Together with the City of Munich, we are scouting out various locations for further plants. We plan to supplement these efforts by tapping further geothermal potentials in the Munich metropolitan region through municipal cooperations. In addition, we are enhancing the output of our existing geothermal sites by drilling additional wells.

GIGA-M: paving the way for sustainable geothermal development

At present, deep geothermal energy is supplying some 400 megawatts of thermal energy in the greater Munich area. Its potential is estimated to come to more than one gigawatt. To ensure sustainable and efficient development of the hot-water reservoir, we work together with regional partners in the GIGA-M research project. We use cutting-edge seismic technology to create a 3D subsurface depth model for the greater Munich area. The four-year project moreover develops instruments for effective cooperation among municipalities to facilitate comprehensive management of the reservoir.

1 GW is the **estimated potential of deep geothermal energy** in the Greater Munich area.

Approximately

Munich citizens will get their heating supply from the **Michaelibad geothermal plant.** (The picture shows a visualisation of the plant.)

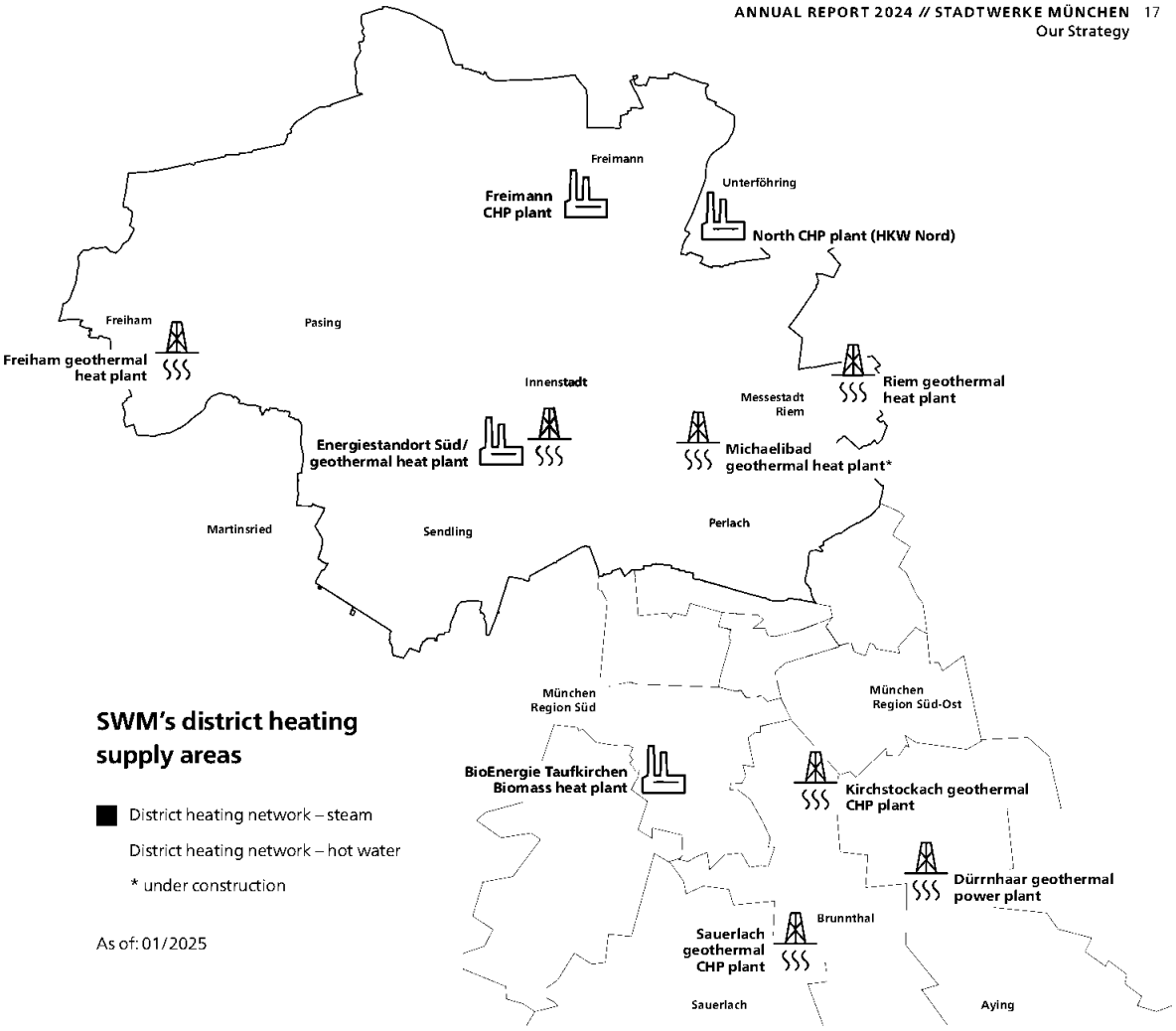
Biomass and green hydrogen

Further projects aimed at decarbonising district heating are a biomass heating plant and a successor plant for thermal waste treatment (if possible, with CO_2 capture) at our "HKW Nord" cogeneration plant. In addition, the transformation plan incorporates the conversion of gas-fired heat and power plants and heat plants to green hydrogen.

The future of air conditioning

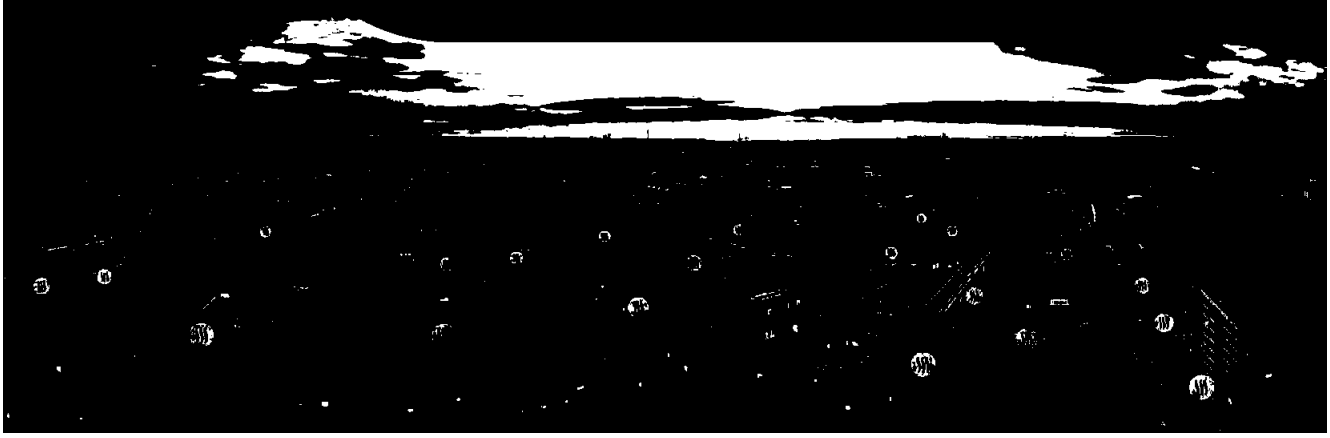
In downtown Munich alone, we already provide climate-friendly M-Fernkälte district cooling to more than 120 buildings. Our use of ground water and underground streams reduces energy consumption compared to conventional cooling systems. Our district cooling system is now approximately 40 kilometres long and will be expanded continuously.

Germany's largest district cooling centre, with a cooling output of 36 megawatts, is being constructed at our "Energiestandort Süd" energy location. Alongside cold water from the "Isarwerkkanal" channel, the centre will also use energy from the location's deep geothermal and the combined heat and power plant to operate absorption cooling machines.



Future-ready heating supply outside the district heating area

We are expanding district heating where it makes economic and technological sense. In areas where grid expansion cannot be realised, we rely on local heating systems and individual solutions: we offer M-Wärmepumpe heat pumps for self-supply of single-family homes, duplexes, semi-detached and terraced houses, and small multi-family buildings. With M-Nahwärme, we supply local heat to compounds, streets, or districts, usually from close-to-the-surface groundwater. Depending on the supply concept, building cooling solutions can also be provided.



Together with our MVG subsidiary, we advance sustainable and **future-ready mobility in Munich**. As the organisation responsible for local public transport in Munich, we ensure daily bus, tram, and underground services. With clearly targeted investments and innovative solutions, we create an efficient and sustainable transport infrastructure that is geared to our passengers' needs and improves the quality of life in Munich.

MOBILITY OF TOMORROW

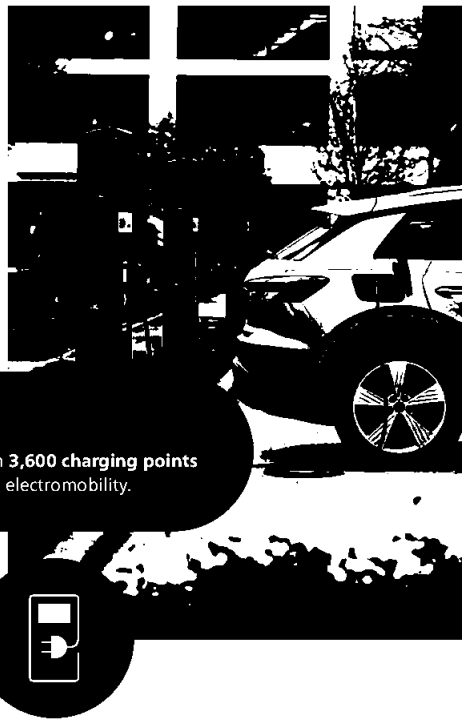
Attractive, eco-friendly local public transport

We are working on a wide range of activities aimed at enabling many people to use environmentally benign local public transport:

- With **modernisation measures,** we keep stations as well as tunnel and track systems in good repair and are investing millions in these efforts. This also includes optimisation measures to remove access barriers. In addition, we acquire new vehicles with more capacity.
- Through the **expansion of the local public transport system,** we ensure higher capacities and direct connections wherever possible, reducing congestion at downtown stations, in particular.
- We are **steadily increasing the share of electric buses** and are already transporting 80 % of our passengers to their destinations in underground trains and trams powered with green electricity.
- We continuously improve **our MVGO app** by adding new features.

Our goal: 100 % electromobility in local public transport by 2035

At present, 73 out of MVG's 400 buses are electrically powered. In 2024, we put 13 new MAN Lion's City electric buses in operation. Targeted further developments have allowed us to reduce consumption, increase the range of the vehicles, and improve the comfort for our passengers. A further 30 electric buses from Daimler Buses will be delivered in the first quarter of 2025. Investments total approximately EUR 23.5 million, with more than half of this amount being financed from public funds.



Approximately **1,400 publicly accessible charging stations** and more than **3,600 charging points in the private/commercial sector** are operated by us to support individual electromobility.

We provide attractive mobility in Munich – this is why we are investing in the **maintenance and modernisation of the local public transport system** and – where possible – in expansions.

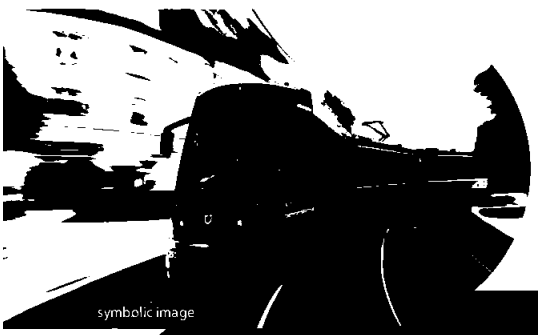
Infrastructure modernisation

The first underground tracks in Munich have been in continuous use for more than 50 years. To ensure the continued reliability of underground train services, we maintain and modernise the infrastructure on an ongoing basis – from the replacement of rails and points to measures making stations and stops barrier-free to new wall fronts behind the tracks. On average, we replace slightly over 6,000 metres of rails and 13 points per annum.

Several underground stations have already been renovated and, wherever possible, expanded. One example is the Sendlinger Tor underground hub, where we finished our modernisation work in 2024 after seven years. The new stop offers barrier-free accessibility, more space, and better passenger guidance. In addition, the walls behind the tracks were repaired and simultaneously redesigned at the Hohenzollernplatz and Josephsplatz underground station. Furthermore, we equipped numerous underground stations with a new guiding system for the blind; the renewal is being continued. The first part of a large point replacement project in Fröttmaning, the location of the underground train workshop from which many trains move into service and to which they return afterwards, was realised in 2024. The measure will be finalised in 2025. The tram system is also being upgraded – in 2025, work is envisaged around the Karlsplatz/Stachus, Maxmonument, and Nordbad stops, among others.

New construction in the local public transport system

To ensure a flexible and high-performance local public transport system, the fundamental infrastructure overhaul must above all be flanked by an expansion of the underground system and a reduction of congestion on existing routes. The underground system is already reaching its capacity limits, and passenger numbers are increasing continuously. Our largest underground new construction project – the U9 line – will run longitudinally across downtown Munich, reducing congestion on the existing routes. The additional route will make underground operation more flexible, permit higher service frequencies, and create more direct connections, e.g. to Munich Main Station. Further underground expansion projects include the U6 extension to Martinsried and the U5 extension to Pasing.



symbolic image

The tram system will also be expanded in the coming years. Since the start of 2025, the 12 tram line has already extended its service from the Scheidplatz stop to Schwabing Nord. In addition, three new construction projects are on the agenda:

Western tangential tram route: The new route will link three underground lines, four tram lines, and six suburban train lines in the western part of Munich. Construction started in 2024, and an initial partial route is slated to commence operation as early as in late 2025.

Munich North tram route: This extension of the 23 tram line will set up a link to the Neufreimann neighbourhood and make a cross connection between the U2 and U6 underground lines possible.

Johanneskirchen tram route: This new route will link the Johanneskirchen suburban train station and, hence, the S8 suburban train line that goes to Munich Airport with the tram network.

Expanded local public transport services

New vehicles with larger capacities will also offer more space for our passengers. In particular, they include the state-of-the-art C2 articulated underground trains and the new Avenio trams, some of which are operated in a combination of two and three tram cars. Since the start of 2025, our night bus and tram service, NachtBus and NachtTram, has moreover been supplemented by night underground trains running in 30-minute intervals on public holidays and weekends. During peak hours, the U3 underground line now runs every 5 rather than every 10 minutes.

Our **MVGO app** was awarded the 2024 **German Excellence Prize** by the German Institute for Service Quality.

Easy use of all services

To make all these services easily accessible to all, we have developed the MVGO app. This app offers connection information, live departure times, sharing offers such as the MVG Rad bicycle rental service, electric scooters and carsharing as well as mobile ticketing. A new feature is "MVVswipe", which allows passengers to check in upon boarding and check out after exiting. The most favourable price for the trip is automatically calculated, so passengers will never pay more than the price of a day ticket.

We also integrated local public transport into the "Handy-Parken München" car parking app in 2024, making the switchover to public transport easier. Furthermore, SWM charging stations and Park+Ride facilities with their current space availability were integrated in the map view.

The future of mobility

For tomorrow's local public transport, MVG is playing a leading role in various research projects studying possibilities to use digitalisation and introduce autonomous local public transport systems.

After the successful completion of the TEMPUS research project, which, among other things, developed the automation of bus convoys further, the MINGA successor project has been launched. Together with 16 partners, we are testing three application cases: an autonomous on-demand ride-pooling service with three to five shuttles, an automated solo bus, and a bus platoon in scheduled operation. The project, which the German Federal Ministry for Digital and Transport is sponsoring with approximately EUR 13 million, will run until mid-2027.

With approximately 11,500 employees, we are one of the most important employers in Munich. We offer sophisticated tasks with prospects for ambitious people. In Munich, we compete with many attractive companies in our search for skilled specialists. This is why we pursue the goal of ranking among the five most attractive employers in the city by 2025.

To successfully meet the challenges arising from the energy and heating transition and the mobility of tomorrow, we need motivated and highly qualified employees. Alongside the recruitment of new skilled specialists, employee development through high-quality training and education offerings is a pillar of our success. Furthermore, we not only offer attractive salaries and a wide range of development opportunities, but also numerous benefits such as company flats and flexible working-time models – even in shift schedules.

To foster diversity, we, as a technically oriented company, have set ourselves the goal of increasing the share of women in our workforce. We intend to boost the share of female managers to at least 25 % at the latest by 2030.

dual study programmes per year

Top 2025 Company kununu

For the third time in succession, **Kununu** awarded us its "**Top Company**" label. The score assigned by this employer rating platform is derived from independent ratings submitted by former and current employees as well as applicants.

150 new trainees in **16 vocational professions** per year

11,500 square metres are available in the **new SWM Training Centre**

New SWM Training Centre und automotive workshop

2024 saw the opening of our new SWM Training Centre, which seeks to elevate our already highly recognised training programmes to a new level. SWM Academy is right next door; some 800 advanced training courses per year for approximately 8,000 employees have most recently been held here. In addition, our automotive team got a new workshop, and the new SWM Innovation Lab, which is to enhance cooperation with industry and science in creative and workshop spaces, opened its doors. The move of our training programmes and our automotive workshop has vacated space at Hans-Preissinger-Strasse und Hessstraße. We plan to convert it into additional company flats.

Successful training at SWM

In 2024, **133 trainees** successfully completed their training programmes in our organisation. Of this total, 111 have been offered continued employment in our company, corresponding to a **retention rate of approximately 84%.**

Diversity as a living part of our corporate culture

During the Pride Month of June, we again took a stand in favour of diversity as a partner of the Munich CSD (Christopher Street Day) in 2024. Under the CSD motto of "United in Diversity – Together Against the Right", buses and trams festooned with rainbow pennants were out and about on Munich's streets. Rainbow flags were flying at central locations such as public pools, depots, and shops to make our support of an open and diverse society visible. In addition, we and TINQnet (TransInterNichtbinärQueer-Netzwerk) again joined forces to host a Trans*Inter*-Bathing Day for people with trans*, inter*, non-binary, and/or genderqueer identity.

Recruiting in times of skilled-specialist shortages

In the keenly contested Munich labour market, our efforts to recruit skilled specialists rely on target-group-focused formats ensuring that obstacles to applications are as low as possible. In 2024, we again used job application buses, trams, and underground trains for conducting job interviews and presenting various job profiles. Other formats such as "SWM vor Ort" (SWM on site) aimed at giving interested technical specialists and engineers direct insights into the working environment and tasks they would encounter in our organisation. Furthermore, MVG is also hiring university students as drivers and works together with the German Employment Agency to deploy migrants in such positions. Additionally, we are also searching internationally for suitable specialists. These efforts have made it possible to already conclude numerous employment contracts with bus drivers and commercial/technical employees from Spain, Albania, and Bosnia-Herzegovina.

Building company flats for our employees

company flats are available today. **3,000** is the number we envisage for 2030.

Fibre to the home

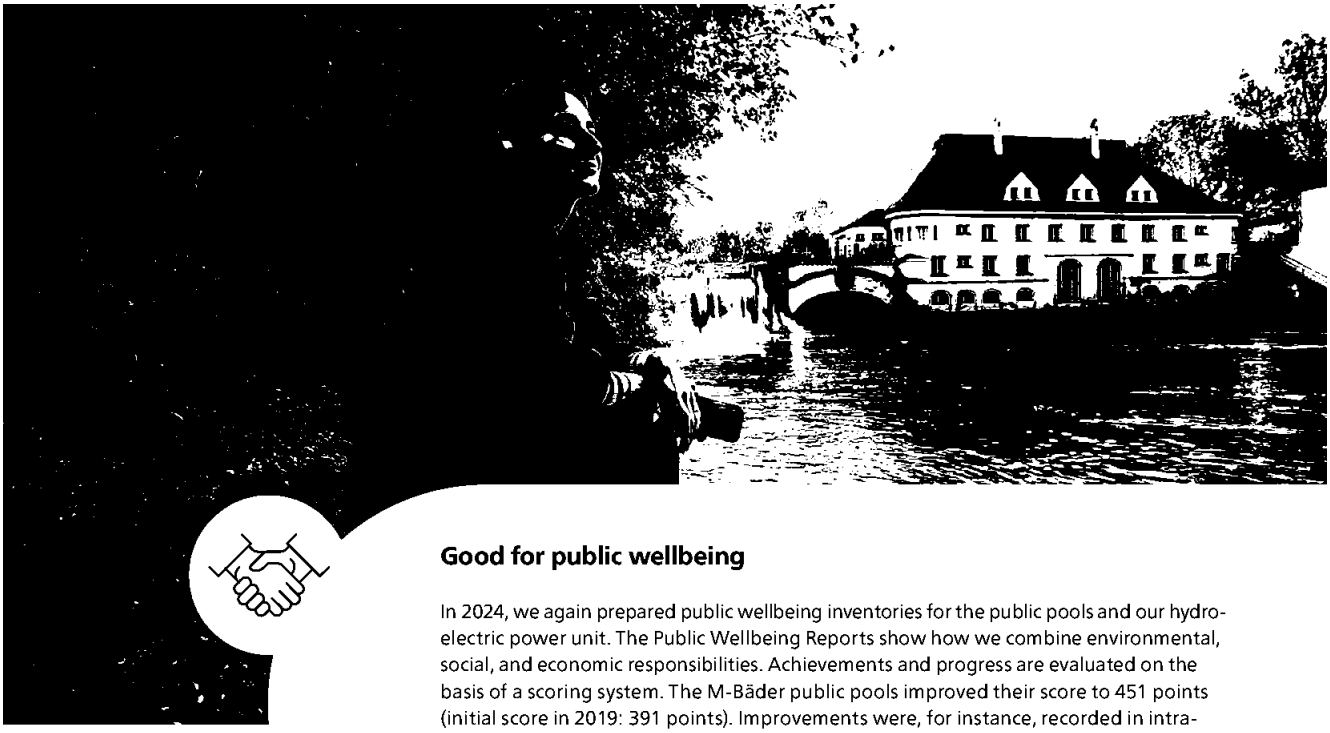
SWM and M-net have already hooked up approximately 70 % of Munich's households to the fibre-optic network, laying cables to their basements. In the next expansion stage, we will bring fibre optics to the home or office. This will allow customers to use the full potential of the fibre-optic Internet. We combine fibre-optic expansion with the installation of connectors for smart gateways that can, for example, be used for PV plants or the digitalisation of the electricity grid. At our fibre-optic information centre that opened in 2024, homeowners and property managers can obtain information and advice on this expansion.

In 2024, the BREKO industry association awarded us the **"True Fibre-Optics" hallmark** for our digitalisation commitment, and we **ranked second in the STADTWERKE AWARD,** which is bestowed on exemplary projects undertaken by municipal utilities.

More opportunities with SWM's education foundation

Our "SWM Bildungsstiftung" education foundation supports projects aimed at improving the educational opportunities of disadvantaged children and adolescents. In 2024, the foundation paid out approximately EUR 434,000 to nine projects, including to Artists for Kids GmbH for a project focusing on flexible school and career counselling for adolescents and young adults in difficult life situation and to the Institute for German as a Foreign Language of Munich's Ludwig Maximilians University for a project offering career-oriented honing of reading and writing skills in vocational training.

125 **trees** were planted by us in the drinking water catchment area to celebrate SWM's 125th anniversary.



Good for public wellbeing

In 2024, we again prepared public wellbeing inventories for the public pools and our hydro-electric power unit. The Public Wellbeing Reports show how we combine environmental, social, and economic responsibilities. Achievements and progress are evaluated on the basis of a scoring system. The M-Bäder public pools improved their score to 451 points (initial score in 2019: 391 points). Improvements were, for instance, recorded in intra-company joint decision-making and transparency, the encouragement of environmentally friendly conduct on the part of employees, and ethical customer relations. Our Hydro-electric Power unit also improved its public wellbeing score to 471 points (initial score in 2022: 430 points). This was achieved through measures such as improving the passage of fish and other aquatic organisms at the Großhesselohe weir.

Modernisation at the Olympic Park Munich

To ensure that events and concerts can continue to be held on the Olympic grounds, we are gradually modernising the landmarked facilities. We have already refurbished the Olympic Swimming Pool and the large Olympic Hall. 2024 marked the start of the renovation of the Olympic Tower. In all likelihood, work on the tower will be completed by May 2026. Concurrently, refurbishing work commenced at the Olympic Stadium. From October 2025 onwards, the stadium will be closed for modernisation. Our goal is to prepare the facilities for future events in an optimal way while keeping the periods during which they cannot be used as short as possible.

Strong support

As a contribution to dealing with the energy crisis, we took measures that included the initiation of an energy saving campaign in 2022 and, in cooperation with welfare organisations and the City of Munich, the set-up of a EUR 20 million heating fund in 2023. Both measures attracted a great deal of interest and expired in 2024. The energy saving campaign allowed residential customers in autumn 2022 to earn bonuses of up to EUR 100 through their savings. We paid out a total of EUR 900,000 to our customers. Over the last two years, the heating fund supported low-income households in handling the high heating costs resulting from the energy crisis. More than 15,400 households received grants totalling more than EUR 19.3 million from this fund.

Financial Report

27–46

Group Management Report

27 Business model
28 Business report
41 Forecast, Risk, and Opportunity Report

47–51

Consolidated Financial Statements

47 Consolidated Balance Sheet
48 Consolidated Income Statement
49 Consolidated Cash Flow Statement
50 Schedule of Consolidated Shareholders' Equity

52–84

Notes

52 General information
52 Consolidation Group
53 Consolidation principles
54 Accounting policies
62 Notes to the consolidated balance sheet
67 Notes to the income statement
69 Other information
74 The executive bodies of Stadtwerke München GmbH
75 Management Board
76 Movements in non-current assets 2024
78 Affiliated companies and major equity participations
81 Independent Auditor's Report
84 Report of the Supervisory Board

Group Management Report

1. Business model

Stadtwerke München (SWM) is a major contributor to the economy and quality of life of the people in Munich and the surrounding region. From energy and water supplies to public mobility to telecommunications and Munich's public swimming pools, SWM offers important infrastructure services at fair terms and conditions. SWM gears its offerings to both the needs of its customers and the benefit of the Munich metropolitan region. To achieve these goals, SWM also plays an active role in the national and international energy markets.

SWM manages its business across all segments of the value chain: Energy – subdivided into Sales, Trade, Generation, and Networks –, Water, Mobility, Telecommunications, and Public Pools.

Energy

Sales
As market leader in the Munich metropolitan region, SWM is a high-performing and future-oriented partner for energy supply services that are both reliable and climate-friendly. We supply electricity, gas, district heating, and district cooling to our customers. In addition, we offer all customer segments market-geared solutions and services for decentralised energy generation and heating supply as well as for electromobility at home.

Trade
Trade is a key driver of the energy management and business model aimed at optimising SWM's energy business and hedging against risks. Its most important responsibilities are market-driven procurement and marketing of energy and the associated input materials, the management of the Group's aggregated market price risks (mainly for electricity, natural gas, and energy-specific certificates), the expansion and operation of the virtual power station, and deployment planning for power stations. In addition, Trade gives Energy Generation, Sales, and individual SWM majority shareholdings access to the energy markets.

Generation
In the Munich metropolitan region, the Generation segment of the value chain comprises the operation and maintenance of all plants for the generation of electricity, district heating, and district cooling. The supra-regional activities within this value chain segment focus on the areas of renewable energies and gas extraction.

SWM's district heating vision aims to achieve CO_2-neutral coverage of Munich's district heating requirements by 2040 at the latest. This is the reason why SWM will increasingly generate district heating from renewable energies, primarily (deep) geothermal energy. SWM is ambitiously expanding the use of geothermal energy in the heating supply in Munich and the surrounding region.

With its renewable energies expansion campaign, SWM will in all likelihood generate enough green electricity in its own plants to cover all of Munich's consumption from 2025 onwards. To sustainably achieve this goal against the background of the future increase in electricity demand, SWM will continue to expand the share of electricity generation from renewable sources in the Munich region as well as in Germany and internationally even after this goal has been met. As it is not possible to generate enough green electricity entirely in Munich and the surrounding region for a city with a population of more than one million inhabitants, SWM is also investing in the expansion of renewable energies throughout Germany and Europe.

SWM also engages in gas production in north-western Europe via its shareholding in Spirit Energy Limited (Spirit Energy). The UK and Dutch business, which focuses on natural gas, is to be aligned with the requirements of the energy transition. To this end, the existing gas production infrastructure in the UK is to be used for sustainable and climate-friendly activities such as storage of CO_2 from industrial processes, hydrogen production based on CO_2 capture and storage (blue hydrogen), or hydrogen storage in former gas deposits.

Networks
Expansion and operation of distribution networks for electricity, gas, district heating and district cooling, and water are key elements of the basic public services SWM provides to the people in Munich. The main task of Networks is to continue to ensure above-average supply quality and reliability of the SWM networks and grids despite the cost pressure that has increased further due to incentive regulations for electricity and gas grids.

Water
Every day, SWM delivers Munich's drinking water (M-Wasser) fresh from the source directly from the foothills of the Bavarian Alps to Bavaria's capital.

Mobility
The Mobility business segment comprises Münchner Verkehrsgesellschaft mbH (MVG) and the Mobility division of Stadtwerke München GmbH. MVG is the passengers' contracting partner. Stadtwerke München GmbH is responsible for providing underground and tram transport services on behalf of MVG. The bus services are provided by MVG, Stadtwerke München GmbH as well as private cooperation partners. Stadtwerke München GmbH holds an equity interest under company law in one of these cooperation partners – Münchner Linien GmbH & Co. KG.

Telecommunications
The product portfolio of Telecommunications is comprised of Internet, voice, and transmission services for residential and business customers based on fixed-network and mobile communications. As a regional provider, SWM offers services to parts of Bavaria, the greater Ulm area, and the Main-Kinzig district in Hesse, especially through its M-net Telecommunications GmbH subsidiary. From a technological perspective, SWM has relied on fibre-optic technology for many years and is continuously expanding the fibre-optic networks. The services are performed jointly by M-net Telecommunications GmbH (M-net), SWM Services GmbH, and Stadtwerke München GmbH.

Public Pools
Through the operation of 18 indoor and outdoor pools, ten sauna facilities, the Prinzregenten ice stadium, and two fitness centres, M-Bäder offers its guests a wide range of opportunities to keep themselves fit and healthy, spend leisure time, and relax. Munich's modern public pools are available at a total of 15 locations throughout the city. They are sports and leisure facilities for the people in Munich.

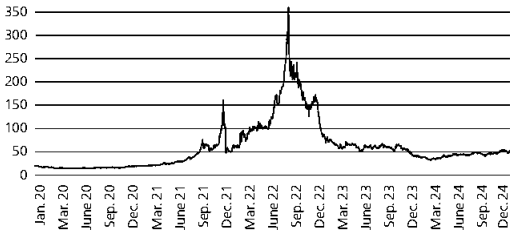
2. Business report

Economic environment

Energy markets
For one thing, the European energy markets were under the sway of two geopolitical developments in 2024: Russia's war of aggression against Ukraine and the conflict in the Middle East. Both trouble spots had a direct impact on the European gas market. For another, the economic situation in Germany was characterised by a softening economy with a 0.2 % contraction of gross domestic product and, by extension, the second recession year in a row (estimate by the Federal Statistical Office of Germany, January 2025).

Developments in the energy markets are key influencing factors for SWM. In particular, the prices of electricity, natural gas, and emission certificates, and the contribution margins of power plants have a major impact on SWM's result of operations, financial position, and net assets.

Gas, rolling front year, Trading Hub Europe (THE), EUR/MWh

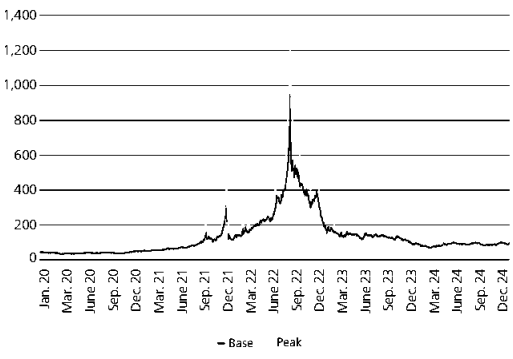


Source: European Energy Exchange; data supplied by Refinitiv

The 2023/2024 winter was mild overall, resulting in low demand for gas. This triggered significant declines in natural gas prices at the start of the year. From the end of February onwards, however, geopolitical developments, in particular, led to a pronounced rise in prices to up to EUR 50 per megawatt-hour at the end of the year. As had already been the case in 2023, pipeline-transported gas deliveries from Russia to north-western Europe were limited to small volumes via the Ukraine route. Worries that even these deliveries might be prematurely aborted because of the war in Ukraine were a risk that the market priced in accordingly over large parts of the year. What is more, the conflict in the Middle East made it impossible to continue shipping LNG deliveries via the Red Sea, forcing vessels to use longer sea routes instead. The scenario that the conflict might also impact the Strait of

Hormuz – the route used for transporting a major share of the global LNG market – at some future point of time likewise drove risk premiums higher.

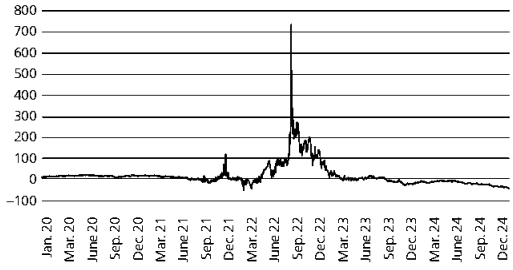
Electricity, DE rolling front year, EEX, EUR/MWh



Source: European Energy Exchange; data supplied by Refinitiv

As quotations of emission certificates strongly correlated with natural gas prices over large parts of the year under review, electricity futures also saw similar price trends. A downward movement in prices at the start of the year was followed by an increase from late February onwards. The clean spark spread for base-load gas-fired power stations came under pressure in the course of the year, significantly underperforming the clear dark spread as coal prices rose to a lesser degree than gas prices from May onwards.

Clean Spark Spreads, rolling front year, EUR/MWh



Data supplied by Refinitiv

Conditions in the sales market

SWM's 2024 sales year was strongly influenced by intensified competition, especially on price comparison portals. Similarly, the frequent and massive price movements of previous years and the energy price caps adopted by the German federal government still had lingering effects, leading to an increased number of contract terminations. The gradual normalisation of the price situation in the course of the year made it easier for SWM to win back former customers and attract new customers.

Wholesale prices for electricity and natural gas saw a further significant decrease in early 2024, but once again began to rise after the end of the first quarter. Since then, they have been very volatile at levels that are still higher than they were before the energy crisis. Persistent volatility made it necessary to raise risk premiums in new contract offers to business customers. In such contracts, customers still accept only very short durations. One exception were structured exchange-aligned products.

Conditions in energy policy

At the European level, the year 2024 was dominated by the European Parliament elections held on 9 June. Before that date, important legislative files were already completed, including the reform of the electricity market design, which is to contribute to the stabilisation of electricity prices, or what is known as the "Net Zero Industry Act", which – in response to the United States' Act – aims to strengthen the European economy and enhance its resilience with measures such as more stringent contract award criteria. After setting its goal of a 55 % reduction in greenhouse gas emissions by 2030 (compared to the 1990 base year), the European Commission plans to introduce a climate target of 90 % for 2040. In the current parliamentary term, the pertinent framework legislation, including the Renewable Energy Directive, is to be aligned with this goal. To reach it, carbon capture and storage and use are to play a greater role, too, i. e. underground storage of carbon dioxide, e. g. in depleted gas fields, as well as further processing of carbon dioxide. This is also an important topic for SWM's continued ability to locally dispose of non-recyclable municipal waste collected in Munich.

In terms of digital policy, milestones in 2024 were the entry into force of the Data Act and the AI Act. These legislative acts regulate data exchange and the use of artificial intelligence. In the telecommunications sector, the EU's White Paper on the Digital Networks Act triggered a discussion about potential consolidations.

In addition, the European Commission intends to place an extended focus on progressive electrification of industry and the topic of affordable energy without calling fundamental design issues in the electricity market into question.

At the German national level, 2024 was the year of accelerated expansion of renewable energies and climate action. In the energy sector, SWM had to deal with numerous laws and ordinances.

- The not-yet-adopted Act for the Acceleration of Approval Procedures for Geothermal Plants, Heat Pumps, and Heat Storage Devices (German abbreviation: GeoWG) is of key significance for SWM.
- The Fourth Bureaucracy Reduction Act (BEG IV), which has been adopted, addresses the elimination of unnecessary bureaucratic procedures. It includes regulations stipulating that close-to-the-surface geothermal energy shall no longer be governed by mining law.
- The amendment to the Thirty-Seventh Ordinance on the Implementation of the Federal Immission Control Act (37. BImSchV) for the first time defines the conditions making electricity used renewable and stipulates when the energy carriers generated with such electricity are considered to be "green". In addition, the support of green hydrogen for use in the transport sector is improved by increasing the factor with which it is counted in the German greenhouse gas reduction quota (GHG quota).
- The Ordinance on the Register of Guarantees for Gas and the Register of Guarantees for Heating and Cooling (GWKHV), which has gone into effect, regulates the set-up and operation of these registers. The goal of the ordinance is to make the origin of energy from renewable sources transparent and boost their use.
- The Solar Package I, which has been adopted, introduces new regulations for the subsidisation of special photovoltaic plants (agrivoltaics, floating voltaics, moor voltaics, and parking-lot voltaics). The aim is to accelerate the expansion of photovoltaic and reduce bureaucratic hurdles.
- The Energy Plant Requirements Ordinance (EAAV), which was announced in the German Federal Gazette, aims to accelerate the connection and commissioning of generation plants and storage facilities with a cumulative installed output between 135 kilowatts and 500 kilowatts.
- With the key pillars of a carbon management strategy, the draft bill for the amendment to the Carbon Dioxide Storage Act, and the possibility of exporting CO_2 (amendment to the London Protocol), important legal cornerstones for enabling CO_2 capture have been brought underway.
- The German federal government passed a "Growth Initiative"– a comprehensive package of measures designed to provide fresh impetus to the German economy. The package comprises several measures, including initiatives to use the potential of electricity storage systems, accelerate the ramp-up of hydrogen, and facilitate CO_2 storage. In addition, it includes measures aimed at introducing a new market design for power plants, promoting renewable energies, driving the Power Plant Security Act (KWSG) forward, staggering grid expansion, and implementing the amendment to the Combined Heat and Power Act (KWK-G).
- The draft bill on onshore wind energy and solar energy and the Act on Offshore Wind Energy and Power Grids transpose the EU's RED III Directive (acceleration of the expansion of renewable energies in Europe) into national law. The Offshore Wind Energy Act is designed to simplify and accelerate planning and approval procedures for offshore wind energy projects.
- Furthermore, the draft bills for the NIS2 Implementation Act (strengthening cyber security) and the KRITIS Umbrella Act (strengthening physical safety and security) are of great importance for critical infrastructures. Both legislative acts aim to transpose EU directives into national law.
- In the telecommunications sector, the Telecommunications Network Expansion Acceleration Act (TK-NABEG) was submitted. Its goal is to implement key measures of the German federal government's "Gigabit Strategy". The law focuses on changes that speed up network expansion, reduce the associated bureaucracy, and help bring about more efficient data use.

The second half of the year was dominated by the breakup of Germany's ruling "Traffic Light Coalition", the minority government, and the vote of confidence called by Federal Chancellor Olaf Scholz in the German parliament in December. As the German federal government was dissolved early and new elections were held in February 2025, parliamentary legislative procedures were put on the back burner. Initiatives that are particularly important for the expansion of renewable energies and planning security were no longer adopted in the current parliamentary term. They include initiatives such as the Act for the Acceleration of Approval Procedures for Geothermal Plants, Heat Pumps and Heat Storage Units, the adjustment of energy tax law, the Power Plant Security Act, the amendment to the Environmental Appeals Act, the transposition of RED III, the Ordinance on General Supply Conditions for District Heating, the Hydrogen Acceleration Act, the Carbon Dioxide Storage and Transport Act, the Act on Modernisation and Bureaucracy Reduction in Electricity and Energy Tax Law, the NIS2 Implementation Act, the KRITIS Umbrella

Act, and the Telecommunications Network Expansion Acceleration Act. The funding of the federal subsidisation of efficient heating grids (BEW programme) remains unclear because the decision on the 2025 federal budget is still pending.

Conditions in the mobility sector
In the mobility sector, the German federal government is committed to advancing the climate targets with a strong railway industry and efficient and economically sound local public transport, addressing the major challenges of the future. One key objective is the envisaged increase in passenger numbers in local public transport, which would make a major contribution to the realisation of the climate targets. For this purpose, the German federal government had planned an expansion and modernisation pact. However, the negotiations with the federal states and municipalities that would have been necessary for this did not take place. Consequently, it remains unclear how the service expansion in local public transport as a contribution to the realisation of the climate targets will be funded.

The key drivers of conditions in the public transport sector continue to be the German Passenger Transportation Act (Personenbeförderungsgesetz; PBefG), European state aid regulations (Regulation (EC) 1370/2007), and contract award legislation. It is still necessary to put municipal mobility service providers in a position that allows them to provide transport services under competitive terms. This results not only from legal rulings, but also from the financial state of local public transport systems.

Competition for public funding of transport infrastructure expansion and maintenance continues under the prevailing financial framework. A decision was made to continue to offer federal financial assistance under the Municipal Transport Financing Act (Gemeindeverkehrsfinanzierungsgesetz; GVFG) beyond 2023. In addition to the funding of new construction projects, refurbishing projects for the existing infrastructure also qualify for subsidies, as the industry has demanded for many years – although such subsidisation is subordinate to new construction projects and limited until 2030. This decision is of major significance for SWM given the increasing need for renewal of Munich's underground infrastructure in particular. However, the previously available unbundling funds continue to be part of states' budgets without being earmarked for any specific purpose under federal law. Pertinent case-by-case regulations must thus be enacted into state law. At the same time, it is becoming more and more difficult to convince the competent political bodies to approve cost-covering fare increases.

In the city of Munich, local public passenger transport continues to face fundamental quantitative, qualitative, and economic challenges due to a medium and long-term increase in demand associated with population and commuter growth, especially at peak hours. At the same time, the recruitment of qualified staff, notably operators, workshop staff, and construction engineers, is becoming ever more challenging, which makes completely novel personnel hiring approaches necessary. Furthermore, digitalisation is creating completely new framework conditions and tasks for the entire industry.

The consequences of the Covid pandemic continue to create an additional challenge. Thanks to events and the associated additional passenger volumes, it was possible to fully offset the previous declines in passenger numbers for the first time since the outbreak of the pandemic. The continuation of what is known as the "Deutschlandticket" – a special flat-rate public transport ticket offered in a monthly subscription model – created further massive challenges in sales, as extremely high demand for this type of ticket had to be handled. Even though the politically endorsed local public transport subscription must be regarded as a success in terms of its sheer sales numbers and the German federal parliament approved its continued financing for the year 2025, its long-term funding remains uncertain.

Telecommunications market
In 2024, the consumer price index for combined telecommunications services increased by 1.5 % year-on-year (Federal Statistical Office of Germany, January 2025). According to an initial estimate by the German Association of Telecommunications and Value-Added Service Providers (VATM) for the German landline market, telecommunications services presumably generated revenues totalling approximately EUR 33.0 million in 2024. This corresponds to a year-on-year increase in revenues in the landline market of EUR 0.1 billion (+0.3 %). The opening of the already installed fibre-optic networks to other competitors ("open access") within the framework of what is known as "wholesale marketing" continued in 2024, too. SWM expects this trend to intensify further as the telecommunications providers actively involved in the expansion of fibre-optic networks seek not only high utilisation rates for their networks, but also fast amortisation of their investments. Many fibre-optic providers, including M-net, have already concluded cooperation agreements and opened their networks to other telecommunications providers (e. g. Telekom and 1&1). Competition in the fibre-optic market was shaped decisively by Telekom's activities in 2024, while other investors were more restrained in their actions. It seems likely that fibre-optic network expansion in Germany will slow down in the coming years.

Business development

Sales

SWM's goal is to ensure high customer satisfaction and loyalty with its sales activities and continuously expand its market position on this basis. In the year under review, SWM did not yet fully succeed in making unimpeded progress towards this goal. The repercussions of the complex implementation of the energy price caps are still placing burdens on customer satisfaction. Nevertheless, as slight increase in the number of customers was achieved in the residential and business customer segments. The company continues to put a lot of effort into once again improving its trust scores, customer satisfaction, and loyalty towards SWM. At least, SWM was able to maintain its leading position in the Munich market and continues to have an extraordinarily high market share.

Energy sales to business customers reflected further savings on the part of customers in the heating segments. In addition, the economic slowdown had a negative effect on volume sales. To some extent, this was offset by the tried-and-proven focus of the Business Customer Sales units on flexible, structured, and exchange-aligned products with adequate risk sharing.

The uncertain geopolitical situation continues to impact the energy markets and energy sales of SWM's Energie Südbayern GmbH (ESB) shareholding. Even though tensions weighing on the market price situation in the energy markets tended to ease in 2024, the resultant relief on the procurement side was, above all, accompanied by a strong pickup in the sales market with more intense competitor activities. Thanks to a differentiated price and product strategy, ESB overall succeeded in moderately increasing its number of customers in the residential segment, with slight losses in the gas business being offset by more pronounced increases in the electricity business. In the corporate and business customer segments, the sales volumes recorded were also higher than in the previous year.

Overall, volume sales in the electricity, gas, and district heating segments decreased in 2024. While customer losses added to the effect of temperatures that were higher than average in a multi-year comparison in the gas segment, new customer acquisition had an offsetting effect in district heating. Water sales volumes remained more or less at the previous year's level.

Trade

In 2024, prices remained at levels above those recorded before Russia's war of aggression. Thanks to SWM's hedging strategy for the market-price-dependent portfolio, the high prices recorded in 2022 still had a positive effect on operating result in 2024. The power plant position continued to benefit from these positive spreads. 2024 was the first year in which SWM's portfolio no longer included electricity from the "Kraftwerk Isar 2" nuclear power station. Furthermore, Block 2 of the "HKW Nord" combined heat-and-power plant was converted from coal-fired to gas-based operation in the summer of 2024. This means that coal will no longer be among the commodities covered by SWM's trading activities going forward.

The trading business of SWM's Bayerngas shareholding is gradually being scaled back. The shareholders of Bayerngas had agreed to discontinue the business operations of bayernets GmbH, the Bayerngas subsidiary responsible for trade and sales, by the end of 2025. The wind-down process is scheduled to be completed in 2026.

In the Plattform Energie GmbH purchasing pool, headquartered in Bad Aibling, Energie Südbayern GmbH (ESB) is responsible for energy procurement and the management of an electricity and natural gas portfolio with a total volume of approximately 5.5 terawatt-hours for 56 current municipal partners. The plans provide for the inclusion of additional municipal partners.

Generation

Extensive measures are being implemented on the site of SWM's "Energiestandort Süd" energy location: a high-performance district cooling centre is being built to cover the steadily growing demand for district cooling. The geothermal plant with its six wells is in what is known as "trial operation" until the qualified permission to be issued under water law has been granted. It provides another important pillar of the heating supply. After the completion of the work on the foundation of the heat storage reservoir, construction of the reservoir itself commenced and the pipe and pump assembly continued in the heating station. At the turn of the year, the heat storage reservoir was ready for filling. The heat storage capacity is 2,200 megawatt-hours, with a storage output of a maximum of 300 megawatts and an available net volume of approximately 43,300 cubic metres. The gas-and-steam turbine 1 (GuD1) is being modernised and turned into a highly efficient plant with black start capacity that can be operated without any external power supply.

In the summer of 2024, the conversion of the coal-fired Block 2 in our "HKW Nord" CHP plant from coal to natural gas for the 2024/2025 heating season was successfully completed. In addition, plans for the construction of a biomass heating plant at the same site are being developed with a view to further increasing the share of generation from renewable energy sources and reduce the burden on Block 2 on the district heating side.

We are strongly driving forward the expansion of CO_2-neutral district heating generation through geothermal energy. In the autumn of 2024, construction of the largest inner-city geothermal plant in Continental Europe began with the symbolic groundbreaking ceremony on the grounds of the Michaelibad public pool. After its completion in 2033, this plant is to supply heat to approximately 75,000 Munich citizens. Further sites and/or projects are being analysed and will contribute to transforming district heating in the direction of greenhouse gas neutrality. In addition, SWM is active in various geothermal research projects.

To offset the feed-in fluctuations of green electricity plants, SWM supplements its generation portfolio with stationary large-volume batteries. At the Freiham (1 megawatt) and Freimann (10 megawatts) sites as well as at the Uppenborn (25 megawatts) site, storage batteries are already up and running. In the area of hydroelectric power, the landmarked Großhesselohe weir, which has been in operation since 1908, was upgraded to the state of the art and aligned with today's safety requirements. The new replacement structure chosen by SWM is a solution that will satisfy economic, ecological, and operational requirements and offer enhanced flood protection for Munich.

The "Kernkraftwerk Isar 2" nuclear power station, which was decommissioning in 2023, is being dismantled following the corresponding legal authorisation.

For the implementation of the renewable energies expansion campaign, SWM mainly focuses on wind energy in electricity generation. Wind energy can generate large quantities of green electricity all year round, independent of other resources.

In deviation from the plans, no sales took place at wpd europe GmbH (SWM stake: 33 %) in 2024. This is the reason why the capacity of the wind parks held by wpd europe GmbH in its own portfolio increased to 1,078 megawatts.

Operation proceeded as expected at the SWM 50 MW, SWM Wind Havelland, SWM Wind Onshore France, Sidensjö, Austri Raskiftet, Austri Kjølberget, Jasna, Midgard, and Roan onshore wind parks, and at the Andasol 3 solar thermal power plant in Spain. However, their aggregate output fell short of expectations, the reason being a weather-induced decline in wind yields.

The Gwynt y Môr, DanTysk, Sandbank, and Global Tech I offshore wind parks are in regular operation. Their output remained slightly below expectations in 2024, which was due to weather-induced lower wind yields, grid connection problems, low availability at Global Tech I, and a high share of feed-in management measures in the German parks.

Most wind parks operated in a price environment that was returning to normal. The projects for green electricity generation that have already been implemented, together with those that have been initiated, give SWM access to nominal generation capacities in its own plants that arithmetically already more or less correspond to last year's electricity consumption in Munich.

The output of Spirit Energy was in line with the planned level in 2024. Due to the trend in gas prices, operating profit was slightly below expectations, while free cash flow exceeded expectations, the reason being lower investments. Activities in the area of potential new, climate-friendly business segments were driven forward, but are still in the planning stage.

The projects that have been realised and are being implemented ensure SWM's future-ready positioning in the Generation segment. The expansion of geothermal energy use is proceeding as planned and highlights SWM's active role in helping shape the heating transition. In 2024, the renewable energies expansion campaign continued to make further headway, especially thanks to the stabilisation of operations in already up-and-running plants.

SWM is also expanding renewable energies in the metropolitan region: ground-mounted photovoltaic plants are operated on the grounds around the Uppenborn 1 hydroelectric power plant and in Upper Bavaria. Together, these solar plants produce electricity for more than 5,600 households. Additional initiatives include two projects north of Munich that are under development. Furthermore, SWM operates two wind turbines in the northern part of Munich, which on average generate green electricity for more than 3,500 households.

Energy Networks – Electricity
Based on the German Energy Industry Act (Energiewirtschaftsgesetz; EnWG) and the German Ordinance on Electricity Grid Access Charges (Stromnetzentgeltverordnung; StromNEV), SWM Infrastruktur annually calculates the preliminary grid access charges for the following year and publishes them in October of the current year. These preliminary grid access charges are the basis of calculation for the Sales units. In 2024, access charges in the grid territory of SWM Infrastruktur increased by approximately 46 %. The single largest item and main reason for the increase is the share of upstream transmission grid costs of Germany's nation-wide transmission grid. This element is beyond SWM Infrastruktur's control. Transmission grid operators were forced at short notice to take over costs that previously were to be funded by the German federal government. The background was a lawsuit on unconstitutional use of money intended to combat the repercussions of the pandemic that had been filed with the German Federal Constitutional Court.

The integration of electricity generated from renewable energies into the electricity grids requires extensive grid conversion measures to ensure supply reliability in operations. SWM has drawn up suitable plans for this transformation process and begun to implement them. One example is the renewal of the Ganghoferstraße transformer station. In addition, SWM Infrastruktur got involved in the consultation proceedings the German Federal Network Agency (Bundesnetzagentur; BNetzA) had launched for designing the future regulatory framework. These proceedings lay the foundation for the calculation of grid access charges.

Energy Networks – Gas
Based on the German Energy Industry Act (EnWG) and the German Ordinance on Gas Grid Access Charges (Gasnetzentgeltverordnung; GasNEV), SWM Infrastruktur annually calculates the preliminary grid access charges for the following year and publishes them in October of the current year. These preliminary grid access charges are the basis of calculation for the Sales units. In 2024, SWM Infrastruktur succeeded in keeping the access charges in its grid territory at the previous year's level. A looming gas deficit situation was averted by the high storage filling levels throughout Germany. Supply was secure at all times. In addition, SWM Infrastruktur has been actively involved in the design of the nation-wide hydrogen core network. For example, the high-pressure pipe from Münchsmünster via Ismaning Nord to the Finsing transfer station will become part of the hydrogen core network. This will ensure that hydrogen can be supplied to SWM Infrastruktur via the interconnected European grid; the plans provide for this to happen by 2032.

bayernets GmbH, a subsidiary of Bayerngas, not only continued to perform its key function, i. e. operation of long-distance gas pipeline networks, but also implemented preparatory measures for the transformation to hydrogen transport, e.g. with the HyPipe Bavaria project. Framework conditions in the gas storage market have changed fundamentally since the risk of a potential gas deficit situation emerged in 2022. Storage operators are now obligated by law to comply with mandatory storage requirements including predefined minimum filling levels at certain dates. Since 2024, Bayerngas GmbH has been fully responsible for the marketing of the capacities of the Wolfersberg underground storage facility owned by Bayerngas.

Energy Networks – District Heating
In its district heating grids, SWM Infrastruktur is contributing to the realisation of the vision of a CO_2-neutral heating supply for Munich. This includes the development of strategies for future district heating supply areas and transport pipes for geothermal energy. These efforts are based on the district heating transformation plan. Plan preparation includes the identification of new customer potentials and grid extension possibilities.

Conversion of large parts of the existing steam-operated grid to hot-water operation is an indispensable prerequisite for a CO_2-neutral heating supply. Among other things, this will involve modification of grid components down to customer stations and their integration into the new grid environment in large supply areas east and west of the Isar river in the period until 2035.

Energy Networks – District Cooling
The supply of environmentally benign cooling is gaining importance for SWM Infrastruktur. In the Munich downtown area, in particular, a well-developed district cooling grid has already been installed. The roll-out and expansion of this grid continued in 2024.

Water
SWM is actively engaged in preserving and protecting the high quality of Munich's drinking water directly in the water extraction areas. It therefore collaborates closely with the locals in those areas to keep spring water and groundwater clean. A key measure in this respect is the encouragement of organic farming and sustainable forestry. Furthermore, extensive measures and investments are continuously required and implemented to maintain the extraction plants and the supply infrastructure. Currently, plans are being drawn up for the replacement of a feeder line between the Mangfall valley and the village of Unterdarching. Extensive analyses will be carried out and expert opinions obtained to safeguard drinking water extraction from the area of moraine deposits east of Munich known as the "Schotterebene" for the future and secure the existing water rights.

Mobility
MVG faced wide-ranging challenges in 2024. An interim entrustment adopted by the City of Munich made it possible to offset the loss at SWM in compliance with state aid legislation. Various measures secured the financing of the existing level of service, at least for the time being, with the compensation payments for the "Deutschlandticket" – a special flat-rate public transport ticket offered in a monthly subscription model – playing a key role. The Munich City Council approved a resolution directly awarding a public service contract to MVG until the year 2047. This is a milestone for public mobility in Munich. Various departments were involved in drawing up the public service contract together with the City of Munich. Having taken effect on 1 January 2025, it makes an important contribution to the future of mobility within SWM.

Due to the repercussions of the pandemic and knock-on effects such as increased use of remote-working options ("home office") as well as events and the associated additional passenger volumes, passenger numbers rose significantly in the 2024 financial year, returning to their pre-Covid level. In total, the Mobility division had 5,048 employees as of 31 December 2024, of which 1,928 were at MVG. Customer surveys for 2023 and the first half of 2024 showed that customer satisfaction scores had taken a turn for the worse. Among other things, this was due to temporary shortcomings in operations resulting from staff and vehicle shortages, which took their toll on reliability. Stabilisation of operations and a fundamental infrastructure overhaul are therefore among the key measures that need to be implemented to ensure that local public transport remains attractive. They are also prerequisites for future service improvements. However, these measures cannot be implemented until adequate funding is ensured. The target of a 30 % public transport share in Munich can therefore be reached only at a later date. For the time being, only urgently required service measures are being implemented such as higher service frequencies during school transport hours or connections to new residential neighbourhoods or business districts. The strained financial situation that is also affecting Munich's municipal budget may make further consolidation measures necessary.

Similarly, the planning and implementation of new construction projects will be spread over a longer period for financial reasons. Inter alia, this includes feasibility studies for additional tram routes. By contrast, the western tangential tram route is already under construction and will be realised in several phases in the period until the end of 2028. In 2024, the expansion and refurbishment programme involved expenditures totalling around EUR 329 million for underground, bus, and tram projects. Investments were also made in the procurement of state-of-the-art vehicles and the refurbishment, modernisation, and expansion of the underground infrastructure. The MVG Rad bicycle-rental service continues to be a useful supplement of the "traditional" local public transport system. In the 2024 financial year, MVG Rad recorded more than 330,000 registered customers and some 720,000 rental transactions. We are preparing a tender aimed at awarding a new contract for the bicycle-rental system.

Despite the difficult financial situation, Munich's local policymakers in principle remain committed to the mobility transition, as demand for local public transport services is expected to increase again. Substantial efforts will thus be necessary for a long time to meet the rising demand and address the investment and maintenance bottleneck. This also includes new depots for all areas of operation to ease the burden on existing sites and make room for additional capacities for new and larger vehicles. Concrete planning processes are being driven forward for a second underground train depot in the Neuperlach Süd neighbourhood and an additional tram depot in the immediate vicinity of the current main workshop on Ständlerstraße.

Telecommunications
Demand for higher bandwidth continued to increase further in 2024, which is why SWM is driving the expansion of the fibre-optic infrastructure forward. Over a multi-year period, SWM has already invested several hundred million euros in the provision of fibre-optic-based broadband networks – in some cases jointly with infrastructure partners. These networks currently permit Internet access with transmission rates of up to 1,000 Mbit/s. In the coming years, the expansion of network level 4 (fibre optics from the basement to the flat – FTTH) will be intensified in those Munich areas already linked to the existing fibre-optic network. Fibre-optic network expansion is another area characterised by keen competition. One additional element of the telecommunications strategy is SWM's digital trunk radio network, which is distinguished by high security standards.

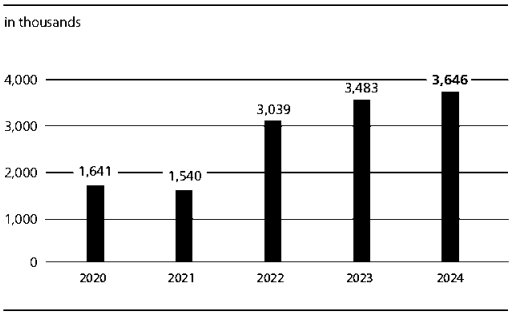
In sum, the key task in 2024 was to expand a powerful data infrastructure even further with a view to enabling residential and business customers to benefit from the use of digital applications and technological evolution.

Public Pools
M-Bäder public pools offer bathers fun, sports, and relaxation all year round and are thus leisure spots for guests with a variety of needs – from recreation to competitive sports. Investments in the infrastructure and the continuous further development of the pools' facilities and services will ensure that this will be the case in the future, too. Important construction measures are on the agenda in the coming years: the refurbishment and rejuvenation of the indoor pools and sauna facilities of the Forstenrieder Park public pool, the refurbishment of the Georgenschwaige outdoor pool and its transformation into a CO_2-free natural pool, the renovation of the entrance building of the Ungererbad outdoor pool, including refurbishing of the ticket booths as well as the changing, restroom, and staff areas, fire protection enhancements, structural reinforcements, and renovation of the copper roofs at the Volksbad indoor pool, and renovation of the roof cladding and glass dome at the Westbad indoor pool.

In the 2024 operating performance, the development of visitor numbers presented a pleasing picture. After a rainy start into the summer season, the outdoor pools even exceeded the mark of one million visitors recorded in the previous year, even though the Georgenschwaige outdoor pool was not available to the public due to refurbishment work. This outdoor pool is scheduled to reopen for the 2025 summer season. Children under twelve were again allowed free entry to the outdoor pools in the summer of 2024.

Due to the unscheduled lengthy closure of the Westbad public pool, the SWM indoor pools unfortunately failed to reach their planned visitor number of 2.27 million in 2024. Prolonged rainy periods and the need to find a new roofing contractor led to delays in the construction process. The sauna facilities at Prinzregentenbad are still closed following the fire that broke out there in 2022 and will be refurbished in the next few years. The Forstenrieder Park public pool will, in all likelihood, close its doors in the first half of 2025 in order to initiate the extensive measures required for the construction of a replacement building.

M-Bäder visitor trend



Business situation

Results of operations

Revenues
SWM's revenues decreased from EUR 9,672 million to EUR 6,934 million.

SWM's volume sales and revenues in 2024 versus 2023 in kEUR

	Volume sales 2024	Revenues 2024 in kEUR	Volume sales 2023	Revenues 2023 in kEUR
Electricity (GWh)	16,479	2,806,228	22,197	3,718,208
Natural Gas (GWh)	52,680	2,081,484	62,754	3,727,639
District Heating (GWh)	3,950	599,581	4,060	786,769
Water (million m³)	94	175,939	95	168,865
Public Transport		564,263		548,756
Public Pools (thousand visitors)	3,646	20,336	3,483	18,438
Telecommunications		268,133		271,441
Other		418,172		432,076
		6,934,136		**9,672,192**

Due a significant decline in volume sales by 25.8 %, electricity revenues decreased by a nearly equal percentage, i.e. 24,5 %, to EUR 2,806 million.

Natural gas revenues went down by EUR 1,647 million to EUR 2,081 million. This downtrend in revenues was both volume and price-related.

District heating/cooling revenues decreased by EUR 187 million to EUR 600 million. This was mainly due to falling prices. Volume sales went down only slightly, by 2.7 % year-on-year, in the 2024 financial year.

Despite a slight volume decrease, water revenues increased by 4.2 %, to EUR 176 million.

An increase in revenues from EUR 549 million to EUR 564 million was recorded in the underground, tram, and bus services of the local public transport system.

At EUR 20 million, public pool revenues were again significantly higher than the previous year's revenues of EUR 18 million.

In the highly competitive telecommunications market, SWM maintained its successful performance with revenues of EUR 268 million, which more or less corresponded to the previous year's level of EUR 271 million.

Development of further significant items in the income statement
Other operating income increased by EUR 119 million year-on-year, to EUR 683 million. Increases in income from valuation margins (EUR +139 million), compensation payments for the "Deutschlandticket" flat-rate public transport subscription ticket (EUR +78 million), and income from claims settlements (EUR +30 million) were the main drivers of this upward trend. Movements in the opposite direction were recorded for income from the reversal of provisions (EUR –145 million), income from the release of value adjustments on receivables (EUR –5 million), asset disposal gains (EUR –5 million), and exchange rate gains from foreign currency translation (EUR –4 million).

Cost of materials decreased from EUR 6,919 million to EUR 4,721 million. A decrease in aggregate procurement volumes as well as the downward trend in gas prices contributed to this relief.

Personnel expenses increased from EUR 982 million to EUR 1,121 million. On a group-wide basis, the number of employees (excluding trainees, temporary, and seasonal workers) increased from an average of 10,851 to 11,604 in the fully consolidated companies. Furthermore, salary adjustments resulting from collective bargaining agreements contributed to driving up expenses.

Amortisation and depreciation on intangible assets and property, plant, and equipment amounted to EUR 611 million. Scheduled write-downs accounted for the entire amount.

Other operating income went down from EUR 1,008 million to EUR 571 million. This decrease was mainly due to a EUR 637 million reduction in expenses for variation margins. A key driver in the opposite direction was the EUR 63 million increase in provisions for outstanding invoices.

Tax expenses
Taxes increased from EUR 163 million to EUR 196 million. The increase in the income tax burden contained therein was mainly due to the absence of non-tax-recognisable income from the reversal of provisions, which still had a major impact in the previous year.

Profit
Profit before taxes amounted to EUR 609 million (previous year: EUR 819 million). Consolidated net income after tax and before profit and loss transfer came to EUR 412 million.

Operating result after adjustment for one-off effects amounted to EUR 575 million in the financial year under review, which corresponds to a year-on-year increase of EUR 335 million. Adjusted EBITDA went up from EUR 815 million to EUR 1,186 million.

SWM's financial result stood at EUR –97 million in 2024, compared to EUR –22 million in the previous year. The EUR 75 million decrease in the company's financial result was mainly due to a EUR 73 million increase in write-downs on financial assets.

Net assets
SWM's total assets decreased by 2.2 % year-on-year, to EUR 12,555 million, in the year under review.

Assets
Property, plant, and equipment went up from EUR 7,290 million to EUR 7,550 million. This was mainly attributable to investments in passenger transport vehicles, above all underground trains. Financial investments went down from EUR 1,800 million to EUR 1,757 million. This was mainly due to a EUR 92 million decrease in loans to shareholdings.

Overall, fixed assets increased by EUR 219 million to EUR 9,420 million.

Due to the increase in fixed assets that contrasted with the trend in total assets, SWM's fixed asset intensity increased from 71.7 % in the previous year to 75.0 %. The shareholders' equity in the balance sheet provides 73.2 % cover for the long-term assets tied up in the Group, up from 70.9 % in the previous year.

Overall, investments in property, plant, and equipment and intangible assets increased significantly, from EUR 741 million to EUR 897 million.

Investments in property, plant, and equipment and intangible assets

in kEUR	2024	2023
Energy and Water	423,664	353,680
Mobility	328,805	231,515
Public Pools	6,641	5,742
Telecommunications	53,000	56,248
City of Munich Services	84,460	94,050
	896,570	**741,235**

In Generation, investments mainly focused on the new gas-and-steam turbine 1 in the "HKW Süd" combined heat-and-power (CHP) plant, the district cooling projects, and the heat storage reservoir at the "Energiestandort Süd" energy location. In addition, investments were made in the renewal of the Grosshesselohe weir.

In Energy Networks, investments focused on the expansion of distribution installations and networks for energy and water supply, building connections, transformer stations, and the renewal of the 110-kV gas pressure cable network.

Investments in the Mobility segment focused on the acquisition of vehicles (trams, underground trains, and buses). Further investments concerned the construction of the new western tangential tram route and the installation of digital radio systems and fire protection features in underground trains. In addition, investments were made in the procurement of new motor vehicles and in escalator replacement.

As in the previous year, investments in Public Pools mainly focused on the refurbishment of the Georgenschwaige public pool.

The bulk of investments in Telecommunications went into the continued expansion of fibre-optic networks.

Investments in the Olympic Park mainly focused on the refurbishing of the Olympic Stadion and the Olympic Tower.

Current assets decreased from EUR 3,576 million to EUR 3,063 million. A price and volume-induced decrease in trade accounts receivable of EUR 555 million, a EUR 474 million decrease in other assets, which essentially corresponded to margin payments made, and a EUR 67 million decrease in VAT receivables were mainly offset by an increase in securities and cash at banks totalling EUR 407 million and an increase in receivables from shareholdings of EUR 102 million.

Liabilities
As of 31 December 2024, shareholders' equity amounted to EUR 6,891 million. Including the equity shares contained in the special items for investment and income grants as well as in subsidies for construction costs, SWM's economic equity ratio increased year-on-year to 57.5 %.

Provisions decreased from EUR 2,269 million to EUR 2,230 million. This was mainly attributable to a EUR 63 million decrease in provisions for outstanding invoices, pension provisions that were EUR 49 million lower, and a EUR 36 million decrease in provisions for nuclear energy. Key impacts in the opposite direction were increases in provisions for the repayment of the rescue package for local public transport companies (EUR +33 million), for obligations to surrender CO_2 emission allowances (EUR +24 million), and for dismantling obligations (EUR +18 million).

Liabilities decreased from EUR 3,516 million in the previous year to EUR 2,824 million, the key driver being a decrease in other liabilities, notably customer downpayments that were EUR 274 million lower, a EUR 240 million reduction in valuation margins, and a EUR 120 million decrease in registered bonds and promissory note loans (Schuldscheindarlehen). Bank borrowings went down by EUR 140 million, and trade accounts payable decreased by EUR 57 million.

Financial position

Cash flow
Cash flow from operating activities amounted to EUR 1,634 million. Alongside consolidated net income of EUR 412 million and the non-cash-relevant balance of write-downs and write-ups on fixed assets (EUR +734 million), inflows from the liquidity-relevant decrease in receivables and other assets (EUR +921 million) were the main driver of the positive cash flow. Countervailing effects resulted from a decrease in trade accounts payable and other liabilities (EUR 427 million) and the non-cash-relevant decrease in provisions (EUR 136 million).

Cash flow from investing activities amounted to EUR –853 million. Outflows for property, plant, and equipment (EUR 875 million) and intangible assets (EUR 21 million) primarily related to Generation, Energy Sales, Mobility, and Telecommunications. Investments in financial assets (EUR 123 million) mostly comprised affiliated companies and equity participations.

Cash flow from financing activities amounted to EUR –374 million. Cash received from financial loans with a net amount of EUR 86 million and inflows into additional paid-in capital of EUR 53 million were mainly offset by outflows for the profit transfer of EUR 100 million for the previous year, the redemption of borrowings of EUR 350 million, and interest payments of EUR 71 million.

In addition, reference is made to the detailed consolidated cash flow statement.

Liquidity
The positive cash flow of EUR 407 million resulted in an increase in funds available at short notice from EUR 477 million to EUR 885 million.

SWM's ordinary operations result in price-change, interest-rate, and foreign-currency risks, which the Treasury unit partially hedges with derivative financial instruments. To the extent possible, derivatives are shown as valuation units. In the financial year under review, SWM was able to meet its financial obligations at all times.

On the reporting date, credit lines totalling EUR 945 million existed, with Stadtwerke München GmbH accounting for EUR 782 million of this total. EUR 48 million thereof can be drawn as both cash loans or sureties and EUR 35 million as sureties only. On the reporting date, EUR 4 million of this total was drawn as sureties only and EUR 4 million as credit lines that can be used as both cash loans and sureties.

Target/actual comparison

Financial performance indicators
To ensure correct presentation of the operating business, SWM uses operating earnings (EBIT) adjusted for one-off effects for steering purposes. This approach involves adjustments for expenses and income that are non-recurrent (e.g. unscheduled impairments), attributable to other periods, and outside of SWM's control to ensure presentation of the result of operations in a manner that can be compared over time. Adjusted EBIT amounted to EUR 575 million in the financial year under review.

Total revenues were considerably below expectations in 2024, which was attributable to lower electricity and gas prices, in particular. EBIT was also significantly below budget, which was not least due to the impact of various non-recurrent effects. Due to a decrease in neutral income, net profit after tax also fell considerably short of the budgeted level.

Non-financial performance indicators
SWM's performance is not only reflected in economic indicators, but also influenced by other factors. Indicators such as the trend in electricity generation from renewable energies and the number of employees play an important role for SWM's future development.

On average, the Group employed 12,439 staff members in the fully consolidated companies during the 2024 financial year (previous year: 11,637). This figure can be subdivided into 11,604 employees (previous year: 10,851), 422 trainees (previous year: 404), 374 temporary staff (previous year: 342), and 39 seasonal workers (previous year: 40). The increase was slightly higher than expected.

At the proportionately consolidated companies, 517 staff members were employed (previous year: 483). This figure can be subdivided into 475 employees (previous year: 445), 23 trainees (previous year: 24), and 19 temporary staff and seasonal workers (previous year: 14). This development was in line with expectations.

SWM's electricity generation capacity from plants using renewable energies increased to 5,588 gigawatt-hours (previous year: 5,328 gigawatt-hours), which was, however, below plan. Key reasons were the compensated "Redispatch 2.0" curtailments in offshore wind parks as well as curtailments in onshore wind parks, some of which were also compensated. In addition, price-induced shutdowns during periods in which prices dipped into negative territory and low wind yields in 2024 also had a negative effect on electricity generation from renewable energies.

Overall statement
Operating profit (EBIT) after adjustment for one-offs was significantly below expectations, and the same is true of income after tax. The increase in the electricity volume generated in plants using renewable energies was a very favourable development, once again making a very positive contribution to net profit after tax. That said, this increase was still below expectations.

3. Forecast, Risk, and Opportunity Report

Forecast report

In its 2024 autumn report, the Joint Economic Forecast Project Group of the ifo Institute assumes that decarbonisation, digitalisation, demographic change, and stronger competition with companies from China have triggered structural adjustment processes in Germany that are dampening the growth prospects for the German economy. It expects the years 2025 and 2026 to bring an inflation rate of 2.0%. Against this background, the Project Group, in its autumn report, predicts that Germany's gross domestic product (GDP) will grow at low rates of 0.8% in 2025 and 1.3% in 2026. More recent economic forecasts such as the economic outlook presented by the German Council of Economic Experts (known as the "Five Sages of Economy") anticipate less buoyant growth of 0.4% and thus continued stagnation of the German economy in 2025.

As of the reporting date, SWM took the energy price assumptions for all plan years and the new statutory regulations or their drafts into account in the assumptions on which its plans for 2025 are based. The assumption is that energy prices will continue to fall in the year that follows, but remain above the levels recorded for many years before Russia started its war of aggression against Ukraine. Overall, SWM anticipates stable revenues. Revenue gains in the mid single-digit percentage range are expected in the Electricity segment. Assuming normal weather conditions in conjunction with unchanged customer behaviour, sales volumes in the end customer business are expected to increase slightly. A slight uptick in demand is expected in the Mobility segment.

On this basis and from its current vantage point, SWM envisages the 2025 EBIT adjusted for one-off effects to reach approximately EUR 300 million. Net profit after tax is expected to be significantly lower and come in at approximately EUR 100 million in the year that follows. Due to a constant consolidated gross margin, SWM expects EBIT to remain stable at the level recorded in 2025 in subsequent periods.

For 2025, SWM's plans provide for an average number of employees in fully consolidated companies that exceeds the previous year's level, mainly due to the rising number of employees in the Mobility segment. Nominal electricity generation capacities from renewable energies in the company's own plants will presumably be in the order of 6,400 gigawatt-hours.

Given Russia's continuing war of aggression and the political changes, e.g. those resulting from the election of a new German federal parliament (Bundestag) in February 2025, the forecast for the 2025 financial year is subject to higher uncertainties as the future impact cannot yet be foreseen at the current juncture.

From the 2025 financial year onwards, the Corporate Sustainability Reporting Directive (CSRD) – Directive (EU) 2022/2464 – will, in all likelihood, put SWM under the obligation to prepare sustainability reporting at the group level. The new proposal for a directive amending the CSRD presented by the European Commission on 26 February 2025 outlines further simplifications, but also proposes to potentially postpone the obligation to publish the first-time report to the 2027 financial year. In accordance with the new regulations planned for Sections 289b through 289e HGB-E and Sections 315b and 315c HGB-E, the Group Management Report for the 2025 financial year will then be expanded to include the disclosure of non-financial information. The German act that is to transpose this directive into national law has not yet been passed. This year, we are already taking a very close look at the new reporting obligations and are compiling the required information.

Risk report

Risk management system

The objective of risk management at SWM is to ensure the company's long-term success by continuously monitoring and controlling significant risks.

Risk Controlling submits reports twice a year to the Risk Committee and Management Board within the framework of systematic risk inventories. For key energy and financial market risks, the limits, positions, profits, and losses are monitored daily in the respective IT systems. In addition, there are specific channels for submitting detailed reports to Specialist Risk Committees.

Treasury and Trade use only products that have been approved by the Risk Committees. Details of the transactions carried out and hedged in the financial markets and energy trading in 2024 as well as the derivatives and valuation units used are explained in the Notes.

Relevant credit risks are assumed only after a credit quality analysis and are managed based on limits and framework agreements.

Economic risks

Downside risks for the forecast for Germany's economic performance may arise from a weakness in the industrial sector that becomes more entrenched and a further increase in political uncertainty, which could lead to further delays in the recovery of investments and private consumption. These effects could become more pronounced if the economy performs even worse than expected and additional saving efforts in public budgets become necessary.

Energy market risks

Developments in the energy markets have a strong impact on the results of operations at SWM. This may be reflected in both operating results from current business and the valuation of future transactions, e. g. in the assessment of asset values and the calculation of provisions for contingent losses. In its trading activities, SWM therefore pursues the objective of identifying and evaluating market-price and weather risks resulting from the production, generation, and sale of electricity and gas as well as district heating and public transport and hedging these risks in accordance with a predefined strategy.

The dismantling of the "Gemeinschaftskraftwerk Isar 2" joint power station involves cost risks for which the plant's owners, PreussenElektra GmbH and SWM, are liable. The dismantling costs expected at the current juncture are fully covered by the associated provisions.

Financial risks

Volatile equity prices, interest rates, and exchange rates, e.g. due to political uncertainties, can negatively impact SWM's financial position and results. In addition, they are reflected in the valuation of assets and liabilities. SWM's Treasury unit aims at centrally pooling the financing, investment, and foreign currency risks. The investment policy is based on diversified and, hence, risk-reducing asset allocation. The use of derivatives serves the purpose of mitigating risks associated with the underlying transactions and stabilising cash flows.

Given its good liquidity and the credit lines available, SWM has been able to completely cover its financial requirements at all times and continues to classify liquidity risks as very small.

Political and regulatory risks

Political guidelines at the European, national, and municipal levels are relevant for SWM in all areas. They may lead to cost increases in Networks and Generation due to more stringent requirements. Changes in the tax framework may also have a negative impact on SWM, with scope and complexity ranking among the factors that come into play here.

Changed framework conditions, e.g. in the area of state investment subsidisation for the increasingly significant refurbishment of transport facilities, may lead to unforeseeable difficulties in the financing of public sector transport. The impact of digitalisation and the discussions about changes in pertinent legal framework conditions must be influenced proactively to the extent possible. According to the current assessment, there is not least a considerable risk that the service range expansion required for the mobility transition may prove impossible to implement for economic reasons.

SWM counters these risks through transparency and a proactive information policy in the relevant associations and vis-à-vis decision-makers.

Legal and compliance risks
SWM's operating activities involve legal risks arising from contractual relations with customers and other business partners. In addition, authorities and courts may intervene in pricing. The requirements of the German Energy Industry Act (Energiewirtschaftsgesetz; EnWG) and the associated ordinances along with regulatory authorities' activities may have a negative financial impact. Authorisation procedures for technical installations may give rise to legal risks that have a negative economic effect on operations.

In addition, there are compliance risks, e.g. in the areas of corruption, antitrust law, and data protection. These risks are addressed with prevention measures such as training workshops and internal policies that are coordinated on a group-wide basis.

The new CSRD sustainability reporting obligations entail increased complexity and scope extensions of the required non-financial reporting, which may tie up personnel and lead to financial expenses. In addition, there are risks of reputational damage and legal consequences in the event of insufficient or incorrect reporting. Comprehensive reporting in compliance with the law is to be ensured by early planning and implementation of suitable measures.

Operational and technical risks
SWM constructs plants for generating and distributing energy and water. The technological complexity of these plants involves technological and time-related risks as well as cost and authorisation risks. In addition, there is the risk that procured gas and electricity volumes cannot be delivered physically, making it impossible to guarantee supply reliability for our electricity, gas, and district heating customers. Furthermore, there are technical risks in the areas of the transport infrastructure and transport supplies. The risks of existing plants are minimised through regular maintenance, high safety standards, emergency plans, and many other quality assurance measures and independent audits.

Participating interests in renewable energies involve risks arising from new technologies and realisation concepts, the impact of which may still be unknown for lack of long-term experiences. SWM counters these risks by choosing its locations carefully, carrying out due diligence checks, using leading technologies, commissioning experts, and maintaining a diversified portfolio. In the realisation and operation phase, risks are managed through close monitoring or representation on the management teams of the respective participations.

Gas production bears technical risks that are reduced by collaborating with experienced companies and maintaining a diversified portfolio. Technological and project-specific risks can be controlled, but not eliminated. For risk diversification purposes, SWM therefore cooperates with Centrica plc, Windsor (United Kingdom), in gas production via the Spirit Energy joint venture. Spirit Energy's portfolio now essentially reflects only its UK and Dutch business that is focused on natural gas and is limited to the risks associated with this business.

Sales and procurement risks
In all business units of SWM, there is a risk of external influences triggering a decline in revenues. The sale of district heating and natural gas very much depends on the temperatures prevailing in the winter months. In addition, cost risks resulting from volume overshooting or undershooting exist for district heating and gas in particular. The general economic situation gives rise to the risk of elevated payment defaults of residential and business customers triggered by impending insolvencies. Furthermore, the procurement of materials, services, and supplies may be disrupted by external factors, resulting in cost increases as well as delivery delays and failures.

Personnel risks
SWM is seeing signs of a tightening labour market for technical and commercial professions as well as specialist functions in spite of the stream of people moving to the Munich area. SWM is proactively addressing these challenges with new forms of recruiting and employer marketing. Target-group-specific candidate attraction and retention along with targeted talent management aim to ensure the staffing of specialist and managerial positions.

IT and information security risks
As an operator of critical infrastructure, SWM faces the risk of becoming the target of deliberate attacks on information security. SWM applies technological, physical, and organisational measures to counter potential threats that might affect confidentiality, integrity, or availability of information. Critical information systems, including the information and communications infrastructure components supporting them, are based on redundant design. In addition, SWM has implemented a systematic disruption and emergency management system based on pertinent industry standards. At the same time, the high requirements for IT security in the area of critical infrastructure give rise to the risk that the company may fail to satisfy legal obligations to provide supporting documents.

The high complexity and interdependence of IT systems give rise to the risk of an inability to comply with envisaged solution times in the event of disruptions. This risk is countered with organisational measures.

Overall assessment
No risks that might pose a potential threat to the continued existence of SWM as an ongoing concern arose in 2024, and none have been identified for 2025.

Opportunity report

Customer potential and retention
Now that the market situation has stabilised, the positive perception that SWM still enjoys gives the company a good chance to win back lost customers in Munich and the surrounding region. The people moving to Munich and the continued population growth in the region provide SWM with an excellent starting position for a further expansion of its business with residential and business customers by offering basic public services and infrastructure solutions. Since 2004, Munich's population has grown by over 20 % to nearly 1.6 million, and it continued to increase slightly in 2024. Furthermore, growing opportunities exist with respect to the retention of existing customers that move from the city of Munich to the region. SWM's leading position in the Munich market can be strengthened by increasing its market share.

Thanks to Munich's dynamic urban development, SWM can continue to pursue the expansion of its district heating and district cooling offers. The requirements of the heating transition are creating market opportunities in the development of eco-friendly utility services for housing developments and neighbourhoods. A further focus area supplementing district heating and district cooling is the supply via heat pumps and local heating networks.

Renewable energies
To seize the opportunities arising from the energy transition, SWM will drive forward its renewable energies expansion campaign, both regionally and in Europe, and continue to bank on economically viable projects. The expansion of renewable energies not only contributes to climate protection but can also help achieve greater independence from fossil fuels and their suppliers. Extensive measures, especially in the Regional Energy Transition area of responsibility of the Management Board, are being implemented to achieve concrete goals for the energy and heating transition with a view to fulfilling municipal and global obligations as a future-ready energy utility. This pivotal corporate strategy is SWM's comprehensive answer to climate-policy requirements such as the European Climate Law. SWM will thus remain a relevant partner of the City of Munich in its efforts to create a low-emission urban environment.

SWM operates a district heating grid with a length of approximately 1,000 kilometres that already supplies environmentally benign heating to numerous households. There are hardly any other places in Germany where conditions for the use of deep geothermal energy are as favourable as they are in Munich. SWM is already operating six geothermal plants in and around Munich and is further expanding the use of geothermal energy. The potential of deep geothermal energy is enhanced by the use of large-scale heat pumps that cool down the return flow of the district heating grids to a greater extent, increasing the performance of the geothermal wells. On the grounds of the Michaelibad public pool, where SWM's seventh geothermal plant is under construction, the first large-scale heat pump is being planned. SMW's "Energiestandort Süd" energy location is the site of what is currently Germany's most powerful geothermal plant. Furthermore, a heat storage reservoir will decouple heat generation and heating demand in the future – this will help increase the utilisation of the geothermal plant even further and optimise the use of combined heat-and-power plants at the site. The excess heat is also to be used for the generation of environmentally friendly district cooling at the same location. Further optimisation potential for our geothermal plants can be unleashed by what is known as "repowering". This approach could increase the output of selected existing plants even more by drilling additional wells for their expansion.

The trend towards decentralisation of the energy supply promises to open up considerable growth opportunities for such energy solutions. This is the reason why SWM offers an integrated product portfolio for photovoltaics, storage systems, decentralised heating solutions, and charging solutions for electric vehicles. In addition to its photovoltaic offers for homeowners, SWM is expanding its electricity portfolio for tenants by cooperating with various housing companies for this purpose. In addition, SWM is developing a comprehensive heat pump package that includes energy counselling, grant application services, and installation. In the growing electromobility market, SWM plans to continue to seize opportunities by offering differentiated charging solutions.

SWM's goal is to sustainably generate sufficient green electricity from renewable sources to cover all of Munich's annual requirements from 2025 onwards. To cover the additional electricity demand that is expected to arise from heat pumps and, above all, from electromobility, the goal has already been increased accordingly: up to 7.7 billion kilowatt-hours of electricity are to be generated from renewable energies by 2035. Further investments will be made to expand generation capacities.

Mobility

Increasing awareness of climate and environmental protection issues is basically benefiting local public transport as a resource-saving mobility alternative. As far as economically possible, MVG will stabilise and – depending on the availability of adequate funding –continue to expand its range of services to meet the increase in demand that is expected in the long term. With add-on products and customer-oriented apps that aim to interlink environmentally benign means of transport, MVG plays its part as multimodal mobility service provider for Munich.

By awarding the public service contract for transport services in Munich to MVG for 22.5 years starting in January 2025, the City of Munich has placed long-term trust in its public transport company, thereby securing the prerequisites under state aid legislation for the provision of transport services as well as the support and maintenance of the necessary transport and infrastructure systems. Alongside all MVG means of transport including the associated infrastructure within the Munich city limits, the new public service contract will also cover the rail and bus services in the adjacent communities. Over time, the topic of on-demand transport will also be integrated in the public service contract once such offers have been realised. Apart from the exclusive right to provide local public transport services with buses, underground trains, and trams in Munich, this has created a legal basis for compensation payments from various public grant providers.

To the extent to which this is operationally feasible, MVG will continue its efforts to electrify local public transport, especially also the bus and passenger car fleets as well as the bus depots, within the framework of the renewable energies expansion campaign. Full conversion of the fleets to electric drives is, however, being impaired by the decision of the German Federal Ministry for Digital and Transport (BMDV) to suspend the funding programmes for electric buses at the federal level.

Telecommunications
Digitalisation and growing demand for future-ready telecommunications solutions create opportunities for SWM to maintain its competitive position in the prevailing market environment through further expansion of the fibre-optic infrastructure along with continuous adjustment of the product portfolio. The FTTH fibre-optic expansion project, which will, among other things, be realised together with housing companies and cooperation partners, can help to progressively improve the services provided to customers. The product portfolio will continually be developed further with a view to securing its competitiveness.

Overall statement
The goal of the group strategy is to make progress towards SWM's vision of "Munich as a shining example of a networked city with a high quality of life" and to steer SWM's business development in this direction. The implementation of this strategy through the measures described above aims at securing long-term economic success.

Munich, 28 March 2025

Stadtwerke München GmbH

Dr Florian Bieberbach
Chief Executive Officer

Ingo Wortmann
Director, Mobility

Helge-Uve Braun
Director, Technology

Dr Karin Thelen
Director, Regional Energy Transition

Dr Gabriele Jahn
Director, Human Resources, Real Estate and Public Pools

Consolidated Financial Statements

Consolidated Balance Sheet

in kEUR	Notes	31 Dec. 2024	31 Dec. 2023
Assets			
Non-current assets	1		
Intangible assets		112,318	111,357
Property, plant, and equipment		7,550,370	7,289,542
Financial assets		1,757,330	1,800,100
		9,420,018	**9,200,999**
Current assets			
Inventories	2	388,056	329,271
Receivables and other assets	3	1,790,134	2,769,674
Securities	4	305,352	50,055
Cash in banks	5	579,412	427,422
		3,062,954	**3,576,422**
Prepayments and accrued income	6	**65,484**	**57,912**
Positive difference of plan assets over pension liabilities	7	**6,188**	**2,043**
		12,554,644	**12,837,376**

Equity and liabilities			
Shareholders' equity	8		
Subscribed capital		485,000	485,000
Additional paid-in capital		6,456,332	6,055,062
Retained earnings		–275,496	–261,232
Non-controlling interests		225,604	245,806
		6,891,440	**6,524,636**
Difference arising from capital consolidation		**3,166**	**6,333**
Special item for investment grants	9	**126,707**	**101,595**
Income grants received	10	**138,537**	**118,965**
Provisions and accruals	11	**2,229,610**	**2,269,043**
Liabilities	12	**2,824,012**	**3,516,475**
Deferred income	13	**244,234**	**222,226**
Deferred tax liabilities	14	**96,938**	**78,103**
		12,554,644	**12,837,376**

Consolidated Income Statement

in kEUR	Anhang	2024	2023
Revenues		7,129,995	9,864,987
Electricity tax		–89,016	–81,472
Energy tax		–106,843	–111,323
Revenues, excluding electricity and energy tax	15	**6,934,136**	**9,672,192**
Increase or reduction in inventories of finished goods or work-in-progress		2,507	–837
Other capitalised own work		110,092	90,634
Other operating income	16	683,000	564,314
Cost of materials	17	4,721,254	6,919,167
Personnel expenses	18	1,120,578	982,133
Depreciation and amortisation	19	610,926	575,689
Other expenses	20	570,851	1,007,974
Financial result	21	–97,099	–21,891
Income tax	22	180,166	128,740
Net income		**428,861**	**690,709**
Other taxes	22	16,250	33,889
Equalisation payment to non-controlling interests		956	956
Consolidated net income before profit transfer		**411,655**	**655,864**
Profit transferred as a result of a profit transfer agreement	23	447,913	410,884
Consolidated net profit (previous year: loss)		**–36,258**	**244,980**
Profit (previous year: loss) attributable to non-controlling interests		–4,353	–13,616
Consolidated profit		**–40,611**	**231,364**
Payment into retained earnings		40,611	–231,364
Consolidated cumulative profit/loss		**0**	**0**

Consolidated Cash Flow Statement

	in kEUR	2024	2023
	Consolidated net income (before profit transfer and including profit/loss attributable to non-controlling interests)	411,655	655,864
+/–	Depreciation netted with write-ups for fixed assets	734,481	601,203
+/–	Increase/decrease in provisions	–135,904	–647,309
+/–	Other non-cash-effective expenses/income	50,907	–18,117
–/+	Increase/decrease in inventories, trade accounts receivable, as well as other assets not classified as investing or financing activities	920,755	497,181
+/–	Increase/decrease in trade accounts payable and other liabilities not classified as investing or financing activities	–546,758	–205,191
–/+	Profits/losses from the disposal of fixed assets	–779	1,176
+/–	Interest expenses/income	33,693	38,287
–	Other income from equity investments	–36,344	–29,105
+/–	Income tax expenses/credits	180,166	128,740
–/+	Income tax payments	–98,119	–198,298
	Cash flow from operating activities	**1,513,753**	**824,431**
+	Inflows from disposals of property, plant, and equipment	20,013	7,698
–	Outflows for investments in property, plant, and equipment	–875,194	–731,807
+	Inflows from disposals of intangible assets	2	4
–	Outflows for investments in intangible assets	–21,376	–9,428
+	Inflows from disposals of financial assets	67,666	275,940
–	Outflows for investments in financial assets	–123,093	–171,391
+	Inflows from diposals from the consolidation group	0	80,601
+	Interest received	42,899	37,308
+	Dividends received	36,344	29,105
	Cash flow from investing activities	**–852,739**	**–481,970**
+	Inflows from additions to shareholders' equity	53,357	52,277
+	Inflows from net borrowings	54,684	26,018
–	Outflows for the redemption of borrowings	–199,341	–342,665
+	Inflows from grants received	33,433	20,712
–	Interest paid	–71,305	–69,199
–	Outflows to shareholders of the parent company	–100,000	–74,082
+/–	Contributions from/payments to other shareholders	–24,555	–17,033
	Cash flow from financing activities	**–253,727**	**–403,972**
Net change in cash and cash equivalents		**407,287**	**–61,511**
Changes in cash and cash equivalents due to consolidation group		0	–25,332
Cash and cash equivalents at the start of the period		477,477	564,320
Cash and cash equivalents at the end of the period		**884,764**	**477,477**

Breakdown of cash and cash equivalents

in kEUR	2024	2023
Liquid assets	579,412	427,422
Securities held as current assets	305,352	50,055
	884,764	**477,477**

Schedule of Consolidated Shareholders' Equity

	Parent company					
in kEUR	Subscribed capital	Additional paid-in capital	Retained earnings	Shareholders' equity currency translation differences	Cumulative loss/profit	Share-holders' equity
As of 31 Dec. 2022	**485,00**	**5,700,946**	**–500,600**	**–37,261**	**0**	**5,648,085**
Consolidated result before profit transfer					642,248	642,248
Profit transfer					–410,884	–410,884
Consolidated net income/net loss					231,364	231,364
Payment into additional paid-in capital		363,161				363,161
Withdrawal from retained earnings						0
Transfer of cumulative profit			–231,364		–231,364	0
Currency translation differences				24,119		24,119
Other changes		–9,045	21,146			12,101
Changes in the consolidation group						0
Other changes in the non-controlling interests						0
As of 31 Dec. 2023	**485,000**	**6,055,062**	**–248,090**	**–13,142**	**0**	**6,278,830**
Consolidated result before profit transfer					407,302	407,302
Profit transfer					–447,913	–447,913
Consolidated net income/net loss					–40,611	–40,611
Payment into additional paid-in capital		401,270				401,270
Withdrawal from retained earnings						0
Transfer of cumulative profit			–40,611		–40,611	0
Currency translation differences				26,625		26,625
Other changes			–278			–278
Changes in the consolidation group						0
Other changes in the non-controlling interests						0
As of 31 Dec. 2024	**485,000**	**6,456,332**	**–288,979**	**13,483**	**0**	**6,665,836**

Non-controlling interests				Consolidated shareholders' equity
Non-controlling interests before shareholders' equity currency translation differences and net income	Shareholders' equity currency translation differences allocable to non-controlling interests	Profit allocable to non-controlling interests	Total	
249,113	**997**	**8,994**	**259,104**	**5,907,189**
		13,616	13,616	655,864
			0	–410,884
		13,616	13,616	244,980
			0	363,161
			0	0
			0	0
	0		0	24,119
–9,881			–9,881	2,220
			0	0
–8,039		–8,994	–17,033	**–17,033**
231,193	**997**	**13,616**	**245,806**	**6,524,636**
		4,353	4,353	411,655
			0	–447,913
		4,353	4,353	–36,258
			0	401,270
			0	0
			0	0
	0		0	26,625
			0	–278
			0	0
–10,939		–13,616	–24,555	–24,555
220,254	**997**	**4,353**	**225,604**	**6,891,440**

Notes

General information

Stadtwerke München GmbH (the parent company) is headquartered in Munich and registered in the Commercial Register of the Munich Local Court (HRB 121920).

The consolidated financial statements for the 2024 financial year have been prepared in accordance with the German Commercial Code (Handelsgesetzbuch; HGB) and the supplementary provisions of the German Limited Liability Companies Act (GmbH Gesetz) and in compliance with the German Accounting Standards (Deutsche Rechnungslegungs Standards; DRS) published by the Accounting Standards Committee of Germany (Deutsches Rechnungslegungs Standards Committee e. V.; DRSC). Due consideration has also been given to the requirements of the German Energy Industry Act (Energiewirtschaftsgesetz; EnWG).

The structure of the consolidated financial statements has been extended to include utility and transportation-specific items.

Items in the consolidated balance sheet and the consolidated income statement have been aggregated to provide clarity and better information; these items are shown separately in the notes to the financial statements.

The nature of expense method has been used to prepare the income statement.

Consolidation Group

In its capacity as parent company, Stadtwerke München GmbH prepares its consolidated financial statements in accordance with Sections 290 et seqq. HGB. Pursuant to Section 313 (2) HGB, a breakdown of the shareholdings of Stadtwerke München GmbH Group showing the companies included in the consolidated financial statements has been enclosed with the notes to the financial statements.

In addition to Stadtwerke München GmbH, in its capacity as parent company, the consolidated financial statements on the reporting date comprised the financial statements of 34 (previous year: 34) fully consolidated subsidiaries in which Stadtwerke München GmbH directly or indirectly holds a majority of voting rights.

On the reporting date, four (previous year: four) companies were proportionately consolidated in accordance with Section 310 HGB.

In addition, five (previous year: five) participations in associated companies have been included in the consolidated financial statements at equity in accordance with Sections 311 and 312 HGB, because included companies have a major impact on their business and financial policies.

A total of 20 (previous year: 18) affiliated companies without operations or with only minor business volumes are not included in the consolidated financial statements in accordance with Section 296 (2) HGB. Further equity participations which, from the point of view of the Group, are of minor significance for providing a true and fair view of the net assets, financial position, and results of operations are shown as financial investments in the consolidated balance sheet.

SWM Services GmbH, a subsidiary and simultaneously the parent company of M-net Telekommunikations GmbH (M-net), is included in the consolidated financial statements of Stadtwerke München GmbH (HRB 121920) and is accordingly not required to prepare separate (subgroup) consolidated financial statements in accordance with Section 291 (1) and (2) HGB.

SWM Gasbeteiligungs GmbH, a subsidiary and simultaneously the parent company of SWM Bayerische E&P Beteiligungsgesellschaft mbH and Bayerngas GmbH, is included in the consolidated financial statements of Stadtwerke München GmbH (HRB 121920) and is accordingly not required to prepare separate (subgroup) consolidated financial statements in accordance with Section 291 (1) and (2) HGB.

SWM Erneuerbare Energien Norwegen GmbH, a subsidiary and simultaneously the parent company of Midgard Vind Holding AS, is included in the consolidated financial statements of Stadtwerke München GmbH (HRB 121920) and is accordingly not required to prepare separate (subgroup) consolidated financial statements in accordance with Section 291 (1) and (2) HGB.

SWM Erneuerbare Energien Skandinavien GmbH & Co. KG, a subsidiary and simultaneously the parent company of Austri Raskiftet DA and Austri Kjølberget DA, is included in the consolidated financial statements of Stadtwerke München GmbH (HRB 121920) and is accordingly not required to prepare separate (subgroup) consolidated financial statements in accordance with Section 291 (1) and (2) HGB.

Consolidation principles

The consolidated financial statements and the annual financial statements of the companies included have been prepared as of the reporting date of the annual financial statements of the parent company (31 December 2024).

The annual financial statements of the companies included in the consolidated financial statements have been prepared in accordance with uniform accounting policies, taking account of the specific requirements applicable to the sector. The company also implemented any further adjustments to standard Group accounting and valuation that were required. The same consolidation principles are applicable on a pro-rata basis to those companies included proportionally in the consolidated financial statements.

Participations in associated companies are shown as a separate item in the consolidated balance sheet. As a basic principle, the associated companies use the harmonised accounting and valuation methods throughout the Group. The subgroup financial statements of the associated companies wpd europe GmbH and Spirit Energy Limited and the annual financial statements of Aneo Roan Vind Holding AS apply valuation methods that differ from those applied in the consolidated financial statements.

Capital consolidation
For companies initially included before 1 January 2010, capital has been consolidated by means of the carrying amount method by netting the carrying amounts of first-time investments with the proportionate shareholders' equity of the respective subsidiaries and joint ventures at the time when they were acquired or initially included.

For companies initially included or transferred to full consolidation after 1 January 2010, capital has been consolidated by means of the revaluation method by netting the shareholdings' book values with the proportionate revalued shareholders' equity allocable to the parent company in accordance with Section 301 HGB.

Goodwill and negative difference attributable to initial consolidation
The positive differences arising in capital consolidation in previous years were recognised as goodwill and are, as a basic principle, amortised in scheduled amounts over periods of five to 16 years using the straight-line method.

The negative difference resulting from the first-time consolidation of SWM Wind Havelland will, in line with the remaining life of the wind park, be amortised over a period of four years using the straight-line method.

Non-controlling interests
Minority interests in consolidated net income are allocated to the non-controlling interests within shareholders' equity.

Debt consolidation
Inter-company receivables, liabilities, provisions, and accrued and deferred items are offset or eliminated (Section 303 HGB).

Internal expenses and income
Internal income and expenses between the consolidated companies were netted (Section 305 (1) HGB). Inter-company profit and loss transfers in the financial year under review were also eliminated.

Treatment of inter-company results
Inter-company results attributable to internal supplies, deliveries, and services were eliminated unless they are of minor significance (Section 304 (2) HGB).

Foreign currency translations
The balance-sheet items of subsidiaries' financial statements denominated in foreign currencies were translated into EUR at the average spot exchange rate as of the reporting date or, in the case of the "shareholders' equity" item, at the historical exchange rate. Income statement items are, as a basic principle, translated at average exchange rates. Any differences arising from the translation of the balance sheets due to the translation of the "shareholders' equity" item at historical exchange rates and the "net income" item at average exchange rates are, as a basic principle, recognised in shareholders' equity with no effect on the income statement.

Accounting policies

Non-current assets
Intangible assets acquired for a monetary consideration are shown at cost and amortised using the straight-line method over the economic life of the assets. Impairments are recognised if they are considered to be of a permanent nature.

Goodwill resulting from capital consolidation is, as a basic principle, amortised in scheduled amounts over periods between five and 16 years using the straight-line method. Impairments are recognised if they are considered to be of a permanent nature.

Property, plant, and equipment are recognised at cost of purchase or production, without consideration of borrowing interest, less scheduled depreciation and unscheduled impairments. The capitalised own work contained therein comprises cost of labour, cost of materials, machine output and haulage, and appropriate portions of overheads.

Scheduled depreciation is applied primarily on a straight-line basis using normal useful operating lives. Assets acquired during the course of the year are subject to pro-rata-temporis depreciation. In the case of existing declining balance depreciation, the method used is changed to the straight-line method as soon as such a change results in higher levels of depreciation.

From 2010 through 2020, public capital grants received were deducted from the asset balance if the company in question was both the recipient of the subsidy and the owner of the asset. Prior to 2010 and since 2021, new investment grants were and have been recognised as a special item. Where the recipient of the subsidy is not the owner of the asset at the same time, public capital grants are recognised as deferred income and written off using the straight-line method.

Costs of purchase or production of independently usable depreciable movable non-current assets are immediately expensed in the year of acquisition if their costs of purchase or production, adjusted for input VAT, do not exceed EUR 800.00 (previous limit applicable from 2018 to 2021: EUR 250.00).

Under financial assets, equity investments are recognised at cost and lendings are posted at their nominal value. If the impairment is permanent, they are written down to the lower fair value as of the reporting date. If the reasons leading to lower valuation no longer apply on the reporting date, a write-up to a level not exceeding the carrying amount is posted.

Current assets
Raw materials and supplies including unfinished products and services, finished products and goods, and advance payments made on inventories are consistently recognised at the lower of market value or cost. Reasonable valuation adjustments are applied to inventory risks resulting from storage duration and diminished marketability.

Receivables and other assets are shown at nominal value less any impairments reflecting actual default risk.

Receivables due to affiliated companies are netted with liabilities due from affiliated companies if a netting situation pursuant to Section 387 of the German Civil Code (BGB) exists.

In individual Group companies, no current meter data is available for some of the customers at the reporting date due to the rolling annual meter reading approach used. This makes it necessary to calculate annual consumption accruals at the reporting date on the basis of current prices and an assumed consumption behaviour. The relevant receivables were extrapolated as of 31 December 2024 and recognised after netting with advance payments received from customers.

The securities included among current assets are consistently recognised at the lower of cost or market value.

Loans with a term of less than one year that have been extended to affiliated companies and companies in which participating interests are held are reported as accounts due from affiliated companies and accounts due from companies in which participating interests are held. For terms between one and four years, reporting is based on the company's intention to hold the loans in question. Loans with terms of at least four years are reported under financial assets.

Cash at banks is recognised at nominal value.

Prepayments and accrued income
Prepayments and accrued income include expenditures realised before the reporting date to the extent that they comprise expenditure for a particular time after this date.

Positive difference of plan assets over pension liabilities
At various Group companies, reinsurance policies exist for pension liabilities or comparable obligations due over a long-term horizon, which are excluded from all other creditors' recourse and serve exclusively to satisfy these obligations. For semi-retirement and sabbatical obligations, various companies have transferred assets serving exclusively to satisfy these obligations and excluded from all other creditors' recourse (which are both cover assets within the meaning of Section 246 (2) sentence 2 HGB) to a trustee. The relevant assets comprise securities and credit balances in current accounts and are recognised at their fair value, as stipulated in Section 253 (1) sentence 4 HGB. Accordingly, the liabilities are netted with the fair value of the cover assets as stipulated in Section 246 (2) sentence 2 HGB. If the fair value of the cover assets exceeds the liabilities, the overfunding is capitalised in a separate item, "positive difference of plan assets over pension liabilities", pursuant to Section 246 (2) sentence 3 HGB in conjunction with Section 266 (2) HGB.

Shareholders' equity
The subscribed capital is recognised at nominal value.

Special item
Capital grants in relation to fixed assets received before 2010 and newly received capital grants in relation to fixed assets since 2021 are shown as a special item for investment grants. They are shown at their nominal value less the proportionate reversal recognised in the income statement, with due consideration being given to the useful economic life of the asset. The capital grants received in the period from 2010 through 2020 were deducted from assets.

Income grants received
Construction cost grants received for electricity and gas grids from 2016 and 2017 onwards, respectively, are shown in this item. They are released concurrently to the write-down of the assets for which the grants were paid.

Provisions
Pursuant to Section 253 (1) sentence 2 HGB, provisions are recognised at the amount required for settlement according to prudent commercial judgement. Provisions with residual terms of more than one year are, as stipulated in Section 253 (2) HGB, discounted using the maturity-matched average market interest rates for the past seven financial years as published by Deutsche Bundesbank in accordance with to the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung; RückAbzinsV).

Actuarial expert opinions applying Prof Dr Klaus Heubeck's 2018 G guideline tables have been obtained for all pension provisions as well as provisions for anniversary bonuses and benefit payments.

The calculation of pension provisions is based on the parameters set forth below:

	Civil servants and salaried employees	Employees not covered by collective wage agreements
Actuarial calculation method	**Net present value method**	**Projected unit credit method**
Interest rate in accordance with the RückAbzinsV for the past 10 years in %		
2024	**1.90**	**1.90**
Previous year (2023)	(1.83)	(1.83)
Interest rate in accordance with the RückAbzinsV for the past 7 years in %		
2024	**1.96**	**1.97**
Previous year (2023)	(1.76)	(1.76)
Salary and benefits growth in %		
2025 (VTV collective remuneration agreement)	1.00–1.90	–
2025 (TV-V collective wage agreement for utilities)	2.00	–
From 2026 (all others)	2.00	–
(Previous year: 2024 [TV-V collective wage agreement for utilities]):	(EUR 200 + 5.50 %)	–
(Previous year: 2024 [all others]):	(10.00)	–
(Previous year: From 2025 [all]):	(2.00)	–
Career trend in %		
2024	**0.50**	–
Previous year (2023)	(0.50)	–
Pension growth in %		
2025 (VTV collective remuneration agreement)	0.00–1.00	2.00
2025 (TV-V collective wage agreement for utilities)	2.00	2.00
From 2026 (all others)	2.00	2.00
(Previous year: 2024 [TV-V collective wage agreement for utilities]):	(EUR 200 + 5.50 %)	–
(Previous year: 2024 [all others]):	(10.00)	(2.00)
(Previous year: From 2025 [all]):	(2.00)	(2.00)
Difference of plan assets over pension liabilities pursuant to Section 253 (6) HGB in kEUR	**–1,926**	**–7**

Pursuant to the procedure stipulated in the German Regulation on the Discounting of Provisions (RückAbzinsV), the actuarial interest rate under commercial law is derived from an average residual term of 15 years. In accordance with Section 253 (2) HGB, the actuarial interest rate for the valuation of pension liabilities is based on the average market interest rate for the past ten years.

In a letter dated 23 December 2016, the German Federal Ministry of Finance published its statement on the effect of Section 253 HGB (new version) on the recognition of single entities deemed to exist for tax purposes. As a single entity is deemed to exist for tax purposes, the difference pursuant to Section 253 (6) HGB is not barred from transfer to the shareholder.

In accounting, pension liabilities due to employees not covered by collective wage agreements that are determined solely by the fair value of a reinsurance policy must be treated like pension commitments that are linked to securities. This means that pension commitments covered by benefits-congruent reinsurance policies are also valued in accordance with Section 253 (1) sentence 3 HGB, even though the claims arising from a reinsurance policy formally do not constitute securities held as fixed assets within the meaning of Section 266 (2) A. III. 5 HGB. A reinsurance policy can be classified as benefits-congruent when both the amounts and the timing of payments made under such policy are identical to the payments made to the beneficiaries entitled to pension payments (cf. the IDW RS HFA 30 standard promulgated by the Institute of Public Auditors in Germany, new version, marginal No. 74). Since 31 December 2022, the regulations of the IDW RH FAB 1.021 standard have also been taken into account.

Reinsurance policies exist for pension liabilities due to employees not covered by collective wage agreements in the core companies. These policies are recognised at fair value pursuant to Section 253 (1) sentence 4 HGB, with some of them being pledged to the retired employees. Until 31 December 2021, the fair value of new policies corresponded to the amortised cost. Since 1 January 2022, new policies are concluded only as unit-linked reinsurance policies (i. e. they are linked to securities). In these cases, the fair value corresponds to the market price. Accordingly, these liabilities are netted with the asset value of the reinsurance cover, as stipulated in Section 246 (2) sentence 2 HGB. On balance, this results in both pension provisions and asset values in the financial year under review, with the latter being capitalised under other assets.

The calculation of provisions for semi-retirement, anniversary bonuses, and benefit payments is based on the parameters set forth below:

	Semi-retirement	Anniversary bonuses	Benefit payments
Actuarial calculation method	**Net present value method**	**Net present value method**	**Net present value method without minimum age**
Interest rate in accordance with the RückAbzinsV for the past 7 years in %			
2024	**1.50**	**1.96**	**1.96**
Previous year (2023)	(1.00)	(1.76)	(1.76)
Salary and benefits growth in %			
From 2025 (employees subject to collective wage agreements):	2.00	–	–
2025 (civil servants):	5.50	–	–
From 2026 (civil servants):	2.00	–	–
(Previous year: 2024 [employees subject to collective wage agreements]):	(EUR 200 + 5.50 %; min. EUR 340)	–	–
(Previous year: 2024 (civil servants, employees not covered by collective wage agreements)):	(6.50–10.00)	–	–
(Previous year: From 2025):	(2.00)	–	–
Trend in contribution ceiling in %			
2025 (civil servants):	–	5.50	–
From 2026 (civil servants):	–	2.00	–
From 2026 (employees subject to collective wage agreements):	–	2.00	–
(Previous year: 2024):	–	(4.00)	–
(Previous year: From 2025):	–	(2.00)	–
Remuneration growth in %			
2025	–	2.00	–
(Previous year: 2024 [employees subject to collective wage agreements]):	–	(EUR 200 + 5.50 %; min. EUR 340)	–
(Previous year: 2024 [civil servants, employees not covered by collective wage agreements]):	–	(6.50–10.00)	–
(Previous year: From 2025):	–	(2.00)	–
Trend in contribution cost in %			
2025	–	–	2.50
(Previous year: 2024):	–	–	(5.00)
(Previous year: From 2025):	–	–	(2.00)
Trend in net present value premiums in %			
2025	–	–	2.00
(Previous year: 2024):	–	–	(10.00)
(Previous year: From 2025):	–	–	(2.00)

The calculation of provisions for semi-retirement is based on an average time to maturity of one year. Payment arrears, top-up amounts, and lump-sum settlements are taken into account in the calculation. In accordance with Section 246 (2) sentence 2 HGB, provisions for semi-retirement are netted with the asset value of the reinsurance cover.

In the previous year, a material provision for lifetime work accounts (sabbaticals) was set aside for the first time. The value of this provision corresponds to the time credits accrued plus the associated employer share of the total social security contribution. In accordance with Section 246 (2) sentence 2 HGB, provisions for sabbaticals are netted with the asset value of the reinsurance cover.

The calculation of provisions for anniversary bonuses and benefit payments is based on an average time to maturity of 15 years.

Provisions for disposal of nuclear power operations are stated at their settlement amount, as set forth in German commercial law (HGB) accounting principles. The amount of provisions recognised complies with the commercial prudence principle. Decommissioning provisions are accumulated on a straight-line basis. Cost calculations are based on external expert reports assuming complete installation disposal. The interest rates applied range between 1.50 % (previous year: 0.99 %) and 1.97 % (previous year: 1.79 %). Price increases of 2.00 % (previous year: 2.00 %) were taken into account.

Provision calculations are based on due consideration of all identifiable risks.

The effects of changes in discount rates are recognised in the “financial result” item.

Liabilities
Liabilities are recognised at their settlement amount.

Deferred income
Deferred income is formed for income received prior to the reporting date and assigned to income statements for subsequent periods. Such items are released in accordance with contractual agreements.

To the extent to which they are not recognised separately as income grants received from 2016 or 2017 onwards, income grants received for distribution installations and household connections are posted as deferred income and released in an instalment of 2.5 % in the year of their addition and instalments of 5.0 % in each of the following years.

The investment grants received for assets passed on by Group companies to Stadtwerke München GmbH in its capacity of owner of such assets are shown under deferred income.

Foreign currency translation
Assets and liabilities denominated in foreign currencies are translated into euro using the bid or offer rate prevailing at the time at which they originated.

Assets and liabilities denominated in foreign currencies with a residual term of less than one year are translated at the average spot exchange rate applicable on the reporting date, as set forth in Section 256a HGB. For assets and liabilities with a residual term in excess of one year, translation is performed at the average spot exchange rate applying the lower of cost or net realisable value principle, as set forth in Section 256a HGB (Section 252 (1) No. 4 second half-sentence HGB).

Deferred taxes
Deferred taxes are set aside to account for temporary differences between the carrying amounts in the financial statements and the tax accounts to the extent to which such differences will presumably be dissolved in future financial years.

As a basic principle, overall tax liabilities that arise are recognised under deferred tax liabilities in the balance sheet. If an overall tax relief is recorded, no use is made of the option to capitalise the net surplus of deferred tax assets on the reporting date that is granted by Section 274 (1) sentence 2 HGB.

In accordance with the option granted by Section 274 (1) sentence 3 HGB, deferred taxes are recognised on a netted basis.

No deferred taxes are set aside for temporary differences between the carrying amounts in the financial statements and the tax accounts within the framework of the "Betrieb gewerblicher Art (BgA) U-Bahnbau und -verpachtung" (Commercial Operations for Building and Leasing of Municipal Underground Railway Systems) single entity deemed to exist at the shareholder for tax purposes.

One exception applies to deferred taxes of foreign permanent establishments as the latter are not included in the group that is deemed to exist for income tax purposes. In the tax assessment year under review, an overhang of deferred tax liabilities thus had to be posted for two Norwegian permanent establishments due to temporary differences in fixed assets. Section 274 (1) sentence 1 HGB stipulates that recognition of such differences is mandatory, and they cannot be offset against the deferred taxes posted by the income tax group either. The calculation of the deferred taxes of the Norwegian permanent establishments is based on a tax rate of 22 %.

Valuation units
Stadtwerke München GmbH and individual subsidiaries use derivative financial instruments to reduce market price risks arising from the purchase and sale of electricity and gas as well as emission rights, oil and diesel products, district heating, and water. In addition, hedging relationships can also be created in relation to interest rate and currency hedges.

To the extent possible, derivatives are shown in the balance sheet as valuation units with the respective underlying transaction, differentiating by commodity and annual tranche. To hedge against currency fluctuations in the oil portfolio, the relevant currency hedging transactions in US dollar are also included.

Balance-sheet recognition of valuation units is based on the net hedge presentation method.

If the net balance of all fair values of the underlying and hedging transactions in the relevant valuation unit is negative, a corresponding provision arising from valuation units is formed for the resultant contingent loss, in accordance with the principle of prudence. Any positive net balance of all fair values of the underlying and hedging transactions in the relevant valuation unit is not recognised.

The fair value of derivative financial instruments corresponds to the market value as of the reporting date. To the extent possible, a price quoted in an active market (e. g. exchange price) is used as the basis of market value calculation. If derivatives' market values cannot be determined reliably via an active market, their present value is calculated using generally recognised valuation models and methods (e. g. the discounted-cash-flow method). Market yield curves and forward commodity prices are the most important components of such models.

Extended netting units (pursuant to the IDW RS ÖFA 3 standard promulgated by the Institute of Public Auditors in Germany) have been formed for both electricity generation portfolios and the standard customer segment.

Notes to the consolidated balance sheet

1. Non-current assets

The breakdown of the non-current asset items aggregated in the consolidated balance sheet and the development of these assets in the 2024 financial year are shown in a separate overview (movements in non-current assets) in the notes to the financial statements.

2. Inventories

in kEUR	As of 31 Dec. 2024	As of 31 Dec. 2023
Raw materials and supplies	332,016	297,149
Unfinished products, unfinished services	16,942	14,171
Finished products and goods	38,667	17,871
Advance payments	431	80
	388,056	**329,271**

3. Receivables and other assets

in kEUR	As of 31 Dec. 2024	Thereof remaining term >1 year	As of 31 Dec. 2023	Thereof remaining term >1 year
Trade accounts receivable	1,255,799	40,018	1,811,148	7,762
Accounts due from affiliated companies	15,891	0	11,261	0
Accounts due from other companies in which participating interests are held	120,676	0	9,055	980
Receivables due from the shareholder	397,768	46,684	938,210	40,031
	1,790,134	**86,702**	**2,769,674**	**48,773**

Accounts due from affiliated companies mainly include accounts due from profit transfer agreements and profit withdrawals. Accounts due from other companies in which participating interests are held mainly concern loan receivables, trade accounts receivable, and income from equity investments.

As offsetting is permissible, receivables due from the shareholder were offset against liabilities of kEUR 140,437 due to the shareholder.

Other assets include margin payments of kEUR 258,066 (previous year: kEUR 708,557).

4. Securities

This item shows security and fund investments.

5. Cash at banks
Cash at banks essentially comprises short-term investments in the form of fixed-term deposits and credit balances in current accounts.

6. Prepaid expenses and accrued income
This item mostly comprises prepaid line rental charges in the telecommunications segment, IT maintenance contracts, and construction cost grants, as well as emoluments paid in advance for January 2025. A discount on issued debt of kEUR 359 (previous year: kEUR 454) is also shown under prepaid expenses and accrued income.

7. Positive difference of plan assets over pension liabilities
Pursuant to Section 246 (2) sentence 2 HGB, the reinsurance cover assets for pension provisions and semi-retirement obligations, which are excluded from all other creditors' recourse and serve exclusively to satisfy pension liabilities, are offset with these liabilities.

In the 2024 financial year, a positive difference of kEUR 6,188 by which plan assets exceeded pension liabilities was calculated overall. The amortised cost of the assets amounted to kEUR 16,263, the fair value of the cover assets eligible for offsetting stood at kEUR 16,259, and the settlement amount for the offset liabilities came to kEUR 10,071.

Expenses arising from the compounding of semi-retirement obligations amounted to kEUR 94. Income from assets eligible for offsetting came to kEUR 494 before offsetting.

8. Shareholders' equity

in kEUR	As of 31 Dec. 2024	As of 31 Dec. 2023
Subscribed capital	485,000	485,000
Additional paid-in capital	6,456,332	6,055,062
Retained earnings	–288,979	–248,090
Difference in shareholders' equity from currency translation	13,483	–13,142
Minority interests	225,604	245,806
	6,891,440	**6,524,636**

The increase in additional paid-in capital was mainly due to contributions of kEUR 53,357 and the in-period addition of the pro-rata 2024 consolidated net income of kEUR 347,913 paid into this item by the City of Munich.

Retained earnings mainly comprise the retained earnings of Stadtwerke München GmbH and the earnings generated by consolidated companies during their group affiliation. The consolidation measures recognised in the income statement and the consolidated loss of kEUR 40,611 for the financial year under review were allocated to retained earnings.

9. Special item for investment grants
Capital grants received before 2010 and since 2021 are shown in the special item for investment grants. The capital grants from the period between 2010 through 2020 were deducted from assets.

10. Income grants received

This item in particular comprises the construction cost grants received for electricity and gas grids from 2016 and 2017 onwards, respectively.

11. Pensions and accruals

in kEUR	As of 31 Dec. 2024	As of 31 Dec. 2023
Pension provisions	643,267	692,620
Tax provisions	192,867	166,575
Provisions for disposal of nuclear power operations	334,540	370,280
thereof: post-shutdown and residual operation	133,159	147,274
thereof: phasing-out	81,848	93,709
thereof: residue and waste management	119,533	129,297
Other accruals and provisions	1,058,936	1,039,568
	2,229,610	**2,269,043**

Pursuant to Section 246 (2) sentence 2 HGB, the cover assets for pension provisions, semi-retirement obligations, and sabbatical obligations, which are excluded from all other creditors' recourse and serve exclusively to satisfy liabilities arising from such obligations, are offset with these liabilities.

In the 2024 financial year, the provisions resulting from offsetting cover assets with pension liabilities totalled kEUR 24,193. The amortised costs of the assets amounted to kEUR 18,186, the fair value of the cover assets eligible for offsetting stood at kEUR 17,219 , and the settlement amount for the offset liabilities came to kEUR 41,412.

Interest expenses from the valuation of pension liabilities and semi-retirement obligations amounted to kEUR 327. Income from assets eligible for offsetting came to kEUR 106 before offsetting.

Tax provisions mainly comprised corporation tax, including solidarity surcharge, and trade tax for the financial year under review as well as previous years. They were charged on to Stadtwerke München GmbH by the shareholder within the framework of the "Betrieb gewerblicher Art U-Bahnbau und -verpachtung" (Commercial Operations for Building and Leasing of Municipal Underground Railway Systems) single entity deemed to exist at the shareholder for tax purposes.

Other accruals and provisions were mainly created for outstanding invoices (kEUR 302,880), personnel obligations (kEUR 177,176) as well as obligations to surrender CO_2 emission allowances (kEUR 169,838), and dismantling obligations (kEUR 116,684).

12. Liabilities

in kEUR	As of 31 Dec. 2024	Thereof remaining term up to 1 year	Thereof remaining term 1–5 years	Thereof remaining term >5 years	As of 31 Dec. 2023	Thereof remaining term up to 1 year	Thereof remaining term 1–5 years	Thereof remaining term >5 years
Bank borrowings	1,279,183	231,666	248,168	799,349	1,419,654	421,313	283,020	715,321
Advance payments received	21,857	21,857	0	0	18,854	18,854	0	0
Trade accounts payable	252,852	252,852	0	0	309,651	309,071	580	0
Accounts due to affiliated companies	11,522	11,522	0	0	6,176	6,176	0	0
Accounts due to other companies in which participating interests are held	340	340	0	0	91	91	0	0
Liabilities due to the shareholder	175,247	98,987	76,260	0	147,703	130,875	16,828	0
Other liabilities	1,083,011	610,066	118,231	354,714	1,614,346	1,154,602	158,779	300,965
thereof: for taxes	77,106	77,106	0	0	32,209	31,903	306	0
thereof: for social security	85	85	0	0	77	77	0	0
	2,824,012	**1,227,290**	**442,659**	**1,154,063**	**3,516,475**	**2,040,982**	**459,207**	**1,016,286**

All liabilities are unsecured. Accounts due to affiliated companies essentially comprise other liabilities from cash pooling. Accounts due to other companies in which participating interests are held mostly related to trade accounts payable.
Liabilities due to the shareholder essentially include other liabilities from the profit transfer agreement concluded by Stadtwerke München GmbH as well as trade accounts payable.

In the 2024 financial year, no new registered bonds were issued. Liabilities arising from registered bonds and promissory note loans (Schuldscheindarlehen) not issued to banks are reported in the "other liabilities" item (kEUR 367,000; previous year: kEUR 456,000).

Registered bonds and promissory note loans issued to banks are included in the "bank borrowings" item (kEUR 116,000; previous year: kEUR 222,000).

As offsetting is permissible, receivables due from the shareholder were offset against liabilities of kEUR 140,437 due to the shareholder.

Other liabilities include margin payments of kEUR 255,023 (previous year: kEUR 502,363).

On the reporting date, credit lines totalling kEUR 945,265 existed, with Stadtwerke München GmbH accounting for kEUR 782,265 of this total. kEUR 48,400 thereof can be used as both cash loans or sureties and kEUR 35,365 as sureties only. Out of the total amount, kEUR 4,303 was drawn on the reporting date as sureties only and kEUR 4,094 was drawn as credit lines that can be used as both cash loans and sureties.

13. Deferred income

This item mainly comprised income grants received for distribution installations and household connections.

14. Deferred taxes

Deferred tax liabilities essentially resulted from differences in depreciation and amortisation on non-current assets at individual foreign subsidiaries and consolidation measures recognised in the income statement. The tax rates on which calculations are based range between 22 % and 33 %.

Netted deferred taxes not shown in the balance sheet due to the non-exercise of tax-related options amounted to:

Tax jurisdiction

	Tax rate in %	Deferred tax assets (+)/ liabilities (–) kEUR
Germany	11.84–32.6	367,626
Norway	22.0	52,680
Poland	19.0	3,605
Spain	30.0	2,100
	–	**426,011**

Notes to the income statement

15. Revenues

Revenues can be broken down as follows:

in kEUR	2024	2023
Electricity	2,895,244	3,799,680
Electricity tax	–89,016	–81,472
Electricity, excluding electricity tax	**2,806,228**	**3,718,208**
Natural gas	2,188,327	3,838,962
Energy tax	–106,843	–111,323
Natural gas, excluding energy tax	**2,081,484**	**3,727,639**
District Heating	599,581	786,769
Water	175,939	168,865
Public Transport	564,263	548,756
Public Pools	20,336	18,438
Telecommunications	268,133	271,441
Other revenues	418,172	432,076
	6,934,136	**9,672,192**

16. Other income

Other operating income included income attributable to other periods from the reversal of provisions of kEUR 89,005 and income from asset disposals of kEUR 13,375.

Payments of kEUR 213,161 received as compensation for the "Deutschlandticket" – a special flat-rate public transport ticket offered in a monthly subscription model – are also included in other operating income.

Foreign currency translation gains amounted to kEUR 7,533 (previous year: kEUR 11,370).

17. Cost of materials

in kEUR	2024	2023
Cost of raw materials and supplies and for purchased products	3,796,654	6,041,692
Costs of purchased services	924,600	877,475
	4,721,254	**6,919,167**

This item mainly comprised the sourcing of energy for power stations and energy sales, fuel utilisation, as well as external deliveries and supplies for facility operation and maintenance.

18. Personnel expenses

in kEUR	2024	2023
Wages and salaries	850,126	749,796
Social security, pension, and other benefit costs	270,452	232,337
thereof: for pensions	101,998	77,971
	1,120,578	**982,133**

On average, 12,439 persons were employed in the Group at the fully consolidated companies during the 2024 financial year (previous year: 11,637). This figure can be subdivided into 11,604 employees (previous year: 10,851), 422 trainees (previous year: 404), 374 temporary staff (previous year: 342), and 39 seasonal workers (previous year: 40). In addition, personnel expenses include the compensation of expenses for the civil servants posted by the City of Munich (seven; previous year: seven).

At the proportionately consolidated companies, 517 staff members were employed (previous year: 483). This figure can be subdivided into 475 employees (previous year: 445), 23 trainees (previous year: 24), and 19 temporary staff and seasonal workers (previous year: 14).

19. Depreciation and amortisation

in kEUR	2024	2023
Depreciation and amortisation	634,902	588,739
less the depreciation allowance adjustment of investment grants	23,976	13,050
	610,926	**575,689**

Depreciation and amortisation refer to non-current intangible assets and property, plant, and equipment.

In the financial year under review, depreciation and amortisation did not include any unscheduled impairments.

20. Other expenses

Other operating expenses included expenses attributable to other periods from asset disposals of kEUR 12,596.

Currency translation losses amounted to kEUR 22,009 (previous year: kEUR 16,258).

21. Financial result

in kEUR	2024	2023
Income from other investments	30,646	21,279
Income from profit transfer agreements	6,441	8,284
Income from other long-term securities and loans held as financial assets	13,895	14,923
Other interest and similar income	38,583	37,031
thereof: from discounting	953	5,152
Income from associated companies	–17,987	–3,778
Write-downs on financial assets and marketable securities held as current assets	–81,763	–8,931
Expenses arising from loss absorption	–743	–458
Interest and similar expenses	–86,171	–90,241
thereof: from compounding	–15,377	–15,559
thereof: from interest on external loans	–70,070	–67,079
	–97,099	**–21,891**

22. Taxes

in kEUR	2024	2023
Income taxes	163,586	122,935
Deferred taxes	16,580	5,805
	180,166	**128,740**
Other taxes	16,250	33,889
	196,416	**162,629**

Income taxes mainly comprised corporation tax, including solidarity surcharge, trade tax, as well as trade tax to be absorbed within the framework of the "Betrieb gewerblicher Art (BgA) U-Bahnbau und -verpachtung" (Commercial Operations for Building and Leasing Municipal Underground Railway Systems) single entity deemed to exist at the City of Munich for tax purposes.

23. Profit transfer expenses

In accordance with the profit transfer agreement, the parent company's net profit of kEUR 447.913 was transferred to the "Betrieb gewerblicher Art (BgA) U-Bahnbau und -verpachtung" (Commercial Operations for Building and Leasing of Municipal Underground Railway Systems) entity of the City of Munich.

Other information

Cash flow statement

Of the figure shown for cash and cash equivalents, kEUR 58,093 was attributable to proportionately consolidated companies (previous year: kEUR 56,218).

Information concerning proportionately consolidated companies (pro-rata figures)

in kEUR	Long-term	Short-term
Assets	496,467	278,581
Liabilities	172,184	229,317

in kEUR	Operating	Other
Costs	1,149,529	25,113
Income	1,219,424	10,774

Valuation units and financial instruments

Stadtwerke München GmbH and individual subsidiaries use derivative financial instruments to hedge price change, interest rate, and currency risks. These instruments primarily comprise futures and forwards, options, and swaps.

One extended netting unit (pursuant to the IDW RS ÖFA 3 standard promulgated by the Institute of Public Auditors in Germany) has been formed for electricity generation portfolios. It relates to electricity generation in the Group's own gas-fired power plants. The hedging instruments deployed to hedge the clean spark spread comprise commodity price hedging derivatives and the sale of electricity as well as the highly likely sale of district heating. To hedge against currency fluctuations in the oil commodity, the relevant currency hedging transactions (forward exchange transactions) in US dollars are also included. Open currency

positions from commodity transactions are closed directly in the market. Expenses and income from the extended netting unit are aggregated. The extended netting unit generates a positive contribution margin, so no provisions for contingent losses had to be set aside as of the 31 December 2024 reporting date.

An extended netting unit (pursuant to the IDW RS ÖFA 3 standard promulgated by the Institute of Public Auditors in Germany) has been formed in each of the standard customer segments (residential, small business, and standard business customers), subdivided into electricity and gas. The hedges formed include forward commodities transactions and highly likely sales transactions (based on assumptions and empirical values). Expenses and income from the extended netting units are aggregated. These extended netting units did not result in any provisions for contingent losses as of the 31 December 2024 reporting date.

The expected highly likely transactions included in the extended netting units comprise monthly budgeted sales volumes to electricity and gas customers, and monthly procurement volumes generated from third-party and the company's own power plants. The budgeted volumes are based on annual planning approved by the management, which is derived from last year's volumes and expected business trends. Historical sales figures indicate a high probability of occurrence for the budgeted figures.

Micro valuation units have been formed for business customers where it is possible to clearly allocate sales and purchasing agreements (back-to-back agreements). These hedges are categorised according to time bands (annual tranches until 2029) in which countervailing value changes and cash flows have offset each other and will prospectively offset each other in the future.

Portfolio hedges have been formed for all trading transactions in each of the following areas: electricity, gas, CO_2, and oil. These hedges are categorised according to time bands (annual tranches until 2027) in which countervailing value changes and cash flows have offset each other and will prospectively offset each other in the future.

At one shareholding, highly likely sales transactions are included in the electricity and gas portfolio hedges for residential customers. They are monthly budgeted sales volumes. The budgeted volumes are derived from the previous year's plans and expected future business trends. Historical sales figures indicate a high probability of occurrence for the budgeted figures.

The trading transactions are included in the portfolio hedges with the following amounts:

Portfolio hedges

	Nominal volume	Hedged risk in kEUR
Electricity (TWh)	19.7	406,884
Gas (TWh)	54.2	299,506

In the individual hedging instruments, the relevant price index is selected in a way conforming to the underlying transaction as much as possible, subjecting the hedging instruments to the same commodity price risk as the underlying transactions. The value changes to the underlying transactions are hedged over a period of up to five years.

Hedging relationships have also been created in relation to interest-rate hedges. The interest-rate risk arising from liabilities is hedged. Interest-rate swaps are used as hedging instruments. The hedging horizon extends up to 15 years. These are micro and portfolio valuation units.

As of the reporting date, the portfolio of the derivative financial instruments serving as hedging instruments within valuation units consisted of the following components:

in kEUR	Nominal volume	Derivatives with positive fair value	Derivatives with negative fair value
Interest-related transactions	142,287	4,443	–2,129
Index-related transactions	3,667	0	–4
Total	**145,954**	**4,443**	**–2,133**

The hedging relationships prospectively entail a high degree of effectiveness, since the countervailing value changes to the underlying transactions and hedging instruments will presumably fully offset each other in the future. The underlying transactions aggregated within the portfolio valuation units exhibit homogeneous risks.

The dollar offset method is applied cumulatively to quantify the ineffective amount to date. It entails a comparison of the cumulative market changes to the underlying transactions with the cumulative market changes to the hedging instruments in absolute monetary amounts from the designation date. The dollar offset test is performed on each reporting date.

In valuation units involving a 1 : 1 ratio between purchase and sales agreements (micro valuation units), the company refrains from quantifying ineffectiveness if all other significant contractual parameters (supply volumes, delivery dates, prices, etc.) of the underlying and hedging transactions match.

In commodity hedging, ineffectiveness is reported if a net loss arises from the cumulative value changes to the underlying transactions and the cumulative value changes to the hedging instruments. In interest-rate hedging, ineffectiveness is reported as soon as the cumulative value changes of the underlying and hedging transactions do not fully offset each other.

As of 31 December 2024, a provision to reflect ineffectiveness in valuation units for commodities totalling kEUR 1,997 was formed.

As of the reporting date, the volume of derivative financial was formed instruments not included in valuation units consisted of the following components:

in kEUR	Nominal volume	Derivatives with positive fair value	Derivatives with negative fair value
Interest-related transactions	240,472	15,753	0
Currency-related transactions	72,025	0	–1,450
Other transactions	77,692	9,381	–5,897
Total	**390,189**	**25,134**	**–7,347**

The derivative financial instruments comprised the following types:

in kEUR	Nominal volume	Derivatives with positive fair value	Derivatives with negative fair value
Swaps	258,472	15,753	–1,402
Foreign exchange forward contracts	54,025	0	–48
Forward/future	77,692	9,381	–5,897
Total	**390,189**	**25,134**	**–7,347**

Calculation is carried out on the basis of mark-to-market valuations using present value and option price models, inter alia.

A contingent loss provision of kEUR 7,741 for pending transactions was created for derivative financial instruments not included in valuation units for commodities. This provision also includes the negative market values on the designation date.

Units and shares in German investment undertakings within the meaning of Section 1 of the German Capital Investment Code (KAGB)

Note regarding investments within the meaning of Section 314 No. 18 HGB:

The majority of securities held as fixed assets are shares of German investment undertakings within the meaning of Section 1 of the German Capital Investment Code (KAGB), in which Stadtwerke München GmbH holds an interest of more than 10 %.

The investment objective of all investment funds is continuous value growth through broad distribution of investments across various asset classes (Markowitz portfolio theory). In addition to compliance with the provisions of the KAGB, risk is monitored on an ongoing basis at both the manager and investor levels. The option for daily redemption of fund shares is unrestricted.

The following figures were reported as of 31 December 2024:

in kEUR

Security	Carrying amount	Value pursuant to Section 36 German Capital Investment Code (KAGB)	Market value less carrying amount	Dividend payout in FY 2024
Master funds	1,086,001	1,260,759	174,758	4,516

Other financial obligations

- Stadtwerke München GmbH has undertaken to meet its obligations arising from its nuclear liabilities for its stake in KKI 2 at all times.
- Existing long-term agreements for the disposal of nuclear fuels involve corresponding obligations, and their volume and price components are variable.
- To the extent to which employees of Stadtwerke München GmbH and some of its subsidiaries are not entitled to retirement benefits under the principles of civil servant or independent benefit law, for which the company has set aside adequate pension provisions, they are members of Bayerische Versorgungskammer, the complementary pension fund of the Bavarian municipalities. The standard levy for the complementary pension fund is 7.75 % (since 1 January 2013). These employer contributions are included in the gross total. In 2024, the salary total that is relevant for levy purposes was kEUR 603,922 for 11,047 beneficiaries.

- The order commitments in the Group amount to a total of kEUR 830,278. Of this amount, kEUR 11,112 is attributable to companies included on a proportional basis.
- Other financial obligations in the amount of kEUR 2,326,838 exist at fully consolidated affiliated companies. They primarily comprise financial obligations attributable to long-term supply agreements, franchise and lease agreements, current leasing and rental agreements, purchase or consortium agreements, licence rights, property charges, and loans.
- Other financial obligations in the amount of kEUR 2,005,211 exist at joint-venture companies. They comprise financial obligations attributable to long-term supply agreements, licence or franchise agreements, and current leasing and rental agreements. Full figures rather than proportional figures are reported in this respect.

Contingencies
The following contingencies existed as of the reporting date:

in kEUR	
Guarantee liabilities	137,457

One subsidiary had issued five letters of comfort, which were not subject to any claims as of the reporting date, to counterparties of the sales and trading subsidiary Bayerngas Energy GmbH.

SWM Gasbeteiligungs GmbH still has a subordinate contingency for potential dismantling costs at Spirit Energy Limited. Given the orderly financial situation of Spirit Energy Limited, no claims are currently expected to arise from this contingency.

As of the reporting date, we were not aware of any risks suggesting that the reported contingencies might be utilised. We do not anticipate the guarantees and other obligations to be utilised due to the counterparties' solid financial position.

Relations with affiliated companies and equity participations
Affiliated companies and major equity participations in accordance with Section 313 (2) HGB are shown in Appendix 2 to the notes to the financial statements.

Application of disclosure exemptions
It is intended to utilise the disclosure exemptions pursuant to Section 264 (3) HGB for the following subsidiary:

- Münchner Verkehrsgesellschaft mbH (MVG)

Remuneration for active and former Management Board members, their surviving dependants, and the Supervisory Board
The total remuneration paid to the current members of the Management Board in the 2024 financial year amounted to kEUR 1,963 (previous year: kEUR 1,541). The amount paid to former Management Board members (retirement benefits and benefits for surviving dependants) was kEUR 1,014 (previous year: kEUR 985). Provisions of kEUR 17,736 (previous year: kEUR 18,431) had been set aside for pension obligations due to former Management Board members.

The emoluments paid to the Supervisory Board amounted to kEUR 47 (previous year: kEUR 73) in the 2024 financial year.

Auditor's fee
Of the total fee of kEUR 1,149 charged by the auditor of the consolidated financial statements for the financial year under review, kEUR 706 related to work performed in the auditing of the financial statements, kEUR 223 to other attestation services, kEUR 2 to tax consulting services, and kEUR 218 to other services.

Consolidated financial statements
In its capacity as parent company, Stadtwerke München GmbH prepares consolidated financial statements for the largest and smallest consolidation group. These statements are submitted for publication to the operator of the German electronic Company Register.

Subsequent events after the reporting period
No events of particular significance with major financial repercussions have been observed after the reporting date.

The executive bodies of Stadtwerke München GmbH

Supervisory Board

Chairman:

Dieter Reiter, Mayor of Munich

Deputy Chairman:

Benno Angermaier, Works Council Chairman

Gerhard Bernhard, QSA quality assurance/tram trainer

Christoph Bieniek, executive

Simone Burger, sociologist, Honorary City Councillor

Christoph Frey, Professional City Councillor

Mona Fuchs, Honorary City Councillor

Alfred Köhler, Works Council member

Dominik Krause, physicist, Deputy Mayor

Christine Kugler, Professional City Councillor

Cornelius Müller, Works Council Chairman

Manuel Pretzl, Director of the Hunting and Fishing Museum, Honorary City Councillor

Franz Schütz, trade union secretary

Prof Dr Hans Theiss, medical doctor, Honorary City Councillor

Claudia Weber, trade union secretary

Gertraud Wegertseder, Works Council member

Management Board

Chief Executive Officer
Dr Florian Bieberbach

Director, Mobility
Ingo Wortmann

Director, Technology
Helge-Uve Braun

Director, Regional Energy Transition
Dr Karin Thelen

Director, Human Resources, Real Estate, and Public Pools
Dr Gabriele Jahn

Munich, 28 March 2025

Stadtwerke München GmbH

Dr Florian Bieberbach
Chief Executive Officer

Ingo Wortmann
Director,
Mobility

Helge-Uve Braun
Director,
Technology

Dr Karin Thelen
Director,
Regional Energy Transition

Dr Gabriele Jahn
Director,
Human Resources, Real Estate
and Public Pools

Movements in non-current assets 2024

in kEUR	Cost of acquisition/production						
	As of 1 Jan. 2024	Currency translation differences	Additions from mergers	Additions	Disposals	Transfers (+/–)	As of 31 Dec. 2024
I. Intangible assets							
1. Purchased trademarks, patents, licences, and similar rights	331,369	0	17,210	0	535	22,305	370,349
2. Goodwill	260,135	0	0	0	0	0	260,135
3. Advance payments	3,116	0	4,166	0	0	–645	6,637
	594,620	**0**	**21,376**	**0**	**535**	**21,660**	**637,121**
II. Property, plant, and equipment							
1. Land, leasehold rights, and buildings including buildings on non-owned land	2,855,115	0	42,005	0	114	75,962	2,972,968
2. Generation, production, and sourcing installations	5,393,455	34,127	5,426	0	522	201,856	5,634,342
3. Distribution installations	5,882,180	0	87,763	5,386	30,268	120,891	6,065,952
4. Track, line equipment, and safety equipment	609,105	0	80	0	0	14,154	623,339
5. Rolling stock for passenger services	1,306,046	0	53,255	0	14,589	46,451	1,391,163
6. Other technical equipment, plant, and machinery	928,001	4	53,313	0	4,557	24,774	1,001,535
7. Operational and office equipment	421,184	0	28,917	0	11,329	14,975	453,747
8. Advance payments and construction in progress	1,845,918	2	604,435	0	12,364	–520,723	1,917,268
	19,241,004	**34,133**	**875,194**	**5,386**	**73,743**	**–21,660**	**20,060,314**
III. Financial assets							
1. Shares in affiliated companies	126,163	0	69,152	0	4,885	0	190,430
2. Loans due from affiliated companies	5,482	0	0	0	3,705	0	1,777
3. Equity investments in associated companies	1,035,993	0	0	0	1,713	0	1,034,280
4. Other investments	112,254	1,382	25,905	0	2,643	0	136,898
5. Loans due from companies in which participating interests are held	235,556	0	7,391	0	33,541	0	209,406
6. Securities held as fixed assets	1,151,124	0	20,645	0	21,069	–28,265	1,122,435
7. Other loans	3,786	0	0	0	110	28,265	31,941
	2,670,358	**1,382**	**123,093**	**0**	**67,666**	**0**	**2,727,167**
Total	**22,505,982**	**35,515**	**1,019,663**	**5,386**	**141,944**	**0**	**23,424,602**

Cumulative depreciation/amortisation								Carrying amounts	
As of 1 Jan. 2024	Currency translation differences	Additions	Additions from mergers	Disposals	Write-ups	Transfers (+/–)	As of 31 Dec. 2024	As of 31 Dec. 2024	As of 31 Dec. 2023
283,536	0	25,986	0	533	0	–76	308,913	61,436	47,833
199,727	0	16,163	0	0	0	0	215,890	44,245	60,408
0	0	0	0	0	0	0	0	6,637	3,116
483,263	**0**	**42,149**	**0**	**533**	**0**	**–76**	**524,803**	**112,318**	**111,357**
1,672,533	0	65,384	0	52	0	34	1,737,899	1,235,069	1,182,582
3,653,813	15,477	225,840	0	370	0	76	3,894,836	1,739,506	1,739,642
4,423,353	0	123,243	4,684	25,973	0	0	4,525,307	1,540,645	1,458,827
515,019	0	13,124	0	0	0	0	528,143	95,196	94,086
712,891	0	78,965	0	14,589	0	0	777,267	613,896	593,155
655,593	1	51,032	0	3,811	0	0	702,815	298,720	272,408
318,260	0	35,165	0	9,714	0	–34	343,677	110,070	102,924
0	0	0	0	0	0	0	0	1,917,268	1,845,918
11,951,462	**15,478**	**592,753**	**4,684**	**54,509**	**0**	**76**	**12,509,944**	**7,550,370**	**7,289,542**
33,382	0	5,100	0	0	0	0	38,482	151,948	92,781
0	0	0	0	0	0	0	0	1,777	5,482
669,878	0	17,988	0	0	0	0	687,866	346,414	366,115
6,266	0	5,551	0	0	0	0	11,817	125,081	105,988
143,686	0	65,470	0	0	0	0	209,156	250	91,870
17,046	0	5,640	0	0	170	0	22,516	1,099,919	1,134,078
0	0	0	0	0	0	0	0	31,941	3,786
870,258	**0**	**99,749**	**0**	**0**	**170**	**0**	**969,837**	**1,757,330**	**1,800,100**
13,304,983	**15,478**	**734,651**	**4,684**	**55,042**	**170**	**0**	**14,004,584**	**9,420,018**	**9,200,999**

Affiliated companies and major equity participations

(in accordance with Section 313 (2) HGB)

Company and registered office	Share capital 31 Dec. 2024		Shareholders' equity	Last annual net income
	%	Year	in kEUR	in kEUR
Affiliated companies (fully consolidated)				
Münchner Verkehrsgesellschaft mbH (MVG), Munich	100	2024	50,110	0 [1]
SWM Gasbeteiligungs GmbH, Munich	100	2024	296,415	15,527
SWM Bayerische E&P Beteiligungsgesellschaft mbH, Munich	*100*	*2023*	*92,177*	*–59*
SWM Infrastruktur GmbH & Co. KG, Munich	100	2024	849,603	0 [1]
SWM Infrastruktur Verwaltungs GmbH, Munich	100	2024	25	0 [1]
SWM Kundenservice GmbH, Munich	100	2024	104	0 [1]
SWM Services GmbH, Munich	100	2024	10,170	0 [1]
M-net Telekommunikations GmbH, Munich	*63.84*	*2023*	*69,812*	*246*
SWM Versorgungs GmbH, Munich	100	2024	10,015	0 [1]
SWM Erneuerbare Energien Norwegen GmbH, Munich	100	2023	98,271	–15
SWM Erneuerbare Energien Skandinavien GmbH & Co. KG, Munich	100	2023	65,637	–59
Austri Kjølberget DA, Søre Osen (Norway)	*60*	*2023*	*63,397*	*6,211*
Austri Raskiftet DA, Søre Osen (Norway)	*60*	*2023*	*127,939*	*8,235*
SWM UK Wind One Limited, Tunbridge Wells (UK)	100	2023	258,211 [3]	12,357 [3]
GyM Offshore One Limited, Tunbridge Wells (UK)	*100*	*2023*	*164,868* [3]	*54,332* [3]
GyM Offshore Two Limited, Tunbridge Wells (UK)	*100*	*2023*	*109,891* [3]	*36,301* [3]
GyM Offshore Three Limited, Tunbridge Wells (UK)	*100*	*2023*	*54,817* [3]	*18,076* [3]
Sidensjö Vindkraft AB, Göteborg (Sweden)	100	2023	43,282	–1,487
Sidensjö Vindkraft Elnät AB, Göteborg (Sweden)	*100*	*2023*	*12,887*	*0* [1]
SWM Renewables Poland Sp. z o. o., Koszalin (Poland)	100	2023	737,361 [4]	37,320 [4]
SWM Wind Havelland Holding GmbH & Co. KG, Munich	75	2023	30,650	6,478
SWM Windpark Havelland GmbH & Co. KG, Bremen	*100*	*2023*	*2,001*	*14,804*
Midgard Vind Holding AS, Trondheim (Norway)	*70*	*2023*	*246,983*	*–1,090*
Frøya Vind AS, Trondheim (Norway)	*100*	*2023*	*9,471*	*559*
Hundhammerfjellet AS, Trondheim (Norway)	*100*	*2023*	*10,894*	*22*
Midgard Vind AS, Trondheim (Norway)	*100*	*2023*	*28,309*	*579*
Stokkfjellet AS, Trondheim (Norway)	*100*	*2023*	*12,799*	*–191*
Sørmarkfjellet AS, Trondheim (Norway)	*100*	*2023*	*18,310*	*1,736*
Ytre Vikna 1 AS, Trondheim (Norway)	*100*	*2023*	*18,770*	*197*
Marquesado Solar, S.L., Aldeire-La Calahorra (Spain)	61.91	2023	94,841	7,974
Bayerngas GmbH, Munich	*56.3*	*2023*	*151,688*	*29,197*
bayernets GmbH, Munich	*91.49*	*2023*	*150,211*	*0* [1]
Bayerngas Energy GmbH, Munich	*100*	*2023*	*25,900*	*0* [1]
bayernugs GmbH, Munich	*100*	*2023*	*100*	*0* [1]

Company and registered office	Share capital 31 Dec. 2024		Shareholders' equity	Last annual net income
	%	Year	in kEUR	in kEUR
Affiliated companies (unconsolidated)				
Bioenergie Taufkirchen GmbH & Co. KG, Taufkirchen	100	2023	13,928	5,752
eta Energieberatung GmbH, Pfaffenhofen an der Ilm	100	2023	2,957	0 [1]
Hanse Windkraft GmbH, Hamburg	100	2023	29,655	0 [1]
Praterkraftwerk GmbH, Munich	100	2023	5,411	286
QuartiersNetz Bayern GmbH, Munich	100	2023	575	0 [1]
Solarpark Stachusried GmbH, Ismaning	100	2023	19	–4
Solarpark Zengermoos GmbH, Ismaning	*100*	*2023*	*11*	*–13*
SWM 50 MW Windpark Portfolio GmbH & Co. KG, Bremen	100	2023	3,995	5,636
Lockstedt-Siestedt II Netzanschluss GbR, Bremen	*81.82*	*2023*	*57*	*1*
SWM Erneuerbare Energien Region Verwaltungs GmbH, Munich	*100*	*2023*	*39*	*3*
SWM Erneuerbare Energien Verwaltungsgesellschaft mbH, Munich	100	2023	234	209
SWM Regionale Erneuerbare Stromerzeugungsgesellschaft mbH, Munich	100	X	X	X
SWM Wind Havelland Umspannwerk GmbH & Co. KG, Bremen (vormals SWM Wind Havelland Umspannwerk Holdinggesellschaft Wustermark GmbH & Co. KG, Bremen)	*100*	*2023*	*969*	*4*
SWM Wind Onshore Frankreich SAS, Nîmes (France)	100	2023	19,663	1,271
Portal München Betriebs-GmbH & Co. KG, Munich	97	2023	2,289	69
Gasversorgung Germering GmbH, Germering	90	2023	4,202	1,145
KommEnergie Gasnetz GmbH & Co. KG, Eichenau	74.9	2023	18,635	524
KommEnergie Gasnetz Verwaltungs GmbH, Eichenau	74.9	2023	31	2
Münchner U-Bahn-Bewachungsgesellschaft mbH, Munich	51	2023	25	1
Portal München Verwaltungsgesellschaft mbH, Munich	51	2023	56	1
Joint ventures (consolidated pro rata)				
Energie Südbayern GmbH, Munich	50	2023	160,279	49,583
Energienetze Bayern GmbH & Co. KG, Munich	*50*	*2023*	*166,721*	*12,642*
Energienetze Bayern Management GmbH, Munich	*50*	*2023*	*47*	*1*
DanTysk Sandbank Offshore Wind GmbH & Co. KG, Hamburg	49	2023	772,552	112,234
Participations in associated companies (consolidated at equity)				
bayernServices GmbH, Munich	*50*	*2023*	*170*	*95*
Aneo Roan Vind Holding AS, Trondheim (*Norway*)	49	2023	1,163,195 [2]	–37,946 [2]
wpd europe GmbH, Bremen	33	2023	396,758	1,918
Spirit Energy Limited, Staines-upon-Thames (UK)	*31*	*2023*	*784,000* [3]	*–70,000* [3]
Global Tech I Offshore Wind GmbH, Hamburg	24.9	2023	–355,969	–62,561

Company and registered office	Share capital 31 Dec. 2024		Shareholders' equity	Last annual net income
	%	Year	in kEUR	in kEUR
Major other participations				
GVH Gasversorgung Haar GmbH, Haar	50	2023	5,556	2,780
RegioNetzMünchen GmbH & Co. KG, Garching	50	2023	11,266	1,469
RegioNetzMünchen Verwaltungs GmbH, Garching	50	2023	31	1
UWB Umspannwerk Betriebsgesellschaft Etzin mbH, Pinneberg	*50*	*2023*	*–141*	*–53*
Aneo Vind AS, Trondheim (Norway)	*49*	*2023*	*47,988* [2)]	*–3,170* [2)]
DanTysk Sandbank Offshore Wind Verwaltungs GmbH, Hamburg	49	2023	34	1
Gasversorgung Unterschleißheim GmbH & Co. KG, Unterschleißheim	49	2023	1,079	521
Gasversorgung Unterschleißheim Verwaltungs GmbH, Unterschleißheim	49	2023	30	1
Gehrlicher GmbH & Co. Solarpark Helmeringen KG, Sulzemoos	49	2023	6,826	1,562
GVI – Gasversorgung Ismaning GmbH, Ismaning	49	2023	3,721	1,120
Münchner Linien GmbH & Co. KG, München	49	2023	155	431
Stadtwerke Olching Gasnetz GmbH & Co. KG, Olching	49	2023	965	347
Stadtwerke Olching Gasnetz Verwaltungs GmbH, Olching	49	2023	32	1
unlimited energy GmbH, Schönefeld	49	2023	3,635	–632
unlimited energy IPP GmbH & Co. KG, Schönefeld	49	X	X	X
VVG Verkehrsverwaltungs GmbH, Munich	49	2023	45	6
Gehrlicher GmbH & Co. Solarpark Rothenburg KG, Sulzemoos	40	2023	14,083	2,302
Windparks Gimbweiler & Mosberg Infrastruktur GbR, Bremen	*33.33*	*2023*	*43*	*1*
Awel y Môr Offshore Windfarm Limited, Swindon (UK)	*30*	*2023*	*56,711* [3)]	*–34* [3)]
Gwynt y Môr Offshore Windfarm Limited, Swindon (UK)	*30*	*2023*	*–3,092* [3)]	*0* [3)]
Gemeinschaftskernkraftwerk Isar 2 GmbH, Essenbach	25	2023	51	3
Mobility inside Holding GmbH & Co. KG, Frankfurt am Main	21.85	2023	3,479	–15,643
Mobility inside Verwaltungs GmbH, Frankfurt am Main	20.02	2023	55	2

All companies shown in italics are held indirectly.
bayernets GmbH is held directly and indirectly.
X: Newly established in 2024

1) Profit and loss transfer agreements exist.
2) Exception: in kNOK
Exchange rate at 31 Dec. 2024: EUR 1 = NOK 11.78170 / 2024 annual average exchange rate: 1 EUR = NOK 11.63240
Exchange rate at 31 Dec. 2023: EUR 1 = NOK 11.22390 / 2023 annual average exchange rate: 1 EUR = NOK 11.42465
3) Exception: in kGBP
Exchange rate at 31 Dec. 2024: EUR 1 = GBP 0.82667 / 2024 annual average exchange rate: 1 EUR = GBP 0.84655
Exchange rate at 31 Dec. 2023: EUR 1 = GBP 0.86691 / 2023 annual average exchange rate: 1 EUR = GBP 0.86953
4) Exception: in kPLN
Exchange rate at 31 Dec. 2024: EUR 1 = PLN 4.27820 / 2024 annual average exchange rate: 1 EUR = PLN 4.30552
Exchange rate at 31 Dec. 2023: EUR 1 = PLN 4.34300 / 2023 annual average exchange rate: 1 EUR = PLN 4.54144

Independent Auditor's Report

To Stadtwerke München GmbH, München

Audit Opinions
We have audited the consolidated financial statements of Stadtwerke München GmbH and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated statement of cash flows [where relevant: and the group segment reporting] for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the group management report of Stadtwerke München GmbH for the financial year from 1 January to 31 December 2024.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024 and of its financial performance for the fiscal year from 1 January to 31 December 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Sec. 322 (3) Sentence 1 HGB ["Handelsgesetzbuch": German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions
We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our [audit] opinions on the consolidated financial statements and on the group management report.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report
The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law and that the consolidated financial statements, in compliance with German Legally Required Accounting Principles, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, 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 audit opinions. 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 controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. 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 Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German Legally Required Accounting Principles.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance 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.

Nürnberg, 28 March 2025

PKF Fasselt
Partnerschaft mbB
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte

Hünger
German Public Auditor

Sommer
German Public Auditor

Report of the Supervisory Board

During the 2024 financial year, the Supervisory Board was regularly and comprehensively informed at its meetings and by means of written reports about the economic position and development of the company and about any material transactions, notably also about the service and performance development and funding of the Mobility division. On the basis of the documents and information submitted, the Supervisory Board monitored the activities of the Management Board and carried out the tasks for which it is responsible as specified by law and the articles of association.

Four meetings of the Supervisory Board were held during 2024. Its Preparatory Committee and the Personnel Committee did not meet in 2024.

PKF Fasselt Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, the independent auditors appointed by decision of the Supervisory Board on 26 April 2024, audited the single-entity financial statements and management report of Stadtwerke München GmbH together with the consolidated financial statements and the group management report prepared by the Management Board for the 2024 financial year, and in each case granted an unqualified audit certificate. The audit reports prepared by the independent auditors were submitted to the members of the Supervisory Board. The independent auditors were present at the discussion of the annual financial statements by the Supervisory Board on 29 April 2025. Following its own review, the Supervisory Board raised no objections to the annual financial statements and management report of Stadtwerke München GmbH and proposed to the shareholder that the 2024 annual financial statements be formally adopted and the management report approved.

Following a review, the Supervisory Board noted the consolidated financial statements and the group management report for 2024 with approval and raised no objections. The Supervisory Board proposed to the shareholder that the consolidated financial statements be formally adopted and the group management report approved.

The Supervisory Board would like to take this opportunity to express its gratitude to the Management Board and all employees for their valuable contributions to the success of the Group in 2024.

Munich, 29 April 2025

The Supervisory Board

Dieter Reiter
Chairman

Contact and imprint

Publisher
Stadtwerke München GmbH
Emmy-Noether-Straße 2
80992 Munich
Phone: +49 (0) 800 796 796 0
E-mail: info@swm.de
www.swm.de

Editing
SWM, Kirchhoff Consult GmbH

Concept, design and production
Kirchhoff Consult GmbH

Print
MP Druck GmbH, Munich

RECYCLED
Paper made from recycled material
FSC® C018312

Print product
CO2e balanced & compensated
natureOffice.com/501-1211-565

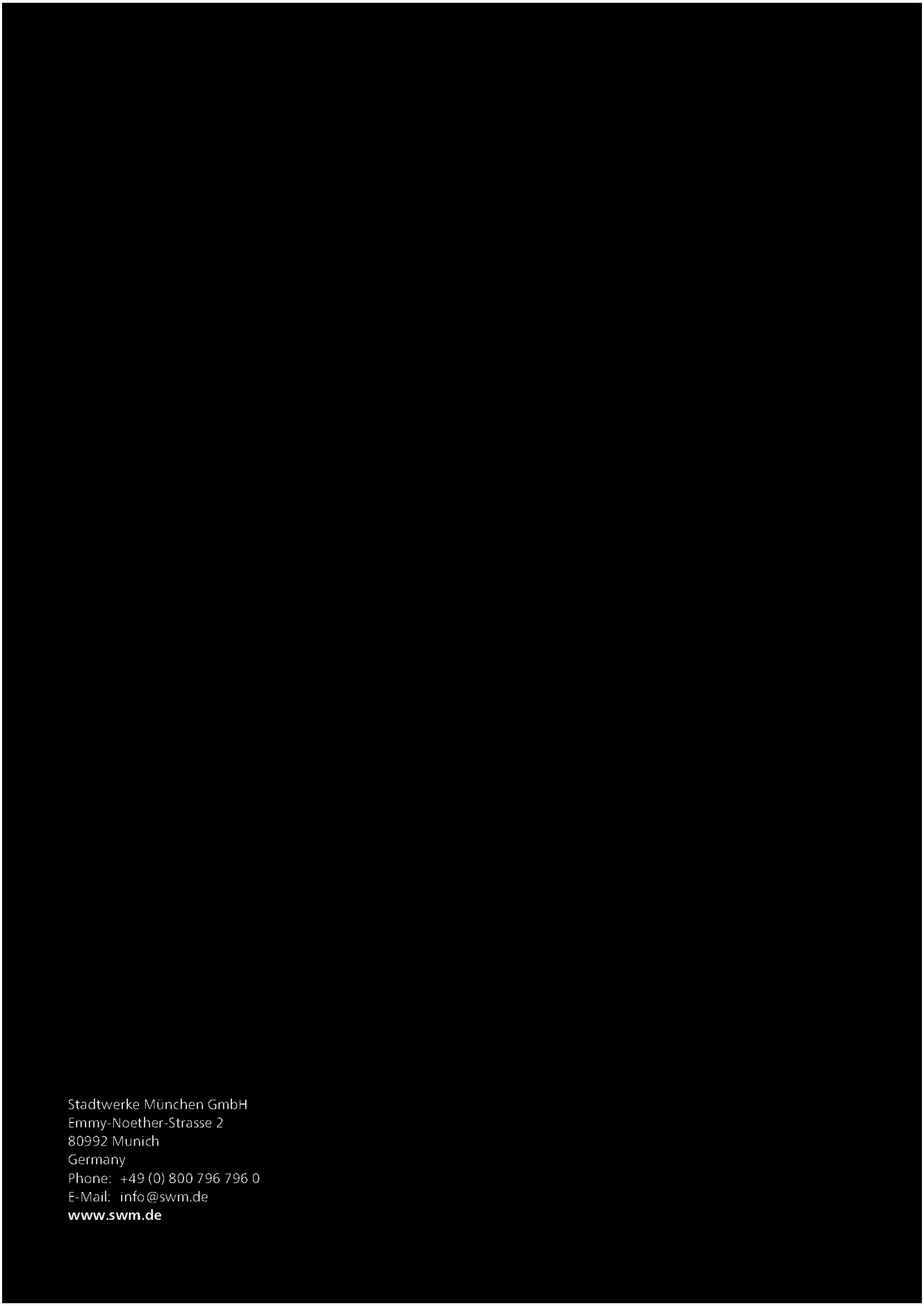
Picture credits

Cover

Background: Viks_jin/stock.adobe.com
Munich aerial photo: Luftaufnahme Bayern/GettyImages
Munich historic view: Grafissimo/GettyImages
"Energiestandort Süd" energy location (SWM employee): Manuel Übler
Water: Nico De Pasquale Photography/GettyImages
Electricity (little girl): Catherine Falls Commercial/GettyImages
Mobility (bus driver): Jan Saurer

Inside pages

p. 03	Stefanie Aumiller
p. 04	Bottom picture: SWM/Manuel Übler
p. 06	Top picture: Giglio Pasqua
p. 07	Middle picture: MVG, Wolfgang Wellige
p. 09	allessuper_1979/stock.adobe.com
p. 12	Bottom picture: Jan Schmiedel
p. 13	SWM/Claudia Leifert
p. 15	SWM/Manuel Übler
p. 16	IMN Ingenieurbüro Müller u. Nümann GmbH/ straubarchitekten BDA
p. 17	allessuper_1979/stock.adobe.com
p. 19	Jan Schmiedel
p. 20	MVG
p. 21	MVG
p. 23	Marcus Schlaf
p. 24	Middle picture: Sonja Sindlhauser
p. 25	Middle picture: pwmotion_cmyk/stock.adobe.com


Stadtwerke München GmbH
Emmy-Noether-Strasse 2
80992 Munich
Germany
Phone: +49 (0) 800 796 796 0
E-Mail: info@swm.de
www.swm.de

Admincontrol

List of Signatures

Annual Report Årsberetning 2024 Midgard Vind Holding AS.pdf

Name	Method	Signed at
Felix Corradini	One-Time-Password	2025-04-30 11:43 GMT+02
Færestrand, Roger Beite	BANKID	2025-04-30 10:06 GMT+02
Julia Kufner	One-Time-Password	2025-04-30 10:02 GMT+02
Vogt, Christian	BANKID	2025-04-30 09:57 GMT+02
Finnanger, Idunn Gangaune	BANKID	2025-04-30 09:55 GMT+02

This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.

External reference: C6AAE838F6BE4B609F7CFFCD90E50C5B

The Board of Directors' Annual Report 2024
for
Midgard Vind Holding AS

Nature of Business and Operations

Midgard Vind Holding AS owns operating wind farms and builds and finances wind power projects through its subsidiaries. The revenues come from sales of power, el-certificates and Guarantees of Origin.

The Group includes, in addition to Midgard Vind Holding AS, the following subsidiaries:
Midgard Vind AS
Ytre Vikna 1 AS
Frøya Vind AS
Hundhammerfjellet AS
Sørmarkfjellet AS
Stokkfjellet AS

All wind farms and projects are located in the region of Trøndelag, Norway. Midgard's head office is located in the city of Trondheim.

The wind farms in production during 2024 delivered 1162,8 GWh (1197,5 GWh in 2023) of renewable energy.

Comments related to the Financial Statements

The Company's revenues increased from 143 tEUR in 2023 to 700 tEUR in 2024. The increase mainly follows from the new policy of Midgard Vind Holding invoicing administration costs related to the SPVs to the respective SPV.

Net profit in 2024 has been 2,9 mEUR against a loss of mEUR 1,1 in 2023. The increase mainly follows from lower interest expenses and currency losses in the year.

The Company's interest-bearing debt as of 31.12.2024 was mEUR 178 compared to mEUR 187 as of 31.12.2023. The Company's liquidity reserve as of 31.12.2024 is mEUR 23,4 a decrease from mEUR 34,2 in 2023, which in large is explained by repayment of MEUR 10 in equity to the owners in the year. Total assets at year-end amounted to mEUR 436, compared to mEUR 454 at 31.12.2023. The equity ratio was 55 % as of 31.12.2024, compared to 54 % the previous year.

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
C6AAE838F6BE4B609F7CFFCD90E50C5B

Financial Risk and Future Challenges

Overall view on objectives and strategy
The Company is exposed to financial risk, especially regarding exchange rate risk and fluctuating power prices. The goal is to reduce the financial risk as much as possible. The Company's current strategy includes the use of financial instruments to reduce the risk on volatile interest, power price and currency exchange rates.

In 2024 all wind farms have been in production and the focus has been on the operation of these.

Credit risk
The risk for losses on receivables is low. The Group has not yet experienced significant losses on receivables.

Liquidity risk
The Group's liquidity is good. The Company has a 10 MEUR Debt service reserve facility, that in addition to now high production and solid owners, ensures low liquidity risk for the Group.

Going Concern
In accordance with the Accounting Act § 3-3a, it is hereby confirmed that the financial statements have been prepared under the assumption of Going Concern. This assumption is based on profit forecasts for the year 2024-2050 and the Group's long-term strategic forecasts. The Company's and Group's economic and financial position is sound and conditions for continued operations are thereby met.

Directors and Officers Liability Insurance
The Directors and the CEO of the Company are covered as representatives of their respective Shareholder by the Shareholders' insurances of Outside Directorship Liability Coverage and Outside Capacity Coverage.

Allocation of Net Income
The Board of Directors has proposed the net income of Midgard Vind Holding AS to be attributed to:

Other equity	2,9 mEUR
Net income allocated	2,9 mEUR

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
C6AAE838F6BE4B609F7CFFCD90E50C5B

Ethics, Social Responsibility and Anti-Corruption

Midgard Vind Holding has implemented strict ethical guidelines through rules on business ethics and social responsibility that the employees are required to follow, and the same standard is expected and demanded by the Company of its business partners and customers.

The Company has a high focus on having a good and safe working environment for their employees. There were in 2024 no accidents or work-related injuries for the Company's own employees.
The same focus on a safe working environment is also held in relation to the subcontractors of the Company. The Board of Directors is kept informed about HSE status both for subcontractors in the projects and for subcontractor in operations on a regular and ongoing basis. For the subcontractors it was for 2024 recorded two lost time injuries due to personnel falling in outside terrain or inside turbine, and one potential serious injury, due to a falling object inside a turbine, but with no actual injury.

The Company is obligated to make and publish a due diligence assessment report (Norwegian "Redegjørelse for aktsomhetsvurdering") under the Transparency Act, section 5. As the Company has no webpage or other media account, the due diligence assessment report for 2024 will be available within 30.06.25 upon request directly to the Company either electronically or by inquiry at the Company's official visiting address. Our wind farms' operations are managed by Aneo Vind AS, and Aneo has their due diligence assessment published at: https://www.aneogroup.com/no/baerekraft/aktsomhet/

Environment

The Company's main activity is based on wind power, a clean, climate friendly and renewable source of energy.

The construction of wind power plants could affect the environment in the surrounding area. In addition to strictly fulfilling the environmental requirements from the regulatory authority, the Company has taken efforts to build the new wind farms in a way that harms the environment as little as possible, E.g., by minimizing the length of road constructed, make use of existing infrastructure, and perform bird studies to prevent interventions in bird habitats.

(This document is signed electronically)

Christian Vogt
Chairman of the Board

Felix Corradini
Board Member

Julia Kufner
Board Member

Roger Beite Færestrand
Board Member

Idunn G. Finnanger
Board Member

This file is sealed with a digital signature.
The seal is a guarantee for the authenticity of the document.

Document ID:
C6AAE838F6BE4B609F7CFFCD90E50C5B