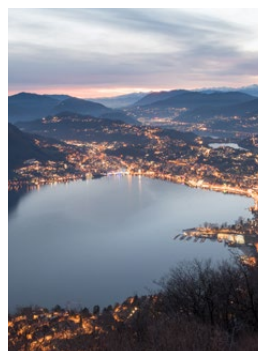




Financial Report 2025



Annual Report



Corporate Governance



Sustainability Report

Financial Report

25 Management Report

- 25 Regulatory business model
- 27 Business performance (values pursuant to Swiss GAAP FER)
- 28 Risk assessment
- 30 Future prospects
- 31 Financial outlook

32 Financial statements Swiss GAAP FER

- 32 Income statement
- 33 Balance sheet
- 34 Cash flow statement
- 35 Statement of changes in equity
- 36 Notes
- 55 Report of the independent auditor

61 Statutory financial statements

- 61 Income statement
- 62 Balance sheet
- 64 Cash flow statement
- 65 Notes
- 76 Proposed appropriation of retained earnings
- 77 Report of the statutory auditor

You can also find the annual report as an online version at:

www.report.swissgrid.ch



Management Report

This Management Report covers both the requirements pursuant to Art. 961c CO (Swiss Code of Obligations) in connection with the statutory financial statements and the provisions on the «Annual Report» relating to the financial statements in accordance with Swiss GAAP FER (Swiss GAAP FER framework concept, paragraphs 7 and 34).

Regulatory business model

Legal and regulatory environment

The electricity industry's value chain can basically be divided into the following areas: electricity generation, electricity transmission, electricity distribution and electricity consumption. As the owner and operator of Switzerland's extra-high-voltage grid, Swissgrid is responsible for electricity transmission.

The high investments for the construction of the transmission system, rising economies of scale (in view of falling marginal costs) and high irreversible costs result in a natural monopoly in the area of electricity transmission. This has been structured as a legal monopoly by the legislator based on the Electricity Supply Act (ESA) and the Electricity Supply Ordinance (ESO). To strengthen the supply of electricity in Switzerland, the Winter Reserve Ordinance (WResO) was also enacted in 2023. The validity of this ordinance was extended until the end of 2030 by the Federal Council in October 2025.

The Federal Electricity Commission EICom oversees compliance with the ESA, the ESO and the WResO. EICom is the independent state regulatory authority in the electricity industry and is allowed to issue rulings where necessary, against which there is a right of appeal to the Federal Administrative Court with an ultimate possibility of appeal to the Federal Supreme Court.

Given the public interest in the secure national supply of electricity, the resulting legislation and relevant supervision by the regulator, Swissgrid's business activities are overwhelmingly subject to strict regulation.

Business activity

As the National Grid Company, Swissgrid is responsible for the non-discriminatory, reliable and efficient operation of the transmission grid, as well as its sustainable and efficient maintenance. The renovation and demand-driven expansion of Switzerland's extra-high-voltage grid are also considered amongst the company's most important tasks.

Swissgrid provides additional services, such as balance group management and ancillary services (AS), as part of European and Swiss interconnected operations. In addition to representing national interests, Swissgrid makes an important contribution to ensuring the secure supply of electricity for Switzerland.

These activities form Swissgrid's core business.

Tasks assigned to Swissgrid by the federal government

Swissgrid also carries out tasks assigned to it by the federal government. These tasks include, on the one hand, the measures defined in the WResO to increase security of supply and, on the other hand, the costs for grid enhancements governed by the revised ESA (in force since 1 January 2025) as well as temporary state aid for Swiss iron, steel and aluminium producers of strategic importance.

Cost-plus regulation

Swissgrid's legal mandate and business activities expose the company to costs that can be passed on to the lower grid levels and end consumers in the form of tariff revenues if the regulator deems the costs to be chargeable. EICom has the right to verify ex post the chargeability of Swissgrid's costs for tariff-setting purposes.

Chargeable costs include the operating and capital costs of maintaining a secure and efficient grid. The chargeable costs according to the ESA and the ESO also include an adequate operating profit. As a result, this is referred to as «cost-plus» regulation: «cost» stands for the cost recovery principle and «plus» stands for the operating profit. The cost recovery principle applies to the chargeable costs according to the WResO.

Chargeable operating and capital costs

Chargeable operating costs include the costs for services directly related to the operation of the grid. Examples include costs for maintaining the grid, costs for providing ancillary services, personnel expenses, costs for materials and third-party supplies, and direct income taxes.

Chargeable capital costs include depreciation/amortisation and imputed interest. The amount of imputed interest for the core business (grid usage, general ancillary services/imbalance energy, active power loss and reactive energy segments) and the solidarised costs segment is directly dependent on the assets required to operate the

grid (invested operating assets (IOA)) and the applicable regulatory interest rate ($WACC_{t+0}$). $WACC_{t+0}$ means that the WACC specified for this year also applies to the current financial year. By contrast, interest on the assets required for the power reserve segment activities regulated by the WResO is calculated using the borrowing cost rate i_{t+0} included in $WACC_{t+0}$.

In particular, IOA consist of transmission grid assets (including construction in progress), intangible assets and net current assets determined on a monthly basis.

Volume- and tariff-related timing differences

Swissgrid calculates the required tariff revenues ex ante based on budgeted costs (operating and capital costs). Volume and price differences between the «actual» situation for a year and the «budgeted» situation for the same year regularly lead to differences between the actual costs and actual income for a year. These differences are referred to as volume- and tariff-related timing differences and are rectified over the coming years.

If effective costs exceed the tariff revenues for the same year, this results in a deficit. This deficit can be eliminated over subsequent years by increasing the tariff. By contrast, if tariff revenues exceed effective costs for the same year, this results in a surplus, which must be used to reduce tariffs over subsequent years.

Interest is paid on volume- and tariff-related timing differences in accordance with the regulatory requirements. Interest may be paid on deficits and must be paid on surpluses.

Profit regulation

EBI (earnings before interest) from Swissgrid’s regulated business area is calculated by multiplying the IOA for the core business and the solidarised costs segment by the weighted average cost of capital rate $WACC_{t+0}$, multiplying the assets required for the power reserve segment activities regulated by the WResO in the power reserve segment by the borrowing cost rate i_{t+0} included in $WACC_{t+0}$, and multiplying the interest on all volume- and tariff-related timing differences since 2024 by the borrowing cost rate i_{t+2} included in the weighted average cost of capital rate $WACC_{t+2}$. The volume- and tariff-related timing differences resulting from the core business up to and including the end of the 2023 financial year remain subject to interest at $WACC_{t+2}$ until they have been fully eliminated, which also has an impact on EBI. The volume- and tariff-related timing differences resulting from the activities regulated by the WResO up to and including the end of the 2023 financial year will not bear interest until they are fully amortised. Additional profits may arise from Swissgrid’s unregulated business area.

The EBI is then used to compensate Swissgrid’s stakeholders via interest on liabilities and return on equity (dividends and/or profit retention). The regulatory requirements therefore lead to a return equal to the capital cost rates to be applied.

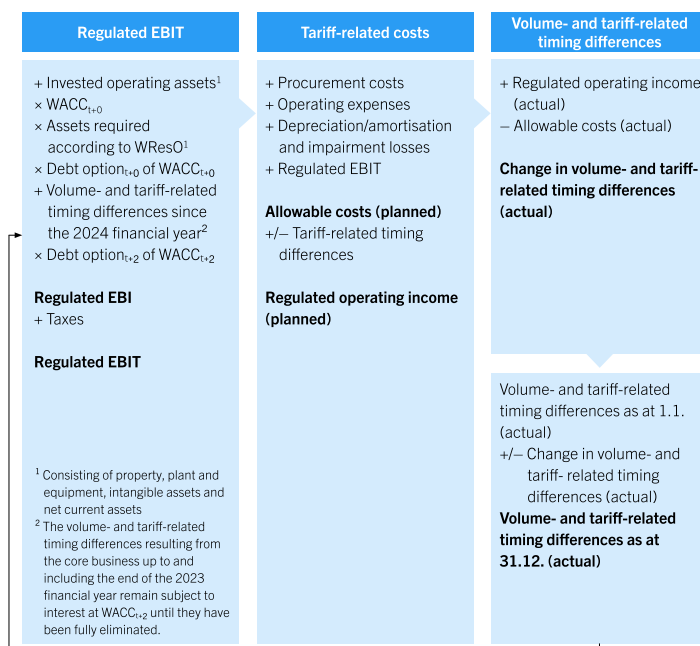
Imputed capital cost rate (WACC)

The WACC is an imputed interest rate defined annually based on the electricity supply legislation. It applies equally to all grid operators.

The WACC is defined by the Federal Department of the Environment, Transport, Energy and Communications (DETEC). At its meeting on 12 February 2025, the Federal Council approved an amendment to the ESO that modifies the calculation of the WACC. The new calculation method increases volatility depending on the general interest rate situation. With regard to the financing structure, the WACC calculation assumes an equity share of 40 percent and a borrowed capital share of 60 percent. Specific thresholds apply for the individual capital cost parameters.

As the WACC represents an imputed interest rate for the electricity industry, Swissgrid’s actual capital costs are not included in the tariff calculation. On the other hand, this means that Swissgrid is responsible for determining how the imputed interest received via the tariffs is distributed to shareholders and lenders.

Overview of Swissgrid’s regulatory business model



GRI 201-1

Business performance (values pursuant to Swiss GAAP FER)

Net turnover

In the 2025 financial year, net turnover across all segments totalled CHF 1,483.5 million, down CHF 341.6 million on the previous year's figure of CHF 1,825.1 million. In addition to lower tariff income in the general ancillary services/imbalance energy (CHF –108.1 million) and active power loss (CHF –76.2 million) segments, the decrease in net turnover is attributable to lower revenue from balance group imbalance energy (CHF –76.7 million) and lower income from auctions to cover the chargeable costs of the transmission system (CHF –70.5 million). The decrease in tariff income is attributable to the lower general ancillary services tariff (from 0.75 to 0.55 cents/kWh) and the lower individual ancillary services tariff for active power losses (from 0.64 to 0.35 cents/kWh). The decrease in revenue from balance group imbalance energy is attributable to the lower costs for ancillary services energy, as these costs are passed on to the balance groups. In accordance with ECom's instructions, the income from auctions received in the reporting year had to be used to cover the chargeable costs and to maintain or expand the transmission system (previous year: income from auctions was used exclusively to cover the chargeable costs). This resulted in lower income from auctions to cover the chargeable costs compared to the previous year.

Procurement costs

At CHF 462.6 million, procurement costs were CHF 221.9 million lower than the previous year's figure of CHF 684.5 million. This decrease was mainly attributable to lower market prices, optimised procurement processes and the use of the «Optimizer Autopilot» for control energy, which led to lower costs for ancillary services energy (CHF –88.7 million) and for active power loss procurement (CHF –71.1 million). The number of national redispatch measures declined thanks to carefully targeted measures, leading to a decrease of CHF 36.9 million in the costs for national redispatch.

Tasks assigned to Swissgrid by the federal government (intermediary transactions)

Net turnover in the power reserve segment totalled CHF 138.8 million, down CHF 506.4 million on the previous year's figure of CHF 645.2 million. The decrease is attributable to the reduction in the power reserve tariff (from 1.20 to 0.23 cents/kWh). At CHF 205.1 million, procurement costs for the power reserve were CHF 18.6 million higher than the previous year's figure of CHF 186.5 million. The increase was attributable to higher costs for the provision of reserve power plants.

Following the entry into force of the revised ESA on 1 January 2025, costs to be borne by Swissgrid for grid enhancements in the low-voltage grid and connection lines as well as temporary state aid for Swiss iron, steel and aluminium producers, were incurred under solidarised costs for the first time in the reporting year. In addition, grid enhancement costs for the medium-voltage grid and above are included in the solidarised costs segment from this financial year onwards. In the

previous year, these costs were recognised in the general ancillary services/imbalance energy segment. The procurement costs for solidarised costs amounted to CHF 103.2 million. Tariff income to cover the solidarised costs will be collected for the first time in the 2026 financial year.

Operating expenses and depreciation/amortisation

At CHF 327.1 million, operating expenses were CHF 21.4 million higher than the previous year's figure of CHF 305.7 million. The cost of materials and third-party supplies increased year-on-year due to higher grid-related easement payments to landowners and expenses for maintenance work and higher licence costs for software. In addition, the systematic implementation of the measures defined in Strategy 2027 led to an increase in personnel expenses. The average number of full-time equivalents in 2025 amounted to 836.6 FTE (previous year: 784.1 FTE).

The scheduled depreciation/amortisation on property, plant and equipment and intangible assets amounted to CHF 168 million in the reporting year, up CHF 7.1 million on the previous year due to the rise in non-current assets.

Volume- and tariff-related timing differences

In the 2025 financial year, the core business reported net surpluses (cumulative surpluses less cumulative deficits) totalling CHF 466.8 million (previous year: net surplus of CHF 582.8 million). The general ancillary services/imbalance energy and active power loss segments in particular recorded surpluses of CHF 249.9 million and CHF 134.0 million respectively due to lower procurement costs. The tasks assigned to Swissgrid by the federal government resulted in deficits of CHF 171.7 million in the reporting year due to higher procurement costs (previous year: surpluses of CHF 441.2 million).

EBIT, financial income and net income

As at 31 December 2025, EBIT amounted to CHF 117.6 million (previous year: CHF 139.1 million). The lower EBIT is attributable to the regulatory requirement to reduce deficits and the resulting lower interest on volume- and tariff-related timing differences. After deducting the financial result of CHF 9.5 million and income tax expense of CHF 16.4 million, the net income as at 31 December 2025 amounted to CHF 91.7 million (previous year: CHF 103.8 million).

Balance sheet

Total assets (excluding fiduciary positions) decreased by CHF 149.2 million to CHF 3,640 million compared to the previous year due to the reduction in deficits. The absolute equity base was further strengthened by the positive net income less dividends paid. Adjusted for the balance sheet items held on a fiduciary basis and volume- and tariff-related timing differences, the equity ratio on 31 December 2025 stood at 42.5%, as compared to 37.6% as at 31 December 2024.

Cash flow statement

A positive cash flow from operating activities of CHF 818.9 million was recorded in the reporting year (previous year: positive cash flow of CHF 1,125.7 million). The change is attributable to the lower net turnover.

With a gross investment volume of CHF 356.6 million, Swissgrid again realised more investments than in the previous year (previous year: CHF 323.7 million). Short-term fixed deposits of CHF 325 million were also invested. Unlike in the previous year, income from auctions of CHF 156.8 million was used for the maintenance or expansion of the transmission grid in the reporting period, in accordance with EICOM's instructions. Cash flow from investing activities therefore totalled CHF –523 million (previous year: CHF –316.8 million).

Due to the high cash flow from operating activities, financial liabilities totalling CHF 405.2 million were repaid in the reporting year. After deduction of the dividend and interest paid, cash flow from financing activities stood at CHF –473.6 million in 2025 (previous year: CHF –565.6 million).

Risk assessment

Risk management is an integral part of effective and prudent corporate management for Swissgrid. It covers the entire organisation, not including its shareholdings, and is based on the established ISO 31000 standard. Swissgrid's risk management meets the requirements of corporate governance, as well as the requirements under Swiss law.

Objectives

The Risk Management unit assists employees in consciously dealing with risks. This includes expedient and transparent reporting, as well as managing an appropriate risk management system. Swissgrid fosters the deliberate management of risks at all levels of the company.

Organisation

The Board of Directors has defined the governance requirements for risk management and delegated its implementation to the CEO. The Risk & Resilience team manages the risk management process, provides the methods and advises the operating units on risk management.

Process

The risk assessment takes place twice a year. The key risks are identified and assessed as part of a multi-stage process that includes the evaluation of risks based on the probability of their occurrence and the extent of their impact, as well as the definition of approaches to manage said risks.

Risk monitoring, including the effectiveness and level of implementation of the measures taken, is performed as part of regular risk updates. The Executive Board and the Board of Directors receive the results of the risk assessment and the risk updates twice a year in the form of a standardised report.

Risk situation

Swissgrid's transmission grid did not experience any outages in the reporting year. Residual risks remain for the end of the winter of 2025/26 due to the outage at the Gösgen nuclear power plant, relatively low gas storage levels in Europe, the geopolitical situation and the possibility of an exceptionally cold winter. However, the effects of

the tense geopolitical situation, extreme climate events (persistent dry weather and a «Dunkelflaute» in Europe, i.e. a period without any wind or photovoltaic production) or cumulative outages of large power plants can still accentuate the risk again. This is especially true in the winter months, when Switzerland is dependent on electricity imports.

The effects of the transformation of the energy system are also leading to higher risks. Exceptionally high load flows from Europe (due to increasing volatility in energy production) and inaccurate forecasts by market partners, particularly in combination with the decommissioning of infrastructure elements (maintenance or project expansion), are creating grid situations with reduced resilience. A variety of topological measures and the use of national and international redispatch measures and control energy are necessary to ensure grid operations. The use of these measures in turn leads to higher costs for Swissgrid.

Other drivers of risks for Swissgrid include natural influences, the national and international political and regulatory environment, human and technical aspects, as well as increasing complexity and dependence on third parties. Digitalisation is enabling more efficient operation of the transmission grid, but also involves risks to grid and system security and therefore to security of supply, given the growing dependence on complex and networked ICT systems and their susceptibility to cyber risks.

The key risk factors are:

European and regulatory environment

The Swiss transmission grid is part of the continental European interconnected grid and is connected to neighbouring countries via 41 international interconnection lines. The close meshing of the electricity system and cooperation with European partners make a significant contribution to Switzerland's security of supply. Swissgrid's role remains challenging at a national and international level.

Switzerland needs an electricity agreement with the EU. This would strengthen Switzerland as a business location whilst increasing security of supply and grid stability. In addition, an electricity agreement would give Swiss market players easy access to the European electricity market. Switzerland would gain legal certainty and be able to help shape the further development of the European electricity market.

Until an electricity agreement is implemented, unplanned electricity flows will continue to put a strain on the Swiss transmission grid. They place additional demands on the infrastructure and impair system stability and import capability. As an interim solution, Swissgrid concludes agreements under private law with other transmission system operators and capacity calculation regions. However, success is not guaranteed, as key questions need to be answered at a political level that fall outside the control of Swissgrid. These agreements under private law merely bridge the gap until an electricity agreement is signed.

The electricity agreement forms part of the broader Switzerland-EU package. Switzerland's negotiations with the EU on this overall

package, including the «Electricity Agreement», were successfully concluded in December 2024. The consultation on the overall package took place from 13 June to 31 October 2025. In 2025, Swissgrid began the internal concept phase of the «Implementation of the Electricity Agreement» project, analysed possible scenarios and carried out a risk assessment.

Grid-related security of supply

A large-scale power failure – similar to those that occurred on the Iberian Peninsula in April, in Macedonia in May and in the Czech Republic in July 2025 – would cause enormous economic damage in Switzerland. Consequently, Swissgrid must keep the transmission system available at all times. As well as guaranteeing sufficient human resources, it is crucial to have an intact grid infrastructure and to secure the availability of IT and communication systems. Meeting these prerequisites can be jeopardised by, for example, technical problems, natural disasters, operating errors and criminal actions. Among other measures, Swissgrid mitigates these risks by implementing redundancies and standardised processes to eliminate faults in grid systems and in system operations. Appropriate management and continuous training and development of personnel ensure that employees can respond appropriately to any situation and remain available in the long term.

Security of supply also depends on the availability of control and redispatch power to balance short-term deviations between production and consumption, and to control grid congestion. The shift from large thermal power plants, which supply constant and deterministic electrical energy, to decentralised, volatile solar and wind power plants as part of the transformation of the energy system is making it increasingly difficult to meet these conditions.

In addition, current developments indicate that voltage instability is increasing in several European countries. According to the ENTSO-E factual report (published on 3 October 2025) on the large-scale power system failure on the Iberian Peninsula on 28 April 2025, voltage problems are thought to have played a key role in causing the incident. Due to the strong interconnection of the European grid, voltage problems can have both direct and indirect effects on the security of supply in Switzerland. Swissgrid has therefore introduced various measures to better account for voltage maintenance in operational planning and to control it more actively in grid operations.

Swissgrid takes precautions to protect personnel, infrastructure and systems against physical attacks. This includes securing relevant buildings and switchgear, as well as controlling access. Swissgrid continuously updates its threat analysis. In 2025, greater emphasis was placed on the dangers posed by hybrid attacks (such as drones). Swissgrid discusses these issues with other operators of critical infrastructures in Switzerland and Europe.

The threat of cyberattacks remains high due to the speed at which technology changes (which potential attackers also exploit), the wide range of possible attack methods, and increasing system integration across companies. To mitigate this risk, Swissgrid continuously enhances its processes and systems to detect cyber threats at an early stage and to defend itself against them effectively.

Swissgrid has emergency procedures and structures in place for the highly unlikely event of infrastructure or system failures, or if the grid can no longer be controlled. Exercises with industry partners and authorities were also conducted in 2025, including regular grid restoration exercises with distribution system operators and foreign transmission system operators.

Grid capacity

There are several risks associated with the progressive ageing of existing infrastructure components and increasing load flows in the grid. Swissgrid systematically assesses and records the condition of its plants and plans modernisation measures accordingly. Planning for the further development of grid capacity is based on scenarios that consider future target values for generation technologies and consumer groups, taking into account the transformation of the energy system. Important strategic grid expansion work continues to be affected by lengthy approval procedures and large numbers of objections. This makes it more difficult to eliminate grid congestion. As far as approval processes are concerned, Swissgrid relies above all on dialogue with affected parties. However, given that the acceptance of infrastructure projects is often low, Swissgrid still has to factor in objections and delayed approval processes. Swissgrid particularly welcomes the «Grid express» proposal submitted by the Federal Council to streamline and speed up approval processes. Following the consultation on the bill, the overhead line principle was removed from the legislative package, but was subsequently reinstated by the parliamentary committees in the reporting year. This was supported in part by Swissgrid's ability to demonstrate the advantages of overhead lines for efficient and secure grid operation in the «Swiss cable study». This is an important step in ensuring that the transmission grid can keep pace with the transformation of the energy system.

Personnel safety

Swissgrid's operation and maintenance of the extra-high-voltage infrastructure involves risks to personnel safety. People can be seriously injured while performing their work. To minimise this risk, Swissgrid identifies present dangers, implements targeted protective measures, trains its own employees and instructs contractor employees so they can independently identify the dangers posed at plants and respond accordingly. Local inspections help to ensure compliance with safety precautions on building sites. «Safety first» is the guiding principle. Swissgrid is therefore investing heavily in this area. In summer 2025, Swissgrid received new confirmation of its «Safety Culture Ladder» (SCL) level 3 certification. Fourteen Swissgrid service providers have also confirmed their SCL certification, and others are in the certification phase. In addition, the fourth edition of the «Safety and Security Days» was held in 2025 to raise awareness among all Swissgrid employees. Information was provided on a variety of safety-related topics.

Financial risks

Swissgrid's activities mean that it is exposed to various financial risks. These include liquidity, foreign currency, interest rate and counterparty risks.

Depending on the financial volume and timing, the proper financial implementation of the core business and the tasks assigned to

Swissgrid by the federal government may mean that Swissgrid has to provide interim financing for these resources, which are to be funded via downstream tariff revenues. Swissgrid anticipates developments on an ongoing basis and takes measures at an early stage to ensure liquidity at all times by means of intensified continuous planning, close monitoring of the funding requirements and the provision of minimum liquidity levels and confirmed bank credit facilities.

Foreign currency risk is reduced through natural hedging and forward exchange transactions. The hedging strategy is reviewed periodically and updated as needed.

The risk of interest rate changes is reduced by staggering the maturities and establishing a balanced financing mix. Derivative financial instruments are deployed for further mitigation if necessary.

Financial counterparties and balance groups are constantly reviewed, assigned individual limits and monitored. Counterparty risks are monitored on a regular basis.

The modification to the WACC calculation methodology introduced by the Federal Council in 2025 due to an amendment to the ESO will lead to increased volatility in the imputed interest rate. Particularly in low-interest phases with a low beta parameter, this will result in a lower WACC and consequently in lower net income. Under these circumstances, investments in the grid infrastructure could also become less attractive in the future.

Future prospects

Strategic outlook

The transformation of the energy system is significantly changing the framework conditions for transmission system operators. In Switzerland and Europe, the volume of electricity being fed into the grid from new, renewable sources is rising. This production is decentralised and more difficult to plan than production from large power plants with a stable output. This is resulting in new requirements for grid operations, which are addressed in Swissgrid's Strategy 2027.

Integration of photovoltaics

Although the expansion of electricity generation from photovoltaics (PV) is progressing in Switzerland, the availability of PV data and the quality of forecasts are lagging behind. This affects grid stability and can force Swissgrid to use control energy to compensate for imbalances. Swissgrid has launched various projects in association with industry partners to improve forecasting accuracy in relation to PV energy and to use the flexibility of decentralised production technologies and consumers (e.g. photovoltaic plants, heat pumping technology and electric vehicles) for secure grid operation.

Further development of the Swiss control energy market

One of Swissgrid's responsibilities is to procure frequency control products to ensure the balance between electricity generation and consumption. Since the publication of the last Balancing Roadmap in 2018, the energy systems and balancing markets in Switzerland and Europe have undergone rapid change and development. In

Switzerland, this transformation is largely shaped by strong growth in PV production. The balancing markets on which frequency control products are procured must therefore be continuously reviewed and developed. The new Balancing Roadmap, published by Swissgrid at the beginning of 2026, sets out these challenges and the corresponding solutions in detail.

Voltage maintenance

The transformation of the electricity system also requires continuous further development in the area of voltage maintenance (use of reactive energy). The increasing share of PV generation, as well as a higher proportion of underground cables and cables in tunnels, influences voltage maintenance in the transmission grid. Swissgrid is therefore building additional compensation systems, for example to absorb the increasing demand for reactive power.

Grid connections for batteries and data centres

Requests for the direct connection of large batteries and data centres to the transmission grid are expected to increase over the coming years. These grid connections are complex and take several years from planning to commissioning. The new technology must be carefully integrated into the existing transmission grid without compromising its stability. In the reporting year, Swissgrid therefore published minimum requirements for connecting large battery storage systems to the transmission grid. These systems represent a key technology for the future of the energy system because they can absorb and release energy flexibly, which helps to maintain the balance between electricity generation and consumption.

Cyber risks and protection of the transmission system

The threat environment for transmission system operators has become more critical in recent years. In addition to cyberattacks, physical attacks on grid infrastructures are an increasing security concern, as shown by examples in various EU countries.

Swissgrid takes these developments seriously and works continuously to identify such risks at an early stage. Intensive dialogue with partners at various levels is a central pillar of its security strategy. In Switzerland, Swissgrid maintains close contact with other operators of critical infrastructure and with the relevant federal authorities. At the European level, information is regularly exchanged with other transmission system operators and in the relevant specialised committees of ENTSO-E (the European Network of Transmission System Operators for Electricity).

This enables threats to be jointly analysed, best practices to be shared and protective measures to be enhanced in a coordinated manner, thereby supporting a secure and resilient transmission grid.

Research and development

Swissgrid cooperates with national and international research institutions to make sure that it can continue to fulfil its tasks safely and efficiently in the future. Its project portfolio is aligned with its strategic goals, and consists of internal activities and projects being conducted in cooperation with universities and other Swiss partners.

Financial outlook

Grid investments

Investment volumes are expected to remain high due to the need to achieve a sustainable energy future and carry out the measures defined in the «Strategic Grid 2040» report. In total, Swissgrid plans to invest around CHF 5.5 billion in the transmission system by 2040. Permits for the construction and modification of power lines continue to pose a major challenge. The budget has therefore been assigned a lower likelihood of realisation to properly reflect potential delays. Consequently, annual grid investments are expected to range between CHF 300 million and CHF 400 million over the medium term.

Operating costs

In 2023, Swissgrid launched its Strategy 2027 and entered a new five-year strategy period. Strategy 2027 will enable Swissgrid to address the challenges posed by the fundamental transformation of the energy system. In addition to an increase in investments, the implementation of these measures will also lead to an increase in operating costs.

EBIT and net income

In line with the regulatory business model, EBIT is directly dependent on the level of IOA and WACC or the borrowing cost rate of WACC. The WACC for 2026 communicated by DETEC is 3.43%, which is 0.55% below the WACC for 2025. Consequently, EBIT and net income are expected to be below the 2025 level in 2026.

In accordance with the dividend policy approved by the Board of Directors, the income generated will be retained in the long term on a pro rata basis depending on the equity ratio and the financing situation. This safeguards Swissgrid's long-term financial stability.

Financial statements Swiss GAAP FER

Income statement

In millions of CHF	Notes	2025	2024
Net turnover	4, 31	1,483.5	1,825.1
Other operating income	5, 31	27.2	18.7
Change in volume- and tariff-related timing differences	16, 31	-466.8	-582.8
Capitalised self-constructed assets		31.4	29.2
Total operating income		1,075.3	1,290.2
Procurement costs	6, 31	462.6	684.5
Gross profit		612.7	605.7
Cost of materials and third-party supplies	8	138.8	120.1
Personnel expenses	9	155.6	145.4
Other operating expenses	10	32.7	40.2
Earnings before interest, income taxes, depreciation and amortisation		285.6	300.0
Depreciation on property, plant and equipment	14	141.4	137.0
Amortisation on intangible assets	14	26.6	23.9
Earnings before interest and income taxes (EBIT) ¹	31	117.6	139.1
Financial income	11	3.3	3.6
Financial expenses	12	12.8	19.2
Earnings before income taxes		108.1	123.5
Income taxes	13	16.4	19.7
Net income		91.7	103.8

¹ Corresponds to net income before financial income, financial expenses and income taxes (EBIT).

Earnings per share

CHF	2025	2024
Net income	91,632,451	103,767,254
Weighted average number of shares outstanding	334,495,151	334,495,151
Non-diluted earnings per share	0.27	0.31
Diluted earnings per share	0.27	0.31

Financial statements Swiss GAAP FER

Balance sheet

Assets

In millions of CHF	Notes	31.12.2025	31.12.2024
Property, plant and equipment	14	2,411.6	2,397.4
Intangible assets	14	156.9	140.2
Financial assets	15	5.0	5.0
Long-term deficits arising from volume- and tariff-related timing differences	16	194.3	134.0
Non-current assets		2,767.8	2,676.6
Assets held on a fiduciary basis	17	37.2	98.1
Short-term deficits arising from volume- and tariff-related timing differences	16	42.2	209.3
Inventory		2.9	2.5
Trade accounts receivable	18	222.0	414.1
Other receivables	19	352.8	19.2
Prepaid expenses and accrued income	20	74.9	112.7
Cash and cash equivalents		177.4	354.8
Current assets		909.4	1,210.7
Assets		3,677.2	3,887.3

Equity and liabilities

In millions of CHF	Notes	31.12.2025	31.12.2024
Share capital		334.5	334.5
Capital reserves		431.2	431.2
Retained earnings		700.7	660.9
Total equity		1,466.4	1,426.6
Non-current financial liabilities	21	1,218.9	1,620.9
Non-current provisions	22	28.9	31.5
Non-current surpluses arising from volume- and tariff-related timing differences	16	188.3	–
Non-current liabilities		1,436.1	1,652.4
Liabilities held on a fiduciary basis	17	37.2	98.1
Current financial liabilities	21	402.0	405.2
Trade accounts payable		164.1	179.3
Other liabilities	23	9.6	27.3
Accrued expenses and deferred income	24	161.8	98.3
Current provisions	22	–	0.1
Current liabilities		774.7	808.3
Total liabilities		2,210.8	2,460.7
Equity and liabilities		3,677.2	3,887.3

Financial statements Swiss GAAP FER

Cash flow statement

In millions of CHF, excluding balance sheet items held on fiduciary basis	Notes	2025	2024
Net income		91.7	103.8
Financial expenses	12	12.8	19.2
Financial income	11	-3.3	-3.6
Current income taxes	13	18.7	21.7
Depreciation and amortisation	14	168.0	160.9
Change in inventories		-0.4	-1.6
Change in provisions	22	-2.7	-2.0
Change in trade accounts receivable	18	192.1	-191.8
Change in other receivables	19	-8.6	-0.2
Change in prepaid expenses and accrued income	20	37.8	-0.8
Change in volume- and tariff-related timing differences	16, 31	295.1	1,024.0
Change in trade accounts payable		-15.2	6.5
Change in other current liabilities	23	-17.7	13.8
Change in accrued expenses and deferred income	24	70.9	-3.5
Interest received		1.4	2.0
Income taxes paid		-21.7	-22.7
Cash flow from operating activities		818.9	1,125.7
Gross investments in property, plant and equipment	14	-312.5	-287.3
Congestion proceeds received for grid investments	4	156.8	-
Government grants	29	0.9	6.2
Net investments in property, plant and equipment	14	-154.8	-281.1
Investments in intangible assets	14	-44.1	-36.4
Investments in financial assets	19	-325.0	-
Dividends received		0.9	0.7
Cash flow from operating activities		-523.0	-316.8
Change in current financial liabilities		-55.2	-510.0
Repayment of bonds		-350.0	-
Interest paid		-16.5	-25.6
Dividends paid		-51.9	-30.0
Cash flow from financing activities		-473.6	-565.6
Foreign currency translation effect on cash and cash equivalents		0.3	0.4
Change in cash and cash equivalents		-177.4	243.7
Composition			
Cash and cash equivalents at beginning of period		354.8	111.1
Cash and cash equivalents at end of period		177.4	354.8
Change in cash and cash equivalents		-177.4	243.7

Financial statements Swiss GAAP FER

Statement of changes in equity

Equity

In millions of CHF	Share capital	Capital reserves	Retained earnings	Total equity
Balance at 31.12.2023	334.5	431.2	587.1	1,352.8
Dividends paid	–	–	–30.0	–30.0
Net income 2024	–	–	103.8	103.8
Balance at 31.12.2024	334.5	431.2	660.9	1,426.6
Dividends paid	–	–	–51.9	–51.9
Net income 2025	–	–	91.7	91.7
Balance at 31.12.2025	334.5	431.2	700.7	1,466.4

Capital structure

	31.12.2025	31.12.2024
Share capital in CHF	334,495,151	334,495,151
of which number of registered shares at CHF 1	334,495,151	334,495,151
Conditional share capital in CHF	112,939,487	112,939,487
of which number of registered shares at CHF 1	112,939,487	112,939,487
Non-distributable portion of retained earnings and capital reserves in CHF	167,247,575	167,247,575

Financial statements Swiss GAAP FER

Notes

1. Accounting principles

General

The 2025 financial statements of Swissgrid Ltd (hereinafter: Swissgrid) have been prepared in accordance with Swiss GAAP FER accounting recommendations. The financial statements provide a true and fair view of the company's assets, financial position and results of operations.

Conversion of foreign currency items

The accounting records are maintained in the local currency (Swiss francs, CHF). All monetary assets and liabilities recognised in foreign currencies are converted at the exchange rate as of the balance sheet date. Transactions in foreign currencies are converted at the exchange rate on the day the transaction took place. Foreign exchange gains and losses resulting from transactions in foreign currencies are recognised in the income statement and are presented in the same item as the underlying transaction.

Cash flow statement

«Cash and cash equivalents» form the basis for the presentation of the cash flow statement. The cash flow from operating activities is calculated using the indirect method.

Revenue recognition

The revenue and procurement items in the core business (grid usage, general ancillary services/imbalance energy, active power loss and reactive energy segments) result from the activities defined in the Electricity Supply Act (ESA) and include services for the non-discriminatory, reliable and efficient operation of the transmission grid, in particular ancillary services and balance group management.

Revenue is recognised in the income statement upon performance of Swissgrid's obligations. The measurement of performance is mainly based on energy volumes measured directly on the transmission grid or reported by downstream grid levels. For certain revenue and procurement items, initial billing values are available six weeks after delivery at the earliest, thereby rendering accruals based on historical and statistical data, as well as on estimates necessary for the revenue recognition of these items.

Property, plant and equipment

Property, plant and equipment are recognised at the cost of acquisition or production less accumulated amortisation and any impairment losses. Significant spare parts which are likely to be used for a longer period and whose use only takes place in connection with a non-current asset item are recognised in non-current assets and depreciated over the remaining useful life of the relevant asset.

Depreciation/amortisation is calculated using the straight-line method on the basis of the estimated useful technical and economic service life. The service life is within the following ranges:

- Lines: 15 to 60 years
- Substations: 10 to 35 years
- Buildings and expansions: 5 to 50 years
- Other property, plant and equipment: 3 to 8 years
- Construction in progress and properties: only applicable in the case of an impairment loss

Intangible assets

Intangible assets are recognised at the cost of acquisition or production less accumulated amortisation and any impairment losses. Depreciation/amortisation is calculated using the straight-line method on the basis of the estimated useful technical and economic service life.

The service life is within the following ranges:

- Rights of use: contract term
- Software: 3 to 5 years
- Intangible assets under development: only applicable in the case of an impairment loss

The rights of use include easements and rights of use to mixed-use assets that were compensated once before 1 June 2019.

Impairment losses

The value of property, plant and equipment and intangible assets is reviewed annually. If there is an indication of an impairment loss, the book value is reduced to the realisable value and an impairment loss is charged to the results of the period.

Construction in progress / intangible assets under development

Construction in progress and intangible assets under development are non-current assets that are not yet completed or not yet operational. All items of property, plant and equipment and intangible assets, including self-constructed assets, are classified as non-current assets. As of each balance sheet date, a review is performed to determine whether any construction in progress or intangible assets under development have to be impaired. These are recognised as impairment losses in the year of completion. Ordinary depreciation or amortisation of these assets begins once they are completed or are ready for operation.

Financial assets

Financial assets are measured at acquisition costs less any impairment losses. These include shareholdings with a capital share of over 20%, but which do not have a significant impact on the financial

statements, as well as shareholdings with a capital share of less than 20%. Employer contribution reserves without conditional renounced use are also recognised in financial assets.

Inventory

Inventory includes waste material for maintaining the grid systems. Inventory is measured at the lower of acquisition cost or market price.

Accounts receivable

Accounts receivable are reported at their nominal value less any impairment losses required for business reasons.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks and deposits at banks maturing in 90 days or less. They are recognised at their nominal value.

Bonds

Bonds issued on the capital market are recognised at their nominal value. Deviations from the nominal value in the case of below- or above-par issues are recognised as accruals and deferrals and are reversed on a straight-line basis over the term of the bond.

Liabilities

Liabilities are recognised at their nominal value.

Provisions

Provisions are recognised if there is a probable obligation based on an event that took place prior to the balance sheet date, the amount and/ or due date of which is uncertain but capable of being estimated.

Contingent liabilities

Contingent liabilities are measured as of the balance sheet date. A provision is reported if a cash outflow without a usable countervalue is probable and assessable. Otherwise, contingent liabilities are disclosed in the notes to the financial statements.

Interest on borrowed capital

Interest on borrowed capital is recognised as an expense in the period in which it arises.

Employee pension plan

Swissgrid is affiliated to the PKE Energy Pension Fund industry-wide retirement benefit plan. This is a legally independent pension fund. All permanent employees of the company are included in this pension fund from 1 January of the year after they turn 17. Members of the Board of Directors are also to be insured in the pension fund under the conditions defined in the pension regulations of PKE Energy Pension Fund. All persons affiliated to the pension fund are insured for disability and death. From 1 January of the year after they turn 24, employees are also covered by retirement insurance.

Economic benefits arising from a pension fund surplus (e.g. in the form of a positive impact on future cash flows) are not capitalised, since the prerequisites for this are not met and the company does not intend to use such benefits to reduce employer contributions. Any

benefits arising from freely available employer contribution reserves are recognised as an asset.

An economic obligation (e.g. in the form of negative effects on future cash flows due to a pension fund deficit) is recognised if the prerequisites for the creation of a provision are met. Accrued contributions for the period, the difference between the annually calculated economic benefit from pension fund surpluses and obligations, as well as the change in the employer contribution reserves are recognised in the income statement as personnel expenses.

Transactions with related parties

Related parties are organisations and persons that can have a significant influence, either directly or indirectly, on Swissgrid's financial or operational decisions. Shareholders holding at least 20% of the voting rights in Swissgrid, either alone or together with others, are considered to be related parties. As regards shareholders, other criteria in addition to the proportion of voting rights held are also taken into account (including representation in committees and the possibility of exerting influence due to the shareholder structure). Subsidiaries of related shareholders and partner plant companies whose shares are 100% owned by related shareholders or which are controlled by a related shareholder, are also considered to be related parties. Related parties also include companies over which Swissgrid exercises a significant influence. Members of the Board of Directors and of the Executive Board are also considered to be related parties. Provided they exist and are significant, relations with related parties are disclosed in the notes to the financial statements. All transactions are conducted at arm's length.

Segment information

Segment reporting is based on Swissgrid's internal reporting structure and includes core business segments, and the tasks assigned to Swissgrid by the federal government and congestion management.

Income taxes

Current income taxes are calculated based on the taxable results on an accrual basis. The annual accrual of deferred taxes is based on a balance sheet perspective (balance sheet method) and considers all future income tax effects (comprehensive method).

Derivative financial instruments

Swissgrid may use derivative financial instruments to hedge against currency and market price risks. If the conditions are met, Swissgrid will apply hedge accounting to hedge expected future cash flows. The instruments used for this purpose will be disclosed in the notes to the financial statements until the underlying transaction is realised.

Government grants

As part of the modernisation and maintenance of the grid, Swissgrid may receive government grants that are related to assets or related to income in the form of project-related cost sharing. Government grants related to assets are offset against the asset at the time of receipt. Government grants related to income are recognised in the income statement. The type and amount of government grants recognised are disclosed in the notes to the financial statements.

2. Regulatory principles

Volume- and tariff-related timing differences (surpluses and deficits)

According to Article 14 of the Electricity Supply Act (ESA) and the Winter Reserve Ordinance (WResO), grid usage costs must be allocated to users on a user-pays basis. The tariffs for a financial year are determined based on planned costs. Due to price and volume deviations, actual expenses and income vary from the tariff calculation on both the revenue and procurement side. This results in surpluses or deficits, i.e. the tariff revenues from a financial year are higher or lower than the actual expenses incurred during the same period. These volume- and tariff-related timing differences are transferred to the balance sheet and taken into account in cost and revenue calculations for future tariff periods. The expected reduction in volume- and tariff-related timing differences within twelve months of the balance sheet date is recognised as short-term surpluses or deficits in the balance sheet.

EBIT from the core business

Earnings before interest and taxes (EBIT) from the core business are defined in Article 15 of the Electricity Supply Act (ESA) for chargeable costs, and are also defined in Article 18a of the Electricity Supply Ordinance (ESO) for interest on volume- and tariff-related timing differences arising since the 2024 financial year. EBIT corresponds to the interest on invested operating assets (IOA) at the weighted average cost of capital rate for the current reporting year (= $WACC_{t+0}$), the interest on the volume- and tariff-related timing differences arising from the 2024 financial year onwards at the borrowing cost rate r_{t+2} included in $WACC_{t+2}$ and taxes. Invested operating assets consist of net current assets calculated on a monthly basis, as well as the property, plant and equipment and intangible assets as at the end of the financial year. In accordance with ECom directive 03/2024, volume- and tariff-related timing differences up to and including the end of the 2023 financial year remain subject to interest at $WACC_{t+2}$ until they have been fully eliminated, which also has an impact on EBIT.

Net proceeds from congestion management

On the basis of a statutory mandate, Swissgrid coordinates the auctioning of bottleneck capacities for cross-border supplies and maintains the related accounting records and bank accounts on a fiduciary basis. The net proceeds from congestion management, referred to as income from auctions, are paid to Swissgrid in accordance with ECom's instructions and are used to reduce the chargeable costs of the transmission system and/or to maintain or expand the transmission system, as decided by ECom.

Tasks assigned to Swissgrid by the federal government (intermediary transactions)

Power reserve

The power reserve includes the measures defined in the WResO to increase security of supply and comprises orders for the use of hydropower reserves, reserve power plants, pooled emergency power groups and combined heat and power plants (CHP plants). In accordance with the ordinance, the costs of these measures must be billed via Swissgrid. Swissgrid has no control over the structure of the key performance parameters and acts solely as an intermediary.

In accordance with the accounting regulations, these activities are treated as intermediary transactions, which is why only the value of the services provided by Swissgrid itself and the associated net turnover are reported in the income statement and in the power reserve segment reporting. Information on net turnover and procurement costs for the power reserve is given in Note 7.

Since the 2024 financial year, the chargeable costs for the power reserve have been calculated in the same way as for the core business, in accordance with Article 15 ESA. However, interest on the assets required for the power reserve is calculated according to the borrowing cost rate r_{t+0} included in $WACC_{t+0}$. In accordance with Article 18a ESO, interest on the volume- and tariff-related timing differences arising since 1 January 2024 is calculated at the borrowing cost rate r_{t+2} included in $WACC_{t+2}$. No interest is applied to the volume- and tariff-related timing differences up to and including the end of the 2023 financial year until they have been fully eliminated. EBIT in accordance with the WResO is calculated based on the interest on the assets required for the power reserve, the volume- and tariff-related timing differences arising since 1 January 2024, and taxes.

Solidarised costs

The solidarised costs include the costs for grid enhancements governed by the revised Electricity Supply Act (in force since 1 January 2025) as well as the temporary state aid for Swiss iron, steel and aluminium producers of strategic importance. The costs for these measures must be billed via Swissgrid in accordance with legal requirements. Swissgrid has no control over the structure of the key performance parameters and acts solely as an intermediary. In accordance with the accounting regulations, these activities are treated as intermediary transactions, which is why only the value of the services provided by Swissgrid itself and the associated net turnover are reported in the income statement and in the solidarised costs segment reporting. Information on net turnover and procurement costs for the solidarised costs is given in Note 7.

EBIT for the solidarised costs is calculated based on the interest on the assets required for grid enhancements, the volume- and tariff-related timing differences, and taxes. The assets required for grid enhancements and the volume- and tariff-related timing differences are calculated in the same way as for the core business, at the weighted average cost of capital rate for the current reporting year (= $WACC_{t+0}$) or the borrowing cost rate r_{t+2} included in $WACC_{t+2}$. In the reporting year, however, interest was recognised only for costs in accordance with Article 15b para. 3 ESA (grid enhancements connected to the medium-voltage grid and above), as only these costs were incurred in the reporting year.

Imputed capital cost rate (WACC)

The imputed capital cost rate (WACC) for the capital tied up in the grid is defined annually by the Federal Department of the Environment, Transport, Energy and Communications (DETEC). The relevant capital cost rates for the 2025 financial year ($WACC_{t+0}$ and $WACC_{t+2}$) are structured as follows:

	2025	2024
Weighted average cost of capital rate WACC _{t+0}	3.98%	4.13%
Borrowing cost rate _{t+0}	2.00%	2.25%
Weighted average cost of capital rate WACC _{t+2} ¹	3.28%	3.43%
Borrowing cost rate _{t+2} ¹	1.75%	2.00%

¹ Corresponds to the weighted average cost of capital rate for 2027 (WACC_{t+2}) applicable for the 2025 financial year and the borrowing cost rate_{t+2} included in WACC_{t+2} (previous year: corresponds to the weighted average cost of capital rate for 2026 (WACC_{t+2}) applicable for the 2024 financial year and the borrowing cost rate_{t+2} included in WACC_{t+2}).

3. Estimation uncertainty

Financial-statement reporting requires estimates and assumptions to be made that may have a significant impact on Swissgrid's financial statements. With respect to assets and liabilities recognised in the balance sheet, accruals and deferrals (prepaid expenses and accrued income/accrued expenses and deferred income) and volume- and tariff-related timing differences in particular are based on various assumptions and estimates that may necessitate significant adjustments. This is due to specific volumes not being available for certain revenue and procurement items when the financial statements are prepared, as well as regulatory uncertainties. The volume- and tariff-related timing differences are also influenced by estimates in the allocation of operating expenses to the segments. More information is given in the sections on «Revenue recognition» in Note 1 and «Legal proceedings» in Note 30.

4. Net turnover

In millions of CHF	2025	2024
Tariff income for grid utilisation	497.2	473.0
Income from auctions for the reduction of chargeable grid costs ¹	100.1	74.7
Net income from ITC ²	1.0	3.0
Net turnover for grid utilisation	598.3	550.7
Tariff income for general ancillary services (AS) and income from unintentional deviation	303.9	412.0
Income from auctions for the reduction of chargeable grid costs ¹	27.4	146.2
Income from balance group/balance energy	295.8	372.5
Net turnover for general ancillary services/ balance energy	627.1	930.7
Tariff income for active power losses	110.7	186.9
Income from auctions for the reduction of chargeable grid costs ¹	126.8	103.9
Net income from ITC ²	11.9	32.7
Net turnover for active power losses	249.4	323.5
Tariff income for reactive energy	22.9	17.3
Net turnover for reactive energy	22.9	17.3
Tariff income for power reserve (excl. intermediary business)	2.2	17.5
Net turnover power reserve	2.2	17.5
Eliminations ³	-16.4	-14.6
	1,483.5	1,825.1

- ¹ The income from auctions to cover the chargeable costs of the transmission system is allocated to the segments in accordance with the regulatory requirements.
- ² The ITC compensation for grid usage and active power losses corresponds to net income. Supervision charges paid to ECom and to the Swiss Federal Office of Energy (SFOE) amounting to CHF 6.2 million (previous year: CHF 6.1 million) were deducted from the gross income of CHF 19.1 million (previous year: CHF 41.8 million) on a pro rata basis.
- ³ Active power losses are a separate internal balance group. As a result, internal transactions occur between the general ancillary services/imbalance energy and active power loss segments.

Swissgrid was able to reduce the tariffs for general ancillary services/ imbalance energy and active power losses in the reporting year and, as expected, reported lower net turnover than in the previous year. In addition to lower tariff income in the general ancillary services/ imbalance energy (CHF –108.1 million) and active power loss (CHF –76.2 million) segments, the decrease in net turnover is attributable to lower revenue from balance group imbalance energy (CHF –76.7 million) and lower income from auctions to cover the chargeable costs of the transmission system (CHF –70.5 million). The decrease in tariff income is attributable to the lower general ancillary services tariff (from 0.75 to 0.55 cents/kWh) and the lower individual ancillary services tariff for active power losses (from 0.64 to 0.35 cents/kWh). The decrease in revenue from balance group imbalance energy is attributable to the lower costs for ancillary services energy, as these costs are passed on to the balance groups. In accordance with ECom's instructions, the income from auctions received in the reporting year had to be used to cover the chargeable costs and to maintain or expand the transmission system (previous year: income from auctions was used exclusively to cover the chargeable costs). This resulted in lower income from auctions to cover the chargeable costs compared to the previous year.

Net proceeds from congestion management

The net proceeds from congestion management received by Swissgrid in the financial year, referred to as income from auctions, and their use can be broken down as follows:

In millions of CHF	2025	2024
Income from auctions received by Swissgrid	428.0	324.8
Used for reduction of the chargeable grid costs	271.2	324.8
Used for grid investments	156.8	–

The use of income from auctions is determined annually by ECom.

5. Other operating income

In millions of CHF	2025	2024
Congestion management clearing	24.2	16.2
Other	3.0	2.5
	27.2	18.7

6. Procurement costs

In millions of CHF	2025	2024
Expenses for national redispatch	7.1	44.0
Procurement costs grid utilisation	7.1	44.0
Expenses for ancillary services control power provision and unintentional deviation	104.0	115.3
Expenses for automatic start-up/island operation capability	1.4	1.4
Expenses for grid enhancement ¹	–	17.3
Expenses for ancillary services energy	177.3	266.0
Expenses for reactive energy/voltage maintenance ²	63.6	60.5
Procurement costs general ancillary services/balance energy	346.3	460.5
Expenses for compensation of active power losses	109.8	180.9
Procurement costs active power losses	109.8	180.9
Expenses for reactive energy/voltage maintenance ²	15.8	13.7
Procurement costs reactive energy	15.8	13.7
Eliminations ³	–16.4	–14.6
	462.6	684.5

¹ From the 2025 financial year onwards, the costs for grid enhancements are included in the solidarised costs in accordance with the provisions of the revised Electricity Supply Act (in force since 1 January 2025).

² The costs for reactive energy/voltage maintenance are allocated pro rata to general ancillary services/imbalance energy and reactive energy in accordance with the regulatory requirements.

³ Active power losses are a separate internal balance group. As a result, internal transactions occur between the general ancillary services/imbalance energy and active power loss segments.

Lower market prices, optimised procurement processes and the use of the «Optimizer Autopilot» for control energy led to lower costs for ancillary services energy (CHF –88.7 million) and for active power loss procurement (CHF –71.1 million). The number of national redispatch measures also declined thanks to targeted measures, leading to a decrease of CHF 36.9 million in the costs for national redispatch.

7. Tasks assigned to Swissgrid by the federal government (intermediary transactions)

In accordance with the accounting regulations, the tasks assigned to Swissgrid by the federal government are treated as intermediary transactions, which is why only the value of the services provided by Swissgrid itself and the associated net turnover are reported in the income statement and in Notes 4 and 6. The following sections show the net turnover and procurement costs for these intermediary transactions.

Power reserve

Net turnover from the power reserve consists of the following items:

In millions of CHF	2025	2024
Tariff income for power reserve intermediary transactions	119.7	627.7
Income from auctions for the reduction of chargeable grid costs	16.9	–
Net turnover from power reserve intermediary transactions	136.6	627.7
Tariff income for power reserve services provided by Swissgrid itself	2.2	17.5
Net turnover from power reserve services provided by Swissgrid itself	2.2	17.5
	138.8	645.2

The power reserve tariff decreased from 1.20 to 0.23 cents/kWh compared to the previous year. For this reason, income from the power reserve tariff declined as expected.

Procurement costs for the power reserve consist of the following items:

In millions of CHF	2025	2024
Provision costs for the hydropower reserve	16.1	54.4
thereof intermediary business	16.1	54.4
Provision costs for reserve power plants	183.8	128.4
thereof intermediary business	183.8	128.4
Provision costs for emergency power groups	5.2	3.7
thereof intermediary business	5.2	3.7
	205.1	186.5

The increase in costs for the provision of reserve power plants is attributable to the decision by the Federal Department of the Environment, Transport, Energy and Communications (DETEC) to provide a test bench for gas turbines as a reserve power plant from February 2027. This test bench will form part of a transitional solution to safeguard Switzerland's security of supply in the coming winters until

the future reserve power plants become operational. The contracts for the existing reserve power plants expire in spring 2026. The lower provision costs for the hydropower reserve are attributable to a reduction in procurement volumes compared to the previous year and to lower procurement prices.

Solidarised costs

Following the entry into force of the revised Electricity Supply Act on 1 January 2025, costs to be borne by Swissgrid for grid enhancements in the low-voltage grid and connection lines as well as temporary state aid for Swiss iron, steel and aluminium producers, were incurred for the first time in the reporting year. Grid enhancement costs for the medium-voltage grid and above borne by Swissgrid, which were previously allocated to the general ancillary services/imbalance energy segment, are included in the solidarised costs segment from this financial year onwards. Tariff income to cover these solidarised costs will be collected for the first time in the 2026 financial year.

Procurement costs for the solidarised costs consist of the following items:

In millions of CHF	2025	2024
Grid enhancement	93.1	n/a
of which grid enhancement costs in the medium-voltage grid and above	43.2	n/a
of which grid enhancement costs in the low-voltage grid	49.6	n/a
of which costs for the necessary reinforcements of connection lines	0.3	n/a
Temporary state aid for iron, steel and aluminium producers	10.1	n/a
	103.2	n/a

These procurement costs relate exclusively to intermediary transactions. The costs for grid enhancements in the medium-voltage grid and above have increased due to the greater number of grid enhancement requests approved by ElCom.

8. Materials and third-party supplies

In millions of CHF	2025	2024
Grid maintenance	31.0	23.9
Grid system control	0.4	0.5
Other services in the grid area	23.6	19.4
Expenses for projects, advisory and non-cash benefits	61.4	58.0
Hardware/software maintenance	22.4	18.3
	138.8	120.1

Other grid-related services consist of remuneration for easements, including easement management services performed by third parties and operating expenses for mixed-use plants.

The increase in costs for grid maintenance and other grid-related services is attributable to higher maintenance expenses and higher remuneration for easements. Higher software licence costs also led to an increase in expenses in the hardware/software support item.

9. Personnel expenses

Personnel expenses

In millions of CHF	2025	2024
Salaries, bonuses, allowances	124.9	116.9
Employee insurance	24.8	23.3
Other personnel expenses	5.9	5.2
	155.6	145.4

Other personnel expenses include, in particular, the costs of training and further education, recruitment, lump-sum expenses, as well as contributions to external catering for employees.

Headcount at 31.12.

Headcount at and of year	31.12.2025	31.12.2024
Permanent employment		
Number of employees	878.0 ¹	842.0 ¹
expressed as full-time equivalents	826.6	794.9
Fixed-term employment		
Number of employees	28.0 ²	21.0 ²
expressed as full-time equivalents	22.5	15.4

¹ Including 1 person employed on an hourly wage and excluding 7 persons employed for visitor management (previous year: Including 1 person employed on an hourly wage and excluding 7 persons employed for visitor management).

² Including 1 person employed on an hourly wage and excluding 67 apprentices and interns (previous year: Including 3 persons employed on an hourly wage and excluding 57 apprentices and interns).

Executive Board remuneration

In millions of CHF	2025	2024
Executive Board remuneration		
Fixed remuneration (incl. lump-sum expenses)	1.82	1.82
Variable remuneration	0.82	0.72
Pension benefits ¹	0.51	0.50
	3.15	3.04
Of which to the highest-earning member of the Executive Board		
Fixed remuneration (incl. lump-sum expenses)	0.52	0.52
Variable remuneration	0.29	0.23
Pension benefits ¹	0.15	0.15
	0.96	0.90

¹ Pension benefits include employer contributions to social security and the employee pension plan.

Further information on the members of the Executive Board can be found in the Corporate Governance Report.

10. Other operating expenses

In millions of CHF	2025	2024
Rental and occupancy costs	11.3	11.9
Ground rents	2.9	4.7
Rental costs for communication equipment/telecommunication expense	2.7	2.3
Board of Directors' fees and expenses incl. social costs	0.9	0.9
Actual expenses for travel and subsistence for employees and third parties	2.6	2.5
Fees, dues and licences	4.6	4.9
Insurance	2.4	2.5
Other administrative costs	5.3	10.5
	32.7	40.2

Other administrative costs include borrowing costs of CHF 0.9 million (previous year: CHF 6.2 million), which were incurred in connection with the additional tasks assigned to Swissgrid by the federal government in the power reserve segment and represent chargeable costs in accordance with Article 22 WResO.

Board of Directors' fees and expenses represent fixed gross remuneration, including the deduction of any employee contributions to the employee pension plan. The remuneration paid to the Chairman of the Board of Directors amounted to CHF 250,000, including lump-sum expenses (previous year: CHF 250,000). The remaining members of the Board of Directors received remuneration of between CHF 57,500 and CHF 77,500 pro rata temporis for 2025, including lump-sum expenses (previous year: between CHF 57,500 and CHF 77,500).

Further information on the members of the Board of Directors can be found in the Corporate Governance Report.

11. Financial income

In millions of CHF	2025	2024
Interest income on time deposits	1.4	2.0
Other financial income	1.9	1.6
	3.3	3.6

Other financial income includes a dividend of CHF 0.9 million (previous year: CHF 0.7 million) received from Holding des Gestionnaires de Réseau de Transport d'Électricité SAS (HGRT).

12. Financial expenses

In millions of CHF	2025	2024
Bond interest	10.5	15.9
Loans and convertible loans interest	0.9	0.6
Commitment fees	0.7	0.7
Other financial expenses	0.7	2.0
	12.8	19.2

A loan amounting to CHF 350 million with an interest rate of 1.625% was repaid at the beginning of the 2025 financial year. Accordingly, interest expenses on loans decreased.

13. Income taxes

In millions of CHF	2025	2024
Current income taxes	18.7	21.7
Change in deferred taxes	-2.3	-2.0
	16.4	19.7

An average rate of 15.7% (previous year: 15.9%) was used to calculate the current income taxes and, in 2025, deferred taxes were calculated based on an expected rate of 15.6% (previous year: 15.7%).

The effective average tax rate based on earnings before tax amounted to 15.2% (previous year: 16.0%).

14. Non-current assets

Summary of property, plant and equipment 2025

In millions of CHF	Advances and construction in progress	Substations	Lines	Properties and buildings	Other property plant and equipment	Total
Acquisition cost at 1.1.2025	405.7	2,297.4	2,993.6	269.1	89.6	6,055.4
Additions	119.0	10.7	8.9	2.3	13.9	154.8
Disposals	-1.2	-11.6	-21.7	-1.0	-	-35.5
Reclassification	-49.9	24.4	6.1	16.0	4.2	0.8
Acquisition cost at 31.12.2025	473.6	2,320.9	2,986.9	286.4	107.7	6,175.5
Accumulated depreciation and amortisation at 1.1.2025	5.2	1,634.2	1,851.9	97.1	69.6	3,658.0
Depreciation and amortisation	-	64.7	46.6	8.2	14.9	134.4
Impairment losses	1.2	-	-	-	-	1.2
Disposals	-1.2	-11.4	-16.5	-0.6	-	-29.7
Reclassification	-	-	-	-	-	-
Accumulated depreciation and amortisation at 31.12.2025	5.2	1,687.5	1,882.0	104.7	84.5	3,763.9
Net book value at 1.1.2025	400.5	663.2	1,141.7	172.0	20.0	2,397.4
Net book value at 31.12.2025	468.4	633.4	1,104.9	181.7	23.2	2,411.6

Summary of property, plant and equipment 2024

In millions of CHF	Advances and construction in progress	Substations	Lines	Properties and buildings	Other property plant and equipment	Total
Acquisition cost at 1.1.2024	281.5	2,273.8	2,929.3	255.8	58.3	5,798.7
Additions	237.4	9.5	22.4	1.9	9.9	281.1
Disposals	-	-2.7	-0.6	-	-	-3.3
Reclassification	-113.2	16.8	42.5	11.4	21.4	-21.1
Acquisition cost at 31.12.2024	405.7	2,297.4	2,993.6	269.1	89.6	6,055.4
Accumulated depreciation and amortisation at 1.1.2024	5.2	1,570.7	1,802.9	91.5	54.0	3,524.3
Depreciation and amortisation	-	65.8	49.3	5.6	15.6	136.3
Impairment losses	-	-	-	-	-	-
Disposals	-	-2.3	-0.3	-	-	-2.6
Reclassification	-	-	-	-	-	-
Accumulated depreciation and amortisation at 31.12.2024	5.2	1,634.2	1,851.9	97.1	69.6	3,658.0
Net book value at 1.1.2024	276.3	703.1	1,126.4	164.3	4.3	2,274.4
Net book value at 31.12.2024	400.5	663.2	1,141.7	172.0	20.0	2,397.4

Gross investments in property, plant and equipment amounted to CHF 312.5 million (previous year: CHF 287.3 million). In the reporting year, property, plant and equipment totalling CHF 156.8 million were financed through income from auctions (previous year: no financing from auction income). In addition, government grants related to assets amounting to CHF 0.9 million were received in 2025 (previous year: CHF 6.2 million). In the reporting year, project costs totalling CHF 0.8 million were reclassified from intangible assets under development to construction in progress (previous year: CHF 21.1 million reclassified from intangible assets to property, plant and equipment).

In addition, property, plant and equipment totalling CHF 23.0 million were purchased from related parties in 2025 (previous year: CHF 22.3 million).

Summary of intangible assets 2025

In millions of CHF	Intangible assets under development			Usage rights			Software			Total intangible assets		
	Purchased	Self-con- structed	Total	Purchased	Self-con- structed	Total	Purchased	Self-con- structed	Total	Purchased	Self-con- structed	Total
Acquisition cost at 1.1.2025	19.7	7.5	27.2	191.4	–	191.4	168.6	69.3	237.9	379.7	76.8	456.5
Additions	18.2	5.9	24.1	–	–	–	16.6	3.4	20.0	34.8	9.3	44.1
Disposals	–	–	–	–	–	–	–	–	–	–	–	–
Reclassification	–5.5	–1.6	–7.1	–0.5	–	–0.5	4.6	2.2	6.8	–1.4	0.6	–0.8
Acquisition cost at 31.12.2025	32.4	11.8	44.2	190.9	–	190.9	189.8	74.9	264.7	413.1	86.7	499.8
Accumulated depreciation and amortisation at 1.1.2025	–	–	–	106.9	–	106.9	145.6	63.8	209.4	252.5	63.8	316.3
Depreciation and amortisation	–	–	–	5.5	–	5.5	17.1	4.0	21.1	22.6	4.0	26.6
Impairment losses	–	–	–	–	–	–	–	–	–	–	–	–
Disposals	–	–	–	–	–	–	–	–	–	–	–	–
Reclassification	–	–	–	–	–	–	–	–	–	–	–	–
Accumulated depreciation and amortisation at 31.12.2025	–	–	–	112.4	–	112.4	162.7	67.8	230.5	275.1	67.8	342.9
Net book value at 1.1.2025	19.7	7.5	27.2	84.5	–	84.5	23.0	5.5	28.5	127.2	13.0	140.2
Net book value at 31.12.2025	32.4	11.8	44.2	78.5	–	78.5	27.1	7.1	34.2	138.0	18.9	156.9

Summary of intangible assets 2024

In millions of CHF	Intangible assets under development			Usage rights			Software			Total intangible assets		
	Purchased	Self-con-structed	Total	Purchased	Self-con-structed	Total	Purchased	Self-con-structed	Total	Purchased	Self-con-structed	Total
Acquisition cost at 1.1.2024	2.7	1.0	3.7	191.4	–	191.4	140.9	63.0	203.9	335.0	64.0	399.0
Additions	16.7	4.8	21.5	–	–	–	11.8	3.1	14.9	28.5	7.9	36.4
Disposals	–	–	–	–	–	–	–	–	–	–	–	–
Reclassification	0.3	1.7	2.0	–	–	–	15.9	3.2	19.1	16.2	4.9	21.1
Acquisition cost at 31.12.2024	19.7	7.5	27.2	191.4	–	191.4	168.6	69.3	237.9	379.7	76.8	456.5
Accumulated depreciation and amortisation at 1.1.2024	–	–	–	101.2	–	101.2	131.8	59.4	191.2	233.0	59.4	292.4
Depreciation and amortisation	–	–	–	5.7	–	5.7	13.8	4.4	18.2	19.5	4.4	23.9
Impairment losses	–	–	–	–	–	–	–	–	–	–	–	–
Disposals	–	–	–	–	–	–	–	–	–	–	–	–
Reclassification	–	–	–	–	–	–	–	–	–	–	–	–
Accumulated depreciation and amortisation at 31.12.2024	–	–	–	106.9	–	106.9	145.6	63.8	209.4	252.5	63.8	316.3
Net book value at 1.1.2024	2.7	1.0	3.7	90.2	–	90.2	9.1	3.6	12.7	102.0	4.6	106.6
Net book value at 31.12.2024	19.7	7.5	27.2	84.5	–	84.5	23.0	5.5	28.5	127.2	13.0	140.2

Intangible assets totalling CHF 0.3 million were purchased from related parties in the financial year (previous year: CHF 0.2 million).

15. Financial assets

In millions of CHF	31.12.2025	31.12.2024
Shareholdings	5.0	5.0
	5.0	5.0

Swissgrid has the following shareholdings, which are recognised in the balance sheet as financial assets:

	Domicile	Currency	Share capital in m.	Share in %
Joint Allocation Office (JAO)	Luxembourg (Lux)	EUR	0.130	3.85
TSCNET Services GmbH	Munich (D)	EUR	0.040	6.25
Holding des Gestionnaires de Réseau de Transport d'Electricité SAS (HGRT)	Paris (F)	EUR	52.119	5.0
Pronovo AG	Frick (CH)	CHF	0.100	100.0
Equigy B.V.	Arnhem (NL)	EUR	0.050	20.0

Due to changes in ownership, Swissgrid's share in the Joint Allocation Office (JAO) decreased from 4% to 3.85%. The shares in ecmt AG were sold in the 2025 financial year. All other disclosures are unchanged from the previous year.

Swissgrid is not legally obliged to prepare consolidated financial statements. Either the control principle necessary to prepare a consolidated financial statement (Article 963 of the Swiss Code of Obligations (CO)) is not met, or the subsidiaries do not have a material influence on Swissgrid's financial statements. In particular, Pronovo AG is regulated by the Swiss Federal Office of Energy (SFOE) and is explicitly excluded from any consolidation with Swissgrid based on Article 64 (5) of the Energy Act (EnA).

16. Volume- and tariff-related timing differences

In millions of CHF	Grid utilisation	General ancillary services/ balancing energy	Active power losses (individual ancillary services)	Reactive energy (individual ancillary services)	Power reserve	Solidarised costs	Total volume- and tariff-related timing differences	Thereof surpluses	Thereof deficits
Balance at 31.12.2023	118.8	539.0	227.3	15.8	466.4	–	1,367.3	–	1,367.3
Change in 2024	–2.0	–438.7	–132.0	–2.1	–8.0	–	–582.8		
Change from the intermediary business in 2024	–	–	–	–	–441.2	–	–441.2		
Balance at 31.12.2024	116.8	100.3	95.3	13.7	17.2	–	343.3	–	343.3
Change in 2025	–79.1	–249.9	–134.0	–5.9	0.9	1.2	–466.8		
Change from the intermediary business in 2025	–	–	–	–	68.5	103.2	171.7		
Balance at 31.12.2025	37.7	–149.6	–38.7	7.8	86.6	104.4	48.2	–188.3	236.5
Current portion	8.8	–	–	4.6	28.8	–	42.2	–	42.2

Negative figures represent surpluses, and positive figures deficits.

Volume- and tariff-related timing differences arise from the differences between the costs and income for a year and can be broken down as follows:

2025

In millions of CHF	Total	Grid utilisation	General ancillary services/ balancing energy	Active power losses (individual ancillary services)	Reactive energy (individual ancillary services)	Power reserve	Solidarised costs	Further activities ²	Eliminations ³
Net turnover	1,483.5	598.3	627.1	249.4	22.9	2.2	–	–	–16.4
Other operating income	27.2	2.4	0.3	–	–	0.1	–	24.4	–
Procurement costs	–462.6	–7.1	–346.3	–109.8	–15.8	–	–	–	16.4
Operating expenses ¹	–295.7	–236.5	–31.3	–4.1	–0.7	–2.4	–	–20.7	–
Depreciation/amortisation and impairment losses	–168.0	–158.6	–4.9	–0.7	–0.1	–0.4	–	–3.3	–
Imputed interest and income taxes (EBIT)	–117.6	–119.4	5.0	–0.8	–0.4	–0.4	–1.2	–0.4	–
Change in volume- and tariff-related timing differences (excl. intermediary business)	466.8	79.1	249.9	134.0	5.9	–0.9	–1.2	–	–
Net turnover from intermediary transactions	136.6					136.6	–		
Procurement costs from the intermediary business	–308.3					–205.1	–103.2		
Change in volume- and tariff-related timing differences from the intermediary business	–171.7					–68.5	–103.2		

¹ For segment reporting, the costs of capitalised self-constructed assets are deducted from operating expenses and are therefore not included in total operating income.

² Congestion management is included in the other activities.

³ Active power losses are a separate internal balance group. As a result, internal transactions occur between the general ancillary services/imbalance energy and active power loss segments.

2024

In millions of CHF	Total	Grid utilisation	General ancillary services/ balance energy	Active power losses (individual ancillary services)	Reactive energy (individual ancillary services)	Power reserve	Further activities ²	Eliminations ³
Net turnover	1,825.1	550.7	930.7	323.5	17.3	17.5	–	–14.6
Other operating income	18.7	1.9	0.3	–	–	0.1	16.4	–
Procurement costs	–684.5	–44.0	–460.5	–180.9	–13.7	–	–	14.6
Operating expenses ¹	–276.5	–227.6	–23.7	–3.1	–0.7	–7.6	–13.8	–
Depreciation/amortisation and impairment losses	–160.9	–152.7	–4.9	–0.5	–0.2	–0.4	–2.2	–
Imputed interest and income taxes (EBIT)	–139.1	–126.3	–3.2	–7.0	–0.6	–1.6	–0.4	–
Change in volume- and tariff-related timing differences (excl. intermediary business)	582.8	2.0	438.7	132.0	2.1	8.0	–	–
Net turnover from intermediary transactions	627.7					627.7		
Procurement costs from intermediary transactions	–186.5					–186.5		
Change in volume- and tariff-related timing differences from the intermediary business	441.2					441.2		

¹ For segment reporting, the costs of capitalised self-constructed assets are deducted from operating expenses and are therefore not included in total operating income.

² Congestion management is included in the other activities.

³ Active power losses are a separate internal balance group. As a result, internal transactions occur between the general ancillary services/imbalance energy and active power loss segments.

17. Balance sheet items held on a fiduciary basis

On the basis of a statutory mandate, Swissgrid coordinates the auctioning of bottleneck capacities for cross-border supplies and maintains the related accounting records and bank accounts on a fiduciary basis.

Assets held on a fiduciary basis

In millions of CHF	31.12.2025	31.12.2024
Trade accounts receivable	16.8	29.9
Other receivables	0.2	0.7
Prepaid expenses and accrued income	0.2	18.0
Cash and cash equivalents	20.0	49.5
	37.2	98.1

Liabilities held on a fiduciary basis

In millions of CHF	31.12.2025	31.12.2024
Trade accounts payable	28.9	59.1
Other liabilities	0.9	–
Accrued expenses and deferred income	7.4	39.0
	37.2	98.1

The net proceeds from congestion management can be broken down as follows:

Net proceeds from congestion management

In millions of CHF	2025	2024
Share of revenue Switzerland	421.2	376.7
Congestion management clearing (incl. financial result)	–24.2	–16.0
Net proceeds from congestion management	397.0	360.7
of which income from auctions recognised in the reporting year	392.1	324.8
of which income from auctions not yet recognised in the reporting year	4.9	35.9

Income from auctions transferred to Swissgrid

In millions of CHF	2025	2024
Income from auctions transferred to Swissgrid	428.0	324.8
of which income from auctions recognised in the reporting year	392.1	324.8
of which income from auctions from the previous year recognised in the reporting year	35.9	–

18. Trade receivables

In millions of CHF	31.12.2025	31.12.2024
Trade accounts receivable	222.0	414.1
Specific valuation allowances	–	–
	222.0	414.1

19. Other receivables

In millions of CHF	31.12.2025	31.12.2024
Security deposits on blocked bank accounts	0.5	0.5
Current financial assets	325.0	–
Enforcement costs for handling congestion management	24.2	16.2
Other	3.1	2.5
	352.8	19.2

20. Prepaid expenses and accrued income

In millions of CHF	31.12.2025	31.12.2024
Accrued revenue for supplies made	62.2	97.1
Other	12.7	15.6
	74.9	112.7

In particular, other prepaid expenses and accrued income include the discount on bond issues and financing and issue costs, which are amortised over the term of the financing instrument.

21. Financial liabilities

In millions of CHF	31.12.2025	31.12.2024
Bonds	1,565.0	1,915.0
Convertible loans	5.8	11.0
Loans	50.1	100.1
Total financial liabilities	1,620.9	2,026.1
Current portion	402.0	405.2

The interest conditions and maturities of the financial liabilities are as follows:

In millions of CHF	Interest rate (bandwidth)	Year 1	Year 2–5	More than 5 years	Total
Balance at 31.12.2025					
Bonds	0,00 – 1,90%	350.0	475.0	740.0	1,565.0
Convertible loans	3,36 – 3,41%	2.0	3.8	–	5.8
Loans	0,00 – 2,40%	50.0	–	0.1	50.1
Balance at 31.12.2024					
Bonds	0,00 – 1,90%	350.0	675.0	890.0	1,915.0
Convertible loans	3,36 – 3,41%	5.2	5.8	–	11.0
Loans	0,00 – 2,40%	50.0	50.0	0.1	100.1

Convertible loans and loans

Convertible loans have a term of nine years and one-fifth of the loans become payable annually from year five. Moreover, these loans are also assigned a conversion right by Swissgrid in the event of occurrence of contractually defined events and an associated conversion obligation by the creditors. Creditors are compensated by a premium on the interest rate for the conversion right assigned to Swissgrid. Convertible loans are recognised in full in liabilities.

Convertible loans and loans are assessed at their nominal value.

Lines of credit

The committed lines of credit totalled CHF 600 million, and remained unclaimed as at 31 December 2025.

22. Provisions

In millions of CHF	Dismantling	Procedural costs	Deferred taxes	Total provisions
Balance at 31.12.2023	1.5	0.4	31.7	33.6
Provisions raised	–	–	–	–
Provisions used	–	–	–	–
Reversals	–	–	–2.0	–2.0
Balance at 31.12.2024	1.5	0.4	29.7	31.6
Provisions raised	–	–	–	–
Provisions used	–	–	–	–
Reversals	–	–0.4	–2.3	–2.7
Balance at 31.12.2025	1.5	–	27.4	28.9
Current portion	–	–	–	–

23. Other liabilities

In millions of CHF	31.12.2025	31.12.2024
Value-added tax	7.1	27.0
Security deposits on blocked bank accounts	–	0.1
Other	2.5	0.2
	9.6	27.3

In particular, the «Other» item contains outstanding obligations towards PKE Energy Pension Fund of CHF 2 million as at the balance sheet date (previous year: no outstanding obligations as at the balance sheet date).

24. Accrued expenses and deferred income

In millions of CHF	31.12.2025	31.12.2024
Accrued expenses for supplies made	131.2	52.1
Personnel expenses and employee insurance scheme	13.1	18.9
Accrued interest and premium from issued bonds	7.0	13.7
Taxes	10.5	13.6
	161.8	98.3

The increase in accrued revenue for supplies made is attributable to the costs for grid enhancements in the low-voltage grid and connection lines to be borne by Swissgrid for the first time, as well as temporary state aid for Swiss iron, steel and aluminium producers. These costs will be paid in 2026 in accordance with the legal requirements.

25. Other off-balance-sheet commitments

Long-term rental contracts

Long-term rental contracts with fixed terms exist with several parties. These result in the following obligations:

In millions of CHF	Year 1	Year 2–10	More than 10 years	Total
31.12.2025	7.1	41.3	51.7	100.1
31.12.2024	6.9	40.0	55.7	102.6

The long-term rental obligations primarily include the rental commitments for Swissgrid's head office in Aarau.

Off-balance-sheet lease commitments

Swissgrid has the following off-balance-sheet lease commitments for vehicles and office equipment:

In millions of CHF	Year 1	Year 2–5	Total
31.12.2025	1.0	1.8	2.8
31.12.2024	1.0	2.8	3.8

26. Derivative financial instruments

Swissgrid made use of derivative financial instruments to partially hedge against market price risk from future procurement costs for active power losses. The hedges were entered into in EUR:

In millions of EUR	31.12.2025	31.12.2024
Nominal amount	94.7	116.1
Positive replacement values	3.8	3.3
Negative replacement values	–0.9	–15.9
Net replacement values ¹	2.9	–12.6

¹ The net replacement value amounts to the equivalent of CHF 2.7 million (previous year: CHF –11.9 million).

27. Employee pension plan

In millions of CHF	Shortfall/surplus funding	Economic share of the organisation		Change compared with previous year/ affecting income in FY	Accrued amounts	Pension benefit expenses within personnel expenses	
		31.12.2025	31.12.2024			2025	2024
Pension plans with overfunding	15.6	–	–	–	14.5	14.5	13.6

Swissgrid is affiliated to the PKE Energy Pension Fund (PKE) collective pension fund. Therefore, an economic benefit or economic obligation cannot be determined on the basis of the individual affiliation contract. The coverage ratio of the collective plan was 120.9% as at 31 December 2025 (previous year: 120.7%). The actuarial calculations are based on a technical interest rate of 2.0% (previous year: 2.0%) and on the technical basis of the Occupational Pensions Act (OPA) 2020 (previous year: OPA 2020).

28. Transactions with related parties

Income statement

Transactions with related parties in millions of CHF	2025	2024
Total operating income		
Net turnover	599.1	679.3
thereof grid utilisation	332.3	317.8
thereof general ancillary services/balance energy	172.4	219.8
thereof active power losses	73.6	125.7
thereof reactive energy	20.8	16.0
Other operating income	0.1	0.1
Procurement costs and operating expenses		
Procurement costs	256.5	383.6
thereof grid utilisation	7.3	34.6
thereof general ancillary services/balance energy	211.4	298.9
thereof active power losses	30.0	44.2
thereof reactive energy	7.8	5.9
Cost of materials and third-party supplies	15.2	13.6
Other operating expenses	4.2	5.9

Intermediary transactions

In millions of CHF	2025	2024
Net turnover	21.6	119.9
thereof power reserve	21.6	119.9
Procurement costs	41.1	25.8
thereof power reserve	4.1	25.8
thereof solidarised costs	37.0	–

Balance sheet

Unsettled balances at balance sheet date with related parties in millions of CHF	31.12.2025	31.12.2024
Assets		
Trade accounts receivable	97.7	150.5
Prepaid expenses and accrued income	15.0	25.2
Equity and liabilities		
Convertible loans and loans	0.4	0.5
Trade accounts payable	39.8	68.6
Accrued expenses and deferred income	27.5	8.3

The conditions relating to related parties are described in Note 1.

As in the previous year, there were no transactions with members of the Board of Directors or the Executive Board in the reporting year, with the exception of ordinary remuneration.

29. Government grants

In millions of CHF	2025	2024
Government grants related to assets	0.9	6.2

Swissgrid receives government grants related to assets for the modernisation and maintenance of the grid, which are offset against the asset.

30. Legal proceedings

Swissgrid's legal mandate and business activities expose the company to costs that can be passed on to lower grid levels and end consumers in the form of tariff revenues, if EICom deems these costs to be chargeable.

At present, EICom has not initiated any proceedings to examine Swissgrid's chargeable costs. Swissgrid's Board of Directors and Executive Board believe that all costs were incurred within the framework of the company's legal mandate and should therefore qualify as chargeable. Based on this assessment, Swissgrid has treated all operating and capital costs as chargeable and consequently recognised them in full as volume- and tariff-related timing differences.

Third-party proceedings

The financial impact of third-party proceedings in which Swissgrid is involved is included in Swissgrid's financial statements if the Swiss GAAP FER criteria for recognition are met. However, such proceedings have no direct impact on Swissgrid's results, as they are included in the volume- and tariff-related timing differences.

31. Segment reporting

Segment report 2025

In millions of CHF	Total	Grid utilisation	General ancillary services/ balancing energy	Active power losses (individual ancillary services)	Reactive energy (individual ancillary services)	Power reserve	Solidarised costs	Further activities ²	Eliminations ³
Net turnover	1,483.5	598.3	627.1	249.4	22.9	2.2	–	–	–16.4
Other operating income	27.2	2.4	0.3	–	–	0.1	–	24.4	–
Change in volume- and tariff-related timing differences	–466.8	–79.1	–249.9	–134.0	–5.9	0.9	1.2	–	–
Total operating income	1,043.9	521.6	377.5	115.4	17.0	3.2	1.2	24.4	–16.4
Procurement costs	–462.6	–7.1	–346.3	–109.8	–15.8	–	–	–	16.4
Gross profit	581.3	514.5	31.2	5.6	1.2	3.2	1.2	24.4	–
Operating expenses ¹	–295.7	–236.5	–31.3	–4.1	–0.7	–2.4	–	–20.7	–
Depreciation/amortisation and impairment losses	–168.0	–158.6	–4.9	–0.7	–0.1	–0.4	–	–3.3	–
Earnings before interest and income tax (EBIT)	117.6	119.4	–5.0	0.8	0.4	0.4	1.2	0.4	–

¹ For segment reporting, the costs of capitalised self-constructed assets are deducted from operating expenses and are therefore not included in total operating income.

² Congestion management is included in the other activities.

³ Active power losses are a separate internal balance group. As a result, internal transactions occur between the general ancillary services/imbalance energy and active power loss segments.

Segment report 2024

In millions of CHF	Total	Grid utilisation	General ancillary services/ balance energy	Active power losses (individual ancillary services)	Reactive energy (individual ancillary services)	Power reserve	Further activities ²	Eliminations ³
Net turnover	1,825.1	550.7	930.7	323.5	17.3	17.5	–	–14.6
Other operating income	18.7	1.9	0.3	–	–	0.1	16.4	–
Change in volume- and tariff-related timing differences	–582.8	–2.0	–438.7	–132.0	–2.1	–8.0	–	–
Total operating income	1,261.0	550.6	492.3	191.5	15.2	9.6	16.4	–14.6
Procurement costs	–684.5	–44.0	–460.5	–180.9	–13.7	–	–	14.6
Gross profit	576.5	506.6	31.8	10.6	1.5	9.6	16.4	–
Operating expenses ¹	–276.5	–227.6	–23.7	–3.1	–0.7	–7.6	–13.8	–
Depreciation/amortisation and impairment losses	–160.9	–152.7	–4.9	–0.5	–0.2	–0.4	–2.2	–
Earnings before interest and income tax (EBIT)	139.1	126.3	3.2	7.0	0.6	1.6	0.4	–

¹ For segment reporting, the costs of capitalised self-constructed assets are deducted from operating expenses and are therefore not included in total operating income.

² Congestion management is included in the other activities.

³ Active power losses are a separate internal balance group. As a result, internal transactions occur between the general ancillary services/imbalance energy and active power loss segments.

32. Events after the balance sheet date

There are no events after the balance sheet date that would require disclosure or recognition in the 2025 financial statements.

On 16 April 2026, the Board of Directors of Swissgrid Ltd approved the 2025 financial statements for submission to the General Assembly and for publication.

Financial statements Swiss GAAP FER

Report of the independent auditor



Report of the independent auditor to the General Meeting of Swissgrid Ltd, Aarau

Report on the audit of the financial statements Swiss GAAP FER

Opinion

We have audited the financial statements of Swissgrid Ltd (the Company), which comprise the income statement for the year ended 31 December 2025, the balance sheet as at 31 December 2025, the cash flow statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 32 to 54) give a true and fair view of the financial position of the Company as at 31 December 2025 and of its financial performance and its cash flows for the year then ended in accordance with Swiss GAAP FER.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Independent Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, 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.

PricewaterhouseCoopers Ltd, Birchstrasse 160, 8050 Zürich
+41 58 792 44 00



Our audit approach



Overview

Overall materiality: CHF 36'200'000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matters the following areas of focus have been identified:

- Appropriateness of the calculation of the result from regulated business (EBIT and volume- and tariff-related timing differences)
- Completeness and existence of net turnover and procurement costs

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 36'200'000
Benchmark applied	Total "assets"
Rationale for the materiality benchmark applied	We chose total "assets" as the benchmark for determining materiality, as we believe that this is the figure that best reflects the company's purpose of ensuring the efficient operation of the transmission grid.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal



controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

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

Appropriateness of the calculation of the result from the regulated business (EBIT and volume- and tariff-related timing differences)

Key audit matter	How our audit addressed the key audit matter
<p>In the 2025 financial year, Swissgrid reports earnings before interest and taxes (EBIT) of CHF 117.6 million (previous year: CHF 139.1 million), the components of which are governed in the company's regulated business area by the provisions of the Federal Electricity Supply Act (ESA) and the Ordinance on the Establishment of a Electricity Reserve for the Winter (WResO), as well as requirements of the Federal Department of the Environment, Transport, Energy and Communications (DETEC). The change in volume- and tariff-related timing differences totalled CHF -466.8 million (previous year: CHF -582.8 million). Further information on the EBIT and volume- and tariff-related timing differences can be found in the notes to the Swiss GAAP FER financial statements in "2. Regulatory principles", "3. Estimation uncertainty", "16. Volume- and tariff-related timing differences", "30. Legal proceedings" and "31. Segment reporting".</p> <p>The corresponding calculation is described in the regulatory principles.</p> <p>Volume- and tariff-related timing differences arise due to volume and price variances between actual expenses and income as well as on the tariff-based sales and procurement side. The tariffs are determined on the basis of planned costs. These volume- and tariff-related timing differences are recognised in the balance sheet as 'surpluses or deficits' and reversed in future tariff periods in the income statement as "changes in volume- and tariff-related timing differences".</p>	<p>With regard to the calculation of EBIT and volume- and tariff-related timing differences, we obtained an in-depth understanding of the company's accounting policies, assumptions and estimates, processes and methods and, in particular, performed the following audit procedures:</p> <ul style="list-style-type: none"> • Checking whether the parameters used in the calculation of the earnings from the regulated business, such as WACC, correspond to the rate specified by DETEC. • Mathematical recalculation and plausibility check of the calculation of the volume- and tariff-related timing differences. • Assessing and testing the key controls provided for the calculation. • Verifying compliance with the relevant legal, regulatory and judicial requirements.



The risk that the calculation of EBIT and the volume- and tariff-related timing differences are not determined as intended is a key audit matter, as this has a significant impact on the calculation of tariffs and the company's result.

Completeness and existence of net turnover and procurement costs

Key audit matter

In the 2025 financial year, Swissgrid reported net turnover of CHF 1,483.5 million (previous year: CHF 1,825.1 million) and procurement costs of CHF 462.6 million (previous year: CHF 684.5 million). Further information on net turnover and procurement costs can be found in the notes to the Swiss GAAP FER financial statements in "1. Accounting principles", "4. Net turnover", "6. Procurement costs" and "31. Segment reporting".

Revenue is recognised in the income statement upon performance of Swissgrid's obligations. The measurement of performance of the core business is mainly based on energy volumes measured directly on the transmission grid or reported by downstream grid levels. For certain revenue and procurement items, initial billing values are available six weeks after delivery at the earliest, thereby rendering accruals based on historical and statistical data, as well as on estimates necessary for the revenue recognition of these items.

Net turnover and procurement costs are key figures in financial reporting and are therefore the focus of internal and external stakeholders.

We consider the completeness and existence of net turnover and procurement costs to be a key audit matter due to their volume and the estimates and assumptions required to determine them.

How our audit addressed the key audit matter

We obtained an in-depth understanding of the company's accounting policies, assumptions and estimates, processes and methods with regard to revenue recognition and the recognition of procurement costs and, in particular, performed the following audit procedures:

- IT-supported verification of the data consistency of the basic data used for revenue accrual and thus verification of the completeness of the invoiced net turnover and the procurement costs.
- Checking the correct transfer of data between the various systems.
- Testing the effectiveness of the key controls in the process of revenue accruals and procurement costs as at the balance sheet date.
- Performing random checks of the existence of the transaction.
- Plausibility check of changes in procurement items.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements Swiss GAAP FER, the statutory financial statements and our auditor's report thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or 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.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements, that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent 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 Swiss law and SA-CH 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.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of 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 Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Ltd

Thomas Wallmer
 Licensed audit expert
 Auditor in charge

Pascal Wintermantel
 Licensed audit expert

Zürich, 16 April 2026

Statutory financial statements

Income statement

In millions of CHF	Notes	2025	2024
Net turnover	4	1,483.5	1,825.1
Other operating income	5	27.2	18.7
Change in volume- and tariff-related timing differences		-464.5	-580.8
Capitalised self-constructed assets		31.4	29.2
Total operating income		1,077.6	1,292.2
Procurement costs	6	462.6	684.5
Gross profit		615.0	607.7
Cost of materials and third-party supplies	8	138.8	120.1
Personnel expenses	9	155.6	145.4
Other operating expenses	10	32.7	40.2
Earnings before interest, income taxes, depreciation and amortisation		287.9	302.0
Depreciation on property, plant and equipment		131.5	127.5
Amortisation on intangible assets		43.4	40.7
Earnings before interest and income tax (EBIT)		113.0	133.8
Financial income		3.3	3.6
Financial expenses		12.8	19.2
Earnings before income taxes		103.5	118.2
Income taxes		18.7	21.7
Profit for the year		84.8	96.5

Statutory financial statements

Balance sheet

Assets

In millions of CHF	Notes	31.12.2025	31.12.2024
Cash and cash equivalents		177.4	354.8
Trade accounts receivable	11	222.0	414.1
Other receivables	12	352.8	19.2
Inventory		2.9	2.5
Prepaid expenses and accrued income	13	74.9	112.7
Short-term deficits arising from volume- and tariff-related timing differences		42.2	209.3
Assets held on a fiduciary basis	14	37.2	98.1
Current assets		909.4	1,210.7
Shareholdings	15	5.0	5.0
Property, plant and equipment	16	2,288.6	2,264.5
Intangible assets	17	256.7	256.8
Long-term deficits arising from volume- and tariff-related timing differences		166.9	104.3
Non-current assets		2,717.2	2,630.6
Assets		3,626.6	3,841.3

Equity and liabilities

In millions of CHF	Notes	31.12.2025	31.12.2024
Trade accounts payable	18	164.1	179.3
Current financial liabilities	21	402.0	405.2
Other liabilities	19	9.6	27.3
Accrued expenses and deferred income	20	161.8	98.3
Current provisions	22	–	0.1
Liabilities held on a fiduciary basis	14	37.2	98.1
Current liabilities		774.7	808.3
Non-current financial liabilities	21	1,218.9	1,620.9
Non-current provisions	22	1.5	1.8
Non-current surpluses arising from volume- and tariff-related timing differences		188.3	–
Non-current liabilities		1,408.7	1,622.7
Liabilities		2,183.4	2,431.0
Share capital	23	334.5	334.5
Reserves from capital contributions		430.1	430.1
Reserves from capital contributions		430.1	430.1
Legal retained earnings		1.6	1.6
General legal reserves		1.6	1.6
Retained earnings		677.0	644.1
Results carried forward		592.2	547.5
Profit for the year		84.8	96.5
Total equity		1,443.2	1,410.3
Equity and liabilities		3,626.6	3,841.3

Statutory financial statements

Cash flow statement

In millions of CHF, excluding balance sheet items held on fiduciary basis	2025	2024
Profit for the year	84.8	96.5
Financial expenses	12.8	19.2
Financial income	-3.3	-3.6
Income taxes	18.7	21.7
Depreciation and amortisation	174.9	168.2
Change in inventories	-0.4	-1.6
Change in provisions	-0.4	-
Change in trade accounts receivable	192.1	-191.8
Change in other receivables	-8.6	-0.2
Change in prepaid expenses and accrued income	37.8	-0.8
Change in volume- and tariff-related timing differences	292.8	1,022.0
Change in trade accounts payable	-15.2	6.5
Change in other current liabilities	-17.7	13.8
Change in accrued expenses and deferred income	70.9	-3.5
Interest received	1.4	2.0
Income taxes paid	-21.7	-22.7
Cash flow from operating activities	818.9	1,125.7
Gross investments in property, plant and equipment	-312.5	-287.3
Congestion proceeds received for grid investments	156.8	-
Government grants	0.9	6.2
Net investments in property, plant and equipment	-154.8	-281.1
Investments in intangible assets	-44.1	-36.4
Investments in financial assets	-325.0	-
Dividends received	0.9	0.7
Cash flow from operating activities	-523.0	-316.8
Change in current financial liabilities	-55.2	-510.0
Repayment of bonds	-350.0	-
Interest paid	-16.5	-25.6
Dividends paid	-51.9	-30.0
Cash flow from financing activities	-473.6	-565.6
Foreign currency translation effect on cash and cash equivalents	0.3	0.4
Change in cash and cash equivalents	-177.4	243.7
Composition		
Cash and cash equivalents at beginning of period	354.8	111.1
Cash and cash equivalents at end of period	177.4	354.8
Change in cash and cash equivalents	-177.4	243.7

Statutory financial statements

Notes

1. Accounting principles

General

The financial statements for Swissgrid Ltd, Aarau, have been prepared in accordance with the Swiss Law on Accounting and Financial Reporting (Title 32 of the Swiss Code of Obligations). The valuation principles applied are described below.

Conversion of foreign currency items

The accounting records are maintained in the local currency (Swiss francs, CHF). All monetary assets and liabilities recognised in foreign currencies are converted at the exchange rate as of the balance sheet date. Transactions in foreign currencies are converted at the exchange rate on the day the transaction took place. Foreign exchange gains and losses resulting from transactions in foreign currencies are recognised in the income statement and are presented in the same item as the underlying transaction.

Cash flow statement

«Cash and cash equivalents» form the basis for the presentation of the cash flow statement. The cash flow from operating activities is calculated using the indirect method.

Revenue recognition

The revenue and procurement items in the core business (grid usage, general ancillary services/imbalance energy, active power loss and reactive energy segments) result from the activities defined in the Electricity Supply Act (ESA) and include services for the non-discriminatory, reliable and efficient operation of the transmission grid, in particular ancillary services and balance group and congestion management.

Revenue is recognised in the income statement upon performance of Swissgrid's obligations. The measurement of performance is mainly based on energy volumes measured directly on the transmission grid or reported by downstream grid levels. For certain revenue and procurement items, initial billing values are available six weeks after delivery at the earliest, thereby rendering accruals based on historical and statistical data, as well as on estimates necessary for the revenue recognition of these items.

Property, plant and equipment

Property, plant and equipment are recognised at the cost of acquisition or production less accumulated amortisation and any impairment losses. Significant spare parts which are likely to be used for a longer period and whose use only takes place in connection with a non-current asset item are recognised in non-current assets and depreciated over the remaining useful life of the relevant asset.

Depreciation/amortisation is calculated using the straight-line method on the basis of the estimated useful technical and economic service life. The service life is within the following ranges:

- Lines: 15 to 60 years
- Substations: 10 to 35 years
- Buildings and expansions: 5 to 50 years
- Other property, plant and equipment: 3 to 8 years
- Construction in progress and properties: only applicable in the case of an impairment loss

Intangible assets

Intangible assets are recognised at the cost of acquisition or production less accumulated amortisation and any impairment losses. Depreciation/amortisation is calculated using the straight-line method on the basis of the estimated useful technical and economic service life.

The service life is within the following ranges:

- Rights of use: contract term
- Software: 3 to 5 years
- Intangible assets under development: only applicable in the case of an impairment loss

The rights of use include easements and rights of use to mixed-use assets that were compensated once before 1 June 2019.

Impairment losses

The value of property, plant and equipment and intangible assets is reviewed annually. If there is an indication of an impairment loss, the book value is reduced to the realisable value and an impairment loss is charged to the results of the period.

Construction in progress / intangible assets under development

Construction in progress and intangible assets under development are non-current assets that are not yet completed or not yet operational. All items of property, plant and equipment and intangible assets, including self-constructed assets, are classified as non-current assets. As of each balance sheet date, a review is performed to determine whether any construction in progress or intangible assets under development have to be impaired. These are recognised as impairment losses in the year of completion. Ordinary depreciation or amortisation of these assets begins once they are completed or are ready for operation.

Financial assets

Financial assets are measured at acquisition costs less any impairment losses. These include shareholdings with a capital share of over 20%, but which do not have a significant impact on the financial

statements, as well as shareholdings with a capital share of less than 20%. Employer contribution reserves without conditional renounced use are also recognised in financial assets.

Inventory

Inventory includes waste material for maintaining the grid systems. Inventory is measured at the lower of acquisition cost or market price.

Accounts receivable

Accounts receivable are reported at their nominal value less any impairment losses required for business reasons.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks and deposits at banks maturing in 90 days or less. They are recognised at their nominal value.

Bonds

Bonds issued on the capital market are recognised at their nominal value. Deviations from the nominal value in the case of below- or above-par issues are recognised as accruals and deferrals and are reversed on a straight-line basis over the term of the bond.

Liabilities

Liabilities are recognised at their nominal value.

Provisions

Provisions are recognised if there is a probable obligation based on an event that took place prior to the balance sheet date, the amount and/or due date of which is uncertain but capable of being estimated.

Contingent liabilities

Contingent liabilities are measured as of the balance sheet date. A provision is reported if a cash outflow without a usable countervalue is probable and assessable. Otherwise, contingent liabilities are disclosed in the notes to the financial statements.

Interest on borrowed capital

Interest on borrowed capital is recognised as an expense in the period in which it arises.

Income taxes

Current income taxes are calculated based on the taxable results on an accrual basis. The annual accrual of deferred taxes is based on a balance sheet perspective (balance sheet method) and considers all future income tax effects (comprehensive method).

Derivative financial instruments

Swissgrid may use derivative financial instruments to hedge against currency and market price risks. If the conditions are met, Swissgrid will apply hedge accounting to hedge expected future cash flows. The instruments used for this purpose will be disclosed in the notes to the financial statements until the underlying transaction is realised.

Government grants

As part of the modernisation and maintenance of the grid, Swissgrid may receive government grants that are related to assets or related

to income in the form of project-related cost sharing. Government grants related to assets are offset against the asset at the time of receipt. Government grants related to income are recognised in the income statement. The type and amount of government grants recognised are disclosed in the notes to the financial statements.

2. Regulatory principles

Volume- and tariff-related timing differences (surpluses and deficits)

According to Article 14 of the Electricity Supply Act (ESA) and the Winter Reserve Ordinance (WResO), grid usage costs must be allocated to users on a user-pays basis. The tariffs for a financial year are determined based on planned costs. Due to price and volume deviations, actual expenses and income vary from the tariff calculation on both the revenue and procurement side. This results in surpluses or deficits, i.e. the tariff revenues from a financial year are higher or lower than the actual expenses incurred during the same period. These volume- and tariff-related timing differences are transferred to the balance sheet and taken into account in cost and revenue calculations for future tariff periods. The expected reduction in volume- and tariff-related timing differences within twelve months of the balance sheet date is recognised as short-term surpluses or deficits in the balance sheet.

EBIT from the core business

Earnings before interest and taxes (EBIT) from the core business are defined in Article 15 of the Electricity Supply Act (ESA) for chargeable costs, and are also defined in Article 18a of the Electricity Supply Ordinance (ESO) for interest on volume- and tariff-related timing differences arising since the 2024 financial year. EBIT corresponds to the interest on invested operating assets (IOA) at the weighted average cost of capital rate for the current reporting year (= $WACC_{t+0}$), the interest on the volume- and tariff-related timing differences arising from the 2024 financial year onwards at the borrowing cost rate $_{t+2}$ included in $WACC_{t+2}$ and taxes. Invested operating assets consist of net current assets calculated on a monthly basis, as well as the property, plant and equipment and intangible assets as at the end of the financial year. In accordance with ECom directive 03/2024, volume- and tariff-related timing differences up to and including the end of the 2023 financial year remain subject to interest at $WACC_{t+2}$ until they have been fully eliminated, which also has an impact on EBIT.

Net proceeds from congestion management

On the basis of a statutory mandate, Swissgrid coordinates the auctioning of bottleneck capacities for cross-border supplies and maintains the related accounting records and bank accounts on a fiduciary basis. The net proceeds from congestion management, referred to as income from auctions, are paid to Swissgrid in accordance with ECom's instructions and are used to reduce the chargeable costs of the transmission system and/or to maintain or expand the transmission system, as decided by ECom.

Tasks assigned to Swissgrid by the federal government (intermediary transactions)

Power reserve

The power reserve includes the measures defined in the WResO to increase security of supply and comprises orders for the use of hydropower reserves, reserve power plants, pooled emergency power groups and combined heat and power plants (CHP plants). In accordance with the ordinance, the costs of these measures must be billed via Swissgrid. Swissgrid has no control over the structure of the key performance parameters and acts solely as an intermediary. In accordance with the accounting regulations, these activities are treated as intermediary transactions, which is why only the value of the services provided by Swissgrid itself and the associated net turnover are reported in the income statement and in the power reserve segment reporting. Information on net turnover and procurement costs for the power reserve is given in Note 7.

Since the 2024 financial year, the chargeable costs for the power reserve have been calculated in the same way as for the core business in accordance with Article 15 ESA. However, interest on the assets required for the power reserve is calculated according to the borrowing cost rate_{t+0} included in WACC_{t+0}. In accordance with Article 18a ESO, interest on the volume- and tariff-related timing differences arising since 1 January 2024 is calculated at the borrowing cost rate_{t+2} included in WACC_{t+2}. No interest is applied to the volume- and tariff-related timing differences up to and including the end of the 2023 financial year until they have been fully eliminated. EBIT in accordance with the WResO is calculated based on the interest on the assets required for the power reserve, the volume- and tariff-related timing differences arising since 1 January 2024, and taxes.

Solidarised costs

The solidarised costs include the costs for grid enhancements governed by the revised Electricity Supply Act (in force since 1 January 2025) as well as the temporary state aid for Swiss iron, steel and aluminium producers of strategic importance. The costs for these measures must be billed via Swissgrid in accordance with legal requirements. Swissgrid has no control over the structure of the key performance parameters and acts solely as an intermediary. In accordance with the accounting regulations, these activities are intermediary transactions, which is why only the value of the services provided by Swissgrid itself and the associated net turnover are reported in the income statement and in the solidarised costs segment reporting. Information on net turnover and procurement costs for the solidarised costs is given in Note 7.

EBIT for the solidarised costs is calculated based on the interest on the assets required for grid enhancements, the volume- and tariff-related timing differences and taxes. The assets required for grid enhancements and the volume- and tariff-related timing differences are calculated in the same way as for the core business, at the weighted average cost of capital rate for the current reporting year (= WACC_{t+0}) or the borrowing cost rate_{t+2} included in WACC_{t+2}. In the reporting year, however, interest was recognised only for costs in accordance with Article 15b para. 3 ESA (grid enhancements connected to the medium-voltage grid and above), as only these costs were incurred in the reporting year.

Imputed capital cost rate (WACC)

The imputed capital cost rate (WACC) for the capital tied up in the grid is defined annually by the Federal Department of the Environment, Transport, Energy and Communications (DETEC). The relevant capital cost rates for the 2025 financial year (WACC_{t+0} and WACC_{t+2}) are structured as follows:

	2025	2024
Weighted average cost of capital rate WACC _{t+0}	3.98%	4.13%
Borrowing cost rate _{t+0}	2.00%	2.25%
Weighted average cost of capital rate WACC _{t+2} ¹	3.28%	3.43%
Borrowing cost rate _{t+2} ¹	1.75%	2.00%

¹ Corresponds to the weighted average cost of capital rate for 2027 (WACC_{t+2}) applicable for the 2025 financial year and the borrowing cost rate_{t+2} included in WACC_{t+2} (previous year: corresponds to the weighted average cost of capital rate for 2026 (WACC_{t+2}) applicable for the 2024 financial year and the borrowing cost rate_{t+2} included in WACC_{t+2}).

3. Estimation uncertainty

Financial-statement reporting requires estimates and assumptions to be made that may have a significant impact on Swissgrid's financial statements. With respect to assets and liabilities recognised in the balance sheet, accruals and deferrals (prepaid expenses and accrued income/acrued expenses and deferred income) and volume- and tariff-related timing differences in particular are based on various assumptions and estimates that may necessitate significant adjustments. This is due to specific volumes not being available for certain revenue and procurement items when the financial statements are prepared, as well as regulatory uncertainties. The volume- and tariff-related timing differences are also influenced by estimates in the allocation of operating expenses to the segments. More information is given in the sections on «Revenue recognition» in Note 1 and «Legal proceedings» in Note 26.

4. Net turnover

In millions of CHF	2025	2024
Tariff income for grid utilisation	497.2	473.0
Income from auctions for the reduction of chargeable grid costs ¹	100.1	74.7
Net income from ITC ²	1.0	3.0
Net turnover for grid utilisation	598.3	550.7
Tariff income for general ancillary services (AS) and income from unintentional deviation	303.9	412.0
Income from auctions for the reduction of chargeable grid costs ¹	27.4	146.2
Income from balance group/balance energy	295.8	372.5
Net turnover for general ancillary services/ balance energy	627.1	930.7
Tariff income for active power losses	110.7	186.9
Income from auctions for the reduction of chargeable grid costs ¹	126.8	103.9
Net income from ITC ²	11.9	32.7
Net turnover for active power losses	249.4	323.5
Tariff income for reactive energy	22.9	17.3
Net turnover for reactive energy	22.9	17.3
Tariff income for power reserve (excl. intermediary business)	2.2	17.5
Net turnover power reserve	2.2	17.5
Eliminations³	-16.4	-14.6
	1,483.5	1,825.1

¹ The income from auctions to cover the chargeable costs of the transmission system is allocated to the segments in accordance with the regulatory requirements.

² The ITC compensation for grid usage and active power losses corresponds to net income. Supervision charges paid to ECom and to the Swiss Federal Office of Energy (SFOE) amounting to CHF 6.2 million (previous year: CHF 6.1 million) were deducted from the gross income of CHF 19.1 million (previous year: CHF 41.8 million) on a pro rata basis.

³ Active power losses are a separate internal balance group. As a result, internal transactions occur between the general ancillary services/imbalance energy and active power loss segments.

Swissgrid was able to reduce the tariffs for general ancillary services/ imbalance energy and active power losses in the reporting year and, as expected, reported lower net turnover than in the previous year. In addition to lower tariff income in the general ancillary services/ imbalance energy (CHF –108.1 million) and active power loss (CHF –76.2 million) segments, the decrease in net turnover is attributable to lower revenue from balance group imbalance energy (CHF –76.7 million) and lower income from auctions to cover the chargeable costs of the transmission system (CHF –70.5 million). The decrease in tariff income is attributable to the lower general ancillary services tariff (from 0.75 to 0.55 cents/kWh) and the lower individual ancillary services tariff for active power losses (from 0.64 to 0.35 cents/kWh). The decrease in revenue from balance group imbalance energy is attributable to the lower costs for ancillary services energy, as these costs are passed on to the balance groups. In accordance with ECom's instructions, the income from auctions received in the reporting year had to be used to cover the chargeable costs and to maintain or expand the transmission system (previous year: income from auctions was used exclusively to cover the chargeable costs). This resulted in lower income from auctions to cover the chargeable costs compared to the previous year.

Net proceeds from congestion management

The net proceeds from congestion management received by Swissgrid in the financial year, referred to as income from auctions, and their use can be broken down as follows:

In millions of CHF	2025	2024
Income from auctions received by Swissgrid	428.0	324.8
Used for reduction of the chargeable grid costs	271.2	324.8
Used for grid investments	156.8	–

The use of income from auctions is determined annually by ECom.

5. Other operating income

In millions of CHF	2025	2024
Congestion management clearing	24.2	16.2
Other	3.0	2.5
	27.2	18.7

6. Procurement costs

In millions of CHF	2025	2024
Expenses for national redispatch	7.1	44.0
Procurement costs grid utilisation	7.1	44.0
Expenses for ancillary services control power provision and unintentional deviation	104.0	115.3
Expenses for automatic start-up/island operation capability	1.4	1.4
Expenses for grid enhancement ¹	–	17.3
Expenses for ancillary services energy	177.3	266.0
Expenses for reactive energy/voltage maintenance ²	63.6	60.5
Procurement costs general ancillary services/balance energy	346.3	460.5
Expenses for compensation of active power losses	109.8	180.9
Procurement costs active power losses	109.8	180.9
Expenses for reactive energy/voltage maintenance ²	15.8	13.7
Procurement costs reactive energy	15.8	13.7
Eliminations ³	–16.4	–14.6
	462.6	684.5

¹ From the 2025 financial year onwards, the costs for grid enhancements are included in the solidarised costs in accordance with the provisions of the revised Electricity Supply Act (in force since 1 January 2025).

² The costs for reactive energy/voltage maintenance are allocated pro rata to general ancillary services/imbalance energy and reactive energy in accordance with the regulatory requirements.

³ Active power losses are a separate internal balance group. As a result, internal transactions occur between the general ancillary services/imbalance energy and active power loss segments.

Lower market prices, optimised procurement processes and the use of the «Optimizer Autopilot» for control energy led to lower costs for ancillary services energy (CHF –88.7 million) and for active power loss procurement (CHF –71.1 million). The number of national redispatch measures also declined thanks to targeted measures, leading to a decrease of CHF 36.9 million in the costs for national redispatch.

7. Tasks assigned to Swissgrid by the federal government (intermediary transactions)

In accordance with the accounting regulations, the tasks assigned to Swissgrid by the federal government are treated as intermediary transactions, which is why only the value of the services provided by Swissgrid itself and the associated net turnover are reported in the income statement and in Notes 4 and 6. The following sections show the net turnover and procurement costs for these intermediary transactions.

Power reserve

Net turnover from the power reserve consists of the following items:

In millions of CHF	2025	2024
Tariff income for power reserve intermediary transactions	119.7	627.7
Income from auctions for the reduction of chargeable grid costs	16.9	–
Net turnover from power reserve intermediary transactions	136.6	627.7
Tariff income for power reserve services provided by Swissgrid itself	2.2	17.5
Net turnover from power reserve services provided by Swissgrid itself	2.2	17.5
	138.8	645.2

The power reserve tariff decreased from 1.20 to 0.23 cents/kWh compared to the previous year. For this reason, income from the power reserve tariff declined as expected.

Procurement costs for the power reserve consist of the following items:

In millions of CHF	2025	2024
Provision costs for the hydropower reserve	16.1	54.4
thereof intermediary business	16.1	54.4
Provision costs for reserve power plants	183.8	128.4
thereof intermediary business	183.8	128.4
Provision costs for emergency power groups	5.2	3.7
thereof intermediary business	5.2	3.7
	205.1	186.5

The increase in costs for the provision of reserve power plants is attributable to the decision by the Federal Department of the Environment, Transport, Energy and Communications (DETEC) to provide a test bench for gas turbines as a reserve power plant from February 2027. This test bench will form part of a transitional solution to safeguard Switzerland's security of supply in the coming winters until the future reserve power plants become operational. The contracts for the existing reserve power plants expire in spring 2026. The lower provision costs for the hydropower reserve are attributable to a reduction in procurement volumes compared to the previous year and to lower procurement prices.

Solidarised costs

Following the entry into force of the revised Electricity Supply Act on 1 January 2025, costs to be borne by Swissgrid for grid enhancements in the low-voltage grid and connection lines as well as temporary state aid for Swiss iron, steel and aluminium producers, were incurred for the first time in the reporting year. Grid enhancement costs for the medium-voltage grid and above borne by Swissgrid, which were previously allocated to the general ancillary services/imbalance energy segment, are included in the solidarised costs segment from this financial year onwards. Tariff income to cover these solidarised costs will be collected for the first time in the 2026 financial year.

Procurement costs for the solidarised costs consist of the following items:

In millions of CHF	2025	2024
Grid enhancement	93.1	n/a
of which grid enhancement costs in the medium-voltage grid and above	43.2	n/a
of which grid enhancement costs in the low-voltage grid	49.6	n/a
of which costs for the necessary reinforcements of connection lines	0.3	n/a
Temporary state aid for iron, steel and aluminium producers	10.1	n/a
	103.2	n/a

These procurement costs relate exclusively to intermediary transactions. The costs for grid enhancements in the medium-voltage grid and above have increased due to the greater number of grid enhancement requests approved by EICOM.

8. Materials and third-party supplies

In millions of CHF	2025	2024
Grid maintenance	31.0	23.9
Grid system control	0.4	0.5
Other services in the grid area	23.6	19.4
Expenses for projects, advisory and non-cash benefits	61.4	58.0
Hardware/software maintenance	22.4	18.3
	138.8	120.1

Other grid-related services consist of remuneration for easements, including easement management services performed by third parties and operating expenses for mixed-use plants.

The increase in costs for grid maintenance and other grid-related services is attributable to higher maintenance expenses and higher remuneration for easements. Higher software licence costs also led to an increase in expenses in the hardware/software support item.

9. Personnel expenses

In millions of CHF	2025	2024
Salaries, bonuses, allowances	124.9	116.9
Employee insurance	24.8	23.3
Other personnel expenses	5.9	5.2
	155.6	145.4

Other personnel expenses include, in particular, the costs of training and further education, recruitment, lump-sum expenses, as well as contributions to external catering for employees.

The average number of full-time equivalents exceeded 250 in the reporting period, as was the case in the previous year.

10. Other operating expenses

In millions of CHF	2025	2024
Rental and occupancy costs	11.3	11.9
Ground rents	2.9	4.7
Rental costs for communication equipment/telecommunication expense	2.7	2.3
Board of Directors' fees and expenses incl. social costs	0.9	0.9
Actual expenses for travel and subsistence for employees and third parties	2.6	2.5
Fees, dues and licences	4.6	4.9
Insurance	2.4	2.5
Other administrative costs	5.3	10.5
	32.7	40.2

Other administrative costs include borrowing costs of CHF 0.9 million (previous year: CHF 6.2 million), which were incurred in connection with the additional tasks assigned to Swissgrid by the federal government in the power reserve segment and represent chargeable costs in accordance with Article 22 WResO.

Board of Directors' fees and expenses represent fixed gross remuneration, including the deduction of any employee contributions to the employee pension plan. The remuneration paid to the Chairman of the Board of Directors amounted to CHF 250,000, including lump-sum expenses (previous year: CHF 250,000). The remaining members of the Board of Directors received remuneration of between CHF 57,500 and CHF 77,500 pro rata temporis for 2025, including lump-sum expenses (previous year: between CHF 57,500 and CHF 77,500).

Further information on the members of the Board of Directors can be found in the Corporate Governance Report.

11. Trade receivables

As at 31 December 2025, trade receivables included CHF 68.6 million (previous year: CHF 107.2 million) in relation to companies with a direct or indirect shareholding in Swissgrid.

12. Other receivables

Other receivables include the receivable for the 2025 enforcement costs for handling congestion management amounting to CHF 24.2 million (previous year: CHF 16.2 million).

13. Prepaid expenses and accrued income

In millions of CHF	31.12.2025	31.12.2024
Accrued revenue for supplies made	62.2	97.1
Other	12.7	15.6
	74.9	112.7

In particular, other prepaid expenses and accrued income include the discount on bond issues and financing and issue costs, which are amortised over the term of the financing instrument.

14. Balance sheet items held on a fiduciary basis

On the basis of a statutory mandate, Swissgrid coordinates the auctioning of bottleneck capacities for cross-border supplies and maintains the related accounting records and bank accounts on a fiduciary basis.

Assets held on a fiduciary basis

In millions of CHF	31.12.2025	31.12.2024
Trade accounts receivable	16.8	29.9
Other receivables	0.2	0.7
Prepaid expenses and accrued income	0.2	18.0
Cash and cash equivalents	20.0	49.5
	37.2	98.1

Liabilities held on a fiduciary basis

In millions of CHF	31.12.2025	31.12.2024
Trade accounts payable	28.9	59.1
Other liabilities	0.9	–
Accrued expenses and deferred income	7.4	39.0
	37.2	98.1

The net proceeds from congestion management can be broken down as follows:

Net proceeds from congestion management

In millions of CHF	2025	2024
Share of revenue Switzerland	421.2	376.7
Congestion management clearing (incl. financial result)	-24.2	-16.0
Net proceeds from congestion management	397.0	360.7
of which income from auctions recognised in the reporting year	392.1	324.8
of which income from auctions not yet recognised in the reporting year	4.9	35.9

Income from auctions transferred to Swissgrid

In millions of CHF	2025	2024
Income from auctions transferred to Swissgrid	428.0	324.8
of which income from auctions recognised in the reporting year	392.1	324.8
of which income from auctions from the previous year recognised in the reporting year	35.9	–

15. Shareholdings

	Domicile	Currency	Share capital in m.	Share in %
Joint Allocation Office (JAO)	Luxembourg (Lux)	EUR	0.130	3.85
TSCNET Services GmbH	Munich (D)	EUR	0.040	6.25
Holding des Gestionnaires de Réseau de Transport d'Electricité SAS (HGRT)	Paris (F)	EUR	52.119	5.0
Pronovo AG	Frick (CH)	CHF	0.100	100.0
Equigy B.V.	Arnhem (NL)	EUR	0.050	20.0

Due to changes in ownership, Swissgrid's share in the Joint Allocation Office (JAO) decreased from 4% to 3.85%. The shares in ecmt AG were sold in the 2025 financial year. All other disclosures are unchanged from the previous year.

Swissgrid is not legally obliged to prepare consolidated financial statements. Either the control principle necessary to prepare a consolidated financial statement (Article 963 of the Swiss Code of Obligations (CO)) is not met, or the subsidiaries do not have a material influence on Swissgrid's financial statements. In particular, Pronovo AG is regulated by the Swiss Federal Office of Energy (SFOE) and is explicitly excluded from any consolidation with Swissgrid based on Article 64 (5) of the Energy Act (EnA).

16. Property, plant and equipment

The book values of the individual categories are as follows:

In millions of CHF	31.12.2025	31.12.2024
Construction in progress	468.4	400.5
Substations	590.8	613.4
Lines	1,033.0	1,067.3
Properties and buildings	173.2	163.3
Other property plant and equipment	23.2	20.0
	2,288.6	2,264.5

17. Intangible assets

The book values of the individual categories are as follows:

In millions of CHF	31.12.2025	31.12.2024
Intangible assets under development	44.2	27.2
Usage rights	53.0	57.9
Software	34.2	28.5
Merger losses (goodwill)	125.3	143.2
	256.7	256.8

18. Trade accounts payable

As at 31 December 2025, trade accounts payable included CHF 37.2 million (previous year: CHF 70.9 million) in relation to companies with a direct or indirect shareholding in Swissgrid. As in the previous year, no liabilities existed in relation to the external auditor as at 31 December 2025.

19. Other liabilities

In millions of CHF	31.12.2025	31.12.2024
Value-added tax	7.1	27.0
Security deposits on blocked bank accounts	–	0.1
Other	2.5	0.2
	9.6	27.3

20. Accrued expenses and deferred income

In millions of CHF	31.12.2025	31.12.2024
Accrued expenses for supplies made	131.2	52.1
Personnel expenses and employee insurance scheme	13.1	18.9
Accrued interest and premium from issued bonds	7.0	13.7
Taxes	10.5	13.6
	161.8	98.3

The increase in accrued revenue for supplies made is attributable to the costs for grid enhancements in the low-voltage grid and connection lines to be borne by Swissgrid for the first time, as well as temporary state aid for Swiss iron, steel and aluminium producers. These costs will be borne in 2026 in accordance with the legal requirements.

21. Financial liabilities

In millions of CHF	31.12.2025	31.12.2024
Bonds	1,565.0	1,915.0
Convertible loans	5.8	11.0
Loans	50.1	100.1
Total financial liabilities	1,620.9	2,026.1
Current portion	402.0	405.2

The interest conditions and maturities of the financial liabilities are as follows:

In millions of CHF	Interest rate (bandwidth)	Year 1	Year 2–5	More than 5 years	Total
Balance at 31.12.2025					
Bonds	0,00 – 1,90%	350.0	475.0	740.0	1,565.0
Convertible loans	3,36 – 3,41%	2.0	3.8	–	5.8
Loans	0,00 – 2,40%	50.0	–	0.1	50.1
Balance at 31.12.2024					
Bonds	0,00 – 1,90%	350.0	675.0	890.0	1,915.0
Convertible loans	3,36 – 3,41%	5.2	5.8	–	11.0
Loans	0,00 – 2,40%	50.0	50.0	0.1	100.1

Convertible loans and loans

Convertible loans have a term of nine years and one-fifth of the loans become payable annually from year five. Moreover, these loans are also assigned a conversion right by Swissgrid in the event of occurrence of contractually defined events and an associated conversion obligation by the creditors. Creditors are compensated by a premium on the interest rate for the conversion right assigned to Swissgrid. Convertible loans are recognised in full in liabilities.

Convertible loans and loans are assessed at their nominal value.

As at 31 December 2025, convertible loans of CHF 5.8 million (previous year: CHF 10.8 million) existed towards companies with a direct or indirect shareholding in Swissgrid.

22. Provisions

In millions of CHF	31.12.2025	31.12.2024
Dismantling	1.5	1.5
Procedural costs	–	0.4
Total provisions	1.5	1.9
Current portion	–	0.1

23. Share capital and reserves from capital contributions

The share capital consists of 334,495,151 (previous year: 334,495,151) fully paid-up registered shares with a par value of CHF 1 per share.

24. Derivative financial instruments

Swissgrid made use of derivative financial instruments to partially hedge against market price risk from future procurement costs for active power losses. The hedges were entered into in EUR and can be broken down as follows:

In millions of EUR	31.12.2025	31.12.2024
Nominal amount	94.7	116.1
Positive replacement values	3.8	3.3
Negative replacement values	–0.9	–15.9
Net replacement values ¹	2.9	–12.6

¹ The net replacement value amounts to the equivalent of CHF 2.7 million (previous year: CHF –11.9 million).

25. Other off-balance-sheet commitments

Off-balance-sheet lease commitments

Swissgrid has the following off-balance-sheet lease commitments for vehicles and office equipment:

In millions of CHF	Year 1	Year 2–5	Total
31.12.2025	1.0	1.8	2.8
31.12.2024	1.0	2.8	3.8

Long-term rental contracts

Long-term rental contracts with fixed terms exist with several parties. These result in the following obligations:

In millions of CHF	Year 1	Year 2–10	More than 10 years	Total
31.12.2025	7.1	41.3	51.7	100.1
31.12.2024	6.9	40.0	55.7	102.6

The long-term rental obligations primarily include the rental commitments for Swissgrid's head office in Aarau.

26. Legal proceedings

Swissgrid's legal mandate and business activities expose the company to costs that can be passed on to lower grid levels and end consumers in the form of tariff revenues, if EICom deems these costs to be chargeable.

At present, EICom has not initiated any proceedings to examine Swissgrid's chargeable costs. Swissgrid's Board of Directors and Executive Board believe that all costs were incurred within the framework of the company's legal mandate and should therefore qualify as chargeable. Based on this assessment, Swissgrid has treated all operating and capital costs as chargeable and consequently recognised them in full as volume- and tariff-related timing differences.

Third-party proceedings

The financial impact of third-party proceedings in which Swissgrid is involved is included in Swissgrid's financial statements if the criteria for recognition are met. However, such proceedings have no direct impact on Swissgrid's results, as they are included in the volume- and tariff-related timing differences.

27. Audit fees

In the 2025 financial year, fees for auditing services amounted to CHF 198,900 (previous year: CHF 198,900) and CHF 39,980 (previous year: CHF 34,000) for other services.

28. Government grants

In millions of CHF	2025	2024
Government grants related to assets	0.9	6.2

Swissgrid receives government grants related to assets for the modernisation and maintenance of the grid, which are offset against the asset.

29. Events after the balance sheet date

There are no events after the balance sheet date that would require disclosure or recognition in the 2025 financial statements.

On 16 April 2026, the Board of Directors of Swissgrid Ltd approved the 2025 financial statements for submission to the General Assembly and for publication.

Statutory financial statements

Proposed appropriation of retained earnings

The Board of Directors proposes to the General Assembly that the retained earnings be appropriated as follows:

CHF	2025	2024
Balance carried forward from the previous year	592,171,363.17	547,525,118.61
Profit for the year	84,802,975.73	96,529,871.40
Retained earnings	676,974,338.90	644,054,990.01
Appropriation to the general legal reserves	–	–
Dividend payment	45,816,225.59	51,883,626.84
Balance to be carried forward	631,158,113.31	592,171,363.17
Total appropriation	676,974,338.90	644,054,990.01

Since legal capital reserves and legal retained earnings have reached 50% of the share capital, no more funds will be allocated to these accounts.

Aarau, 16 April 2026

On behalf of the Board of Directors:

Adrian Bult, Chairman

Statutory financial statements

Report of the statutory auditor



Report of the statutory auditor to the General Meeting of Swissgrid Ltd, Aarau

Report on the audit of the statutory financial statements

Opinion

We have audited the financial statements of Swissgrid Ltd (the Company), which comprise the income statement for the year ended 31 December 2025, the balance sheet as at 31 December 2025 and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 61 to 76) comply with Swiss law and the Company’s articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and 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 in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession 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.

Our audit approach



Overview

Overall materiality: CHF 36'200'000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matters the following areas of focus have been identified:

- Appropriateness of the calculation of the result from regulated business (EBIT and volume- and tariff-related timing differences)
- Completeness and existence of net turnover and procurement costs

PricewaterhouseCoopers Ltd, Birchstrasse 160, 8050 Zürich
+41 58 792 44 00



Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 36'200'000
Benchmark applied	Total "assets"
Rationale for the materiality benchmark applied	We chose total «assets» as the benchmark for determining materiality, as we believe that this is the figure that best reflects the company's purpose of ensuring the efficient operation of the transmission grid.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

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

Appropriateness of the calculation of the result from the regulated business (EBIT and volume- and tariff-related timing differences)

Key audit matter	How our audit addressed the key audit matter
In the 2025 financial year, Swissgrid reports earnings before interest and taxes (EBIT) of CHF 113 million (previous year: CHF 133.8 million), the components of	With regard to the calculation of EBIT and volume- and tariff-related timing differences, we obtained an in-depth understanding of the company's accounting



which are governed in the company’s regulated business area by the provisions of the Federal Electricity Supply Act (ESA) and the Ordinance on the Establishment of a Electricity Reserve for the Winter (WResO), as well as the requirements of the Federal Department of the Environment, Transport, Energy and Communications (DETEC). The change in volume- and tariff-related timing differences totalled CHF -464.5 million (previous year: CHF -580.8 million). Further information on the EBIT and volume- and tariff-related timing differences can be found in the notes to the statutory financial statements in "2. Regulatory principles," "3. Estimation uncertainty," and "26. Legal proceedings."

The corresponding calculation is described in the regulatory principles.

Volume- and tariff-related timing differences arise due to volume and price variances between actual expenses and income as well as on the tariff-based sales and procurement side. The tariffs are determined on the basis of planned costs. These volume- and tariff-related timing differences are recognised in the balance sheet as ‘surpluses or deficits’ and reversed in future tariff periods in the income statement as “changes in volume- and tariff-related timing differences”.

The risk that the calculation of EBIT and volume- and tariff-related timing differences are not determined as intended is a key audit matter, as this has a significant impact on the calculation of tariffs and the company's results.

policies, assumptions and estimates, processes and methods and, in particular, performed the following audit procedures:

- Checking whether the parameters used in the calculation of the earnings from the regulated business, such as WACC, correspond to the rate specified by DETEC.
- Mathematical recalculation and plausibility check of the calculation of the volume- and tariff-related timing differences.
- Assessing and testing the key controls provided for the calculation.
- Verifying compliance with the relevant legal, regulatory and judicial requirements.

Completeness and existence of net turnover and procurement costs

Key audit matter

In the 2025 financial year, Swissgrid reported net turnover of CHF 1,483.5 million (previous year: CHF 1,825.1 million) and procurement costs of CHF 462.6 million (previous year: CHF 684.5 million). Further information on net turnover and procurement costs can be found in the notes to the statutory financial statements in "1. Accounting principles" and "4. Net turnover," and "6. Procurement costs."

Revenue is recognised in the income statement upon performance of Swissgrid’s obligations. The

How our audit addressed the key audit matter

We obtained an in-depth understanding of the company’s accounting policies, assumptions and estimates, processes and methods with regard to revenue recognition and the recognition of procurement costs and, in particular, performed the following audit procedures:

- IT-supported verification of the data consistency of the basic data used for revenue accrual and thus verification of the completeness of the invoiced net turnover and the procurement costs.



measurement of performance of the core business is mainly based on energy volumes measured directly on the transmission grid or reported by downstream grid levels. For certain revenue and procurement items, initial billing values are available six weeks after delivery at the earliest, thereby rendering accruals based on historical and statistical data, as well as on estimates necessary for the revenue recognition of these items.

Net turnover and procurement costs are key figures in financial reporting and are therefore the focus of internal and external stakeholders.

We consider the completeness and existence of net turnover and procurement costs to be a key audit matter due to their volume and the estimates and assumptions required to determine them.

- Checking the correct transfer of data between the various systems.
- Testing the effectiveness of the key controls in the process of revenue accruals and procurement costs as at the balance sheet date.
- Performing random checks of the existence of the transaction.
- Plausibility check of changes in procurement items.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the statutory financial statements, the financial statements Swiss GAAP FER and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or 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.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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 Swiss law and SA-CH 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.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers Ltd

Thomas Wallmer
 Licensed audit expert
 Auditor in charge

Pascal Wintermantel
 Licensed audit expert

Zürich, 16 April 2026

Publication details

The annual report is published in German, French and English and covers the annual report, financial report, corporate governance and sustainability report. The legally binding version is in German.

Swissgrid Ltd
Bleichemattstrasse 31
P.O. Box
5001 Aarau
Switzerland

Phone +41 58 580 21 11
E-mail info@swissgrid.ch

Media

Phone +41 58 580 31 00
E-mail media@swissgrid.ch

Concept & Design: [SOURCE Associates AG](#)
Technical implementation and production: [Management Digital Data AG](#)

© Swissgrid Ltd, 2026

Contact

Investor Relations and Sustainability are available to analysts and investors for any enquiries regarding Swissgrid.



Hans Bucher
Corporate Finance & Investor Relations
Phone +41 58 580 27 71
media@swissgrid.ch



Kathrin Hofer
Head of Sustainability
Phone +41 58 580 36 50
media@swissgrid.ch

You can also find the annual report online at:

www.report.swissgrid.ch

