CONDENSED GROUP INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

Contents

The condensed group interim financial statements for the six months ended 30 September 2025 have been prepared under the supervision of the chief financial officer, C Cassim CA(SA) and were published on 28 November 2025.

The condensed group interim financial statements for the six months ended 30 September 2025 and 30 September 2024 have not been audited, reviewed or reported on by the external auditors of the group. The financial information for the year ended 31 March 2025 is as reflected in the audited financial statements.

Approval of the condensed group interim financial statements

Basis of preparation

The unaudited condensed group interim financial statements from page 3 to page 20 for the six months ended 30 September 2025 have been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (IFRS®) Accounting Standards, the presentation and disclosure requirements of International Accounting Standards (IAS®) 34 *Interim Financial Reporting* and in the manner required by the Companies Act of South Africa, 71 of 2008 (Companies Act).

Going concern

The board made an assessment of the ability of the group to continue as a going concern in the foreseeable future. The considerations, challenges and risks assessed by the board are detailed in note 2.1.

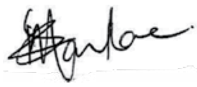
The board considered that there are uncertainties and dependencies that exist both from the perspective of timing of interventions as well as whether the plans will materialise as anticipated.

The board has a reasonable expectation that the risks will be satisfactorily addressed with the mitigation strategies in place. The board continues to manage these strategies as a priority as it is important that they materialise as envisaged. The board assessed the current cash flow projections considering that future capital costs during the debt relief period will be funded from cash from operations. The board concluded after carefully considering the progress of the initiatives included in note 2.1 and the continued financial support from the government through the debt relief arrangement that there is a reasonable expectation that the group and company have access to adequate resources and facilities to be able to continue its operations and fund the capital programme for the foreseeable future as a going concern. The consolidated and separate financial statements have therefore been prepared on a going-concern basis.

Approval

The board is of the opinion, based on the information available to date, that the condensed group interim financial statements fairly present the financial position of the group at 30 September 2025 and the results of the operations and cash flow information for the six months then ended. The condensed group interim financial statements have been approved by the board and signed on its behalf on 28 November 2025 by:

M Nyati
Chairman



DL Marokane
Group chief executive

C Cassim
Group chief financial officer

Condensed group statement of financial position

at 30 September 2025

	Unaudited 30 September 2025 Rm	Audited 31 March 2025 Rm	Unaudited 30 September 2024 Rm
Assets			
Non-current	**748 743**	744 546	740 133
Property, plant and equipment and intangible assets	**695 826**	689 556	680 444
Future fuel supplies	**8 141**	7 639	6 661
Investment in equity-accounted investees	**305**	346	304
Inventories	**15 597**	15 373	14 525
Deferred tax	**4**	7	281
Derivatives held for risk management and embedded derivatives	**10 664**	17 167	18 228
Payments made in advance	**1 881**	1 729	1 746
Trade, finance lease, loan and other receivables	**9 120**	6 698	12 540
Investments	**7 205**	6 031	5 404
Current	**175 298**	159 474	137 468
Inventories	**33 685**	31 084	28 211
Taxation	**7**	177	37
Derivatives held for risk management and embedded derivatives	**1 360**	2 150	6 178
Payments made in advance	**2 022**	1 109	1 939
Trade, finance lease, loan and other receivables	**50 817**	42 268	47 452
Investments	**23 534**	18 925	20 640
Cash and cash equivalents	**63 873**	63 761	33 011
Assets held-for-sale	**7 748**	7 811	–
Total assets	**931 789**	911 831	877 601
Equity			
Capital and reserves	**357 611**	278 345	270 988
Liabilities			
Non-current	**444 040**	478 009	477 253
Debt securities and borrowings	**307 044**	351 226	349 311
Derivatives held for risk management	**3 189**	836	2 023
Deferred tax	**15 761**	11 389	13 955
Employee benefit obligations	**21 421**	19 672	19 595
Provisions	**50 130**	47 447	45 889
Trade and other payables and lease liabilities	**6 379**	6 869	6 431
Payments received in advance, contract liabilities and deferred income	**40 116**	40 570	40 049
Current	**129 603**	154 871	129 360
Debt securities and borrowings	**55 683**	21 429	46 037
Loan from shareholder	**–**	56 132	8 057
Derivatives held for risk management	**1 952**	811	3 841
Employee benefit obligations	**5 685**	7 584	5 606
Provisions	**4 972**	5 829	9 362
Trade and other payables and lease liabilities	**52 820**	55 152	48 963
Payments received in advance, contract liabilities and deferred income	**8 303**	7 460	7 494
Taxation	**188**	474	–
Liabilities held-for-sale	**535**	606	–
Total liabilities	**574 178**	633 486	606 613
Total equity and liabilities	**931 789**	911 831	877 601

Condensed group income statement

for the six months ended 30 September 2025

	Note	Unaudited six months ended 30 September 2025 Rm	Unaudited six months ended 30 September 2024 Rm	Audited year ended 31 March 2025 Rm
Revenue	10	191 295	183 711	340 895
Other income		819	694	3 265
Primary energy	11	(78 406)	(79 288)	(150 207)
Employee benefit expense	12	(21 603)	(20 436)	(43 160)
Net impairment and write down of assets		(568)	(3 736)	(7 616)
Other expenses		(22 992)	(19 289)	(44 139)
Profit before depreciation and amortisation expense and net fair value and foreign exchange losses (EBITDA)[1]		68 545	61 656	99 038
Depreciation and amortisation expense		(17 166)	(15 394)	(31 764)
Net fair value and foreign exchange losses		(3 632)	(5 542)	(10 415)
Profit before net finance cost		47 747	40 720	56 859
Net finance cost		(15 292)	(17 751)	(33 092)
Finance income		4 243	3 276	6 840
Finance cost	13	(19 535)	(21 027)	(39 932)
Share of profit of equity-accounted investees, net of tax		58	60	102
Profit before tax		32 513	23 029	23 869
Income tax	14	(8 233)	(5 197)	(7 822)
Profit for the period[2]		24 280	17 832	16 047

Condensed group statement of comprehensive income

for the six months ended 30 September 2025

	Unaudited six months ended 30 September 2025 Rm	Unaudited six months ended 30 September 2024 Rm	Audited year ended 31 March 2025 Rm
Profit for the period[2]	24 280	17 832	16 047
Other comprehensive loss	(1 014)	(1 702)	(560)
Items that may be reclassified subsequently to profit or loss	(462)	(478)	226
Cash flow hedges	(633)	(478)	310
Income tax thereon	171	–	(84)
Items that may not be reclassified subsequently to profit or loss	(552)	(1 224)	(786)
Re-measurement of benefits	(756)	(1 246)	(1 077)
Income tax thereon	204	22	291
Total comprehensive income for the period[2]	23 266	16 130	15 487

1. Non-generally accepted accounting principles income statement measure.
2. A nominal amount is attributable to the non-controlling interest in the group. The remainder is attributable to the owner of the group.

Condensed group statement of changes in equity

for the six months ended 30 September 2025

	Share capital Rm	Other capital Rm	Cash flow hedge reserve Rm	Unrealised fair value reserve Rm	Foreign currency translation reserve Rm	Accumulated (loss)/profit Rm	Total equity Rm
Balance at 31 March 2024	241 550	44 000	(868)	(10 313)	53	(51 564)	222 858
Profit for the period	–	–	–	–	–	17 832	17 832
Other comprehensive loss, net of tax	–	–	(478)	–	–	(1 224)	(1 702)
Share capital issued	76 000	(44 000)	–	–	–	–	32 000
Transfer between reserves	–	–	–	(921)	–	921	–
Balance at 30 September 2024	317 550	–	(1 346)	(11 234)	53	(34 035)	270 988
Loss for the period	–	–	–	–	–	(1 785)	(1 785)
Other comprehensive income, net of tax	–	–	704	–	–	438	1 142
Conversion of loan from shareholder	–	8 000	–	–	–	–	8 000
Transfer between reserves	–	–	–	3 548	–	(3 548)	–
Balance at 31 March 2025	**317 550**	**8 000**	**(642)**	**(7 686)**	**53**	**(38 930)**	**278 345**
Profit for the period	**–**	**–**	**–**	**–**	**–**	**24 280**	**24 280**
Other comprehensive loss, net of tax	**–**	**–**	**(462)**	**–**	**–**	**(552)**	**(1 014)**
Share capital issued	**64 000**	**(8 000)**	**–**	**–**	**–**	**–**	**56 000**
Transfer between reserves	**–**	**–**	**–**	**(1 856)**	**–**	**1 856**	**–**
Balance at 30 September 2025	**381 550**	**–**	**(1 104)**	**(9 542)**	**53**	**(13 346)**	**357 611**

Condensed group statement of cash flows

for the six months ended 30 September 2025

	Unaudited six months ended 30 September 2025 Rm	Unaudited six months ended 30 September 2024 Rm	Audited year ended 31 March 2025 Rm
Cash flows from operating activities			
Profit before tax	32 513	23 029	23 869
Adjustment for non-cash items	39 820	45 167	89 625
Depreciation and amortisation expense	17 166	15 394	31 764
Finance cost	19 535	21 027	39 932
Other	3 119	8 746	17 929
Changes in working capital	(22 617)	(19 631)	(20 128)
Cash generated from operations	49 716	48 565	93 366
Net cash used in derivatives held for risk management	(209)	(610)	(1 436)
Finance income received	7	258	441
Finance cost paid	(3)	–	(26)
Income taxes paid	(3 596)	(1 991)	(6 400)
	45 915	46 222	85 945
Cash flows used in investing activities			
Disposals of property, plant and equipment and intangible assets	222	163	292
Acquisitions of property, plant and equipment and intangible assets	(20 401)	(15 493)	(39 989)
Acquisitions of future fuel supplies	(761)	(1 266)	(3 388)
Acquisitions of treasury investments	–	(1 398)	(1 397)
Disposals of insurance investments	15 640	14 480	26 133
Acquisitions of insurance investments	(20 780)	(19 296)	(29 375)
Payments made in advance	(90)	(15)	(18)
Cash used in provisions	(45)	(185)	(216)
Net cash (used in)/generated from derivatives held for risk management	(42)	8	35
Finance income received	1 290	1 308	2 321
Other cash from investing activities	238	175	1 229
	(24 729)	(21 519)	(44 373)
Cash flows used in financing activities			
Debt securities and borrowings raised	260	5 485	8 683
Loan from shareholder raised	–	8 000	64 000
Payments made in advance	(47)	(80)	(131)
Debt securities and borrowings repaid	(7 188)	(10 554)	(46 424)
Net cash generated from/(used in) derivatives held for risk management	77	(1 698)	4 555
Cash used in lease liabilities	(501)	(492)	(783)
Finance income received	2 122	893	2 217
Finance cost paid	(15 619)	(16 719)	(33 364)
Taxes paid	(21)	(32)	(60)
	(20 917)	(15 197)	(1 307)
Net increase in cash and cash equivalents	269	9 506	40 265
Cash and cash equivalents at beginning of the period	63 761	23 585	23 585
Effect of movements in exchange rates on cash held	(165)	(80)	(63)
Assets and liabilities held-for-sale	8	–	(26)
Cash and cash equivalents at end of the period	63 873	33 011	63 761

Notes to the condensed group interim financial statements

for the six months ended 30 September 2025

1. Structure and activities

Eskom Holdings SOC Ltd (Eskom), a state-owned company and holding company of the group, is incorporated and domiciled in the Republic of South Africa.

The group is wholly owned by the government with the Minister of Electricity and Energy as the shareholder representative.

The principal activity of the group is the vertically integrated regulated electricity business (Eskom and National Transmission Company South Africa SOC Ltd (NTCSA)) that generates, transmits and distributes electricity to local industrial, mining, commercial, agricultural, redistributor (metropolitan and other municipalities) and residential customers and to international customers in southern Africa. The group also purchases electricity from Independent Power Producers (IPPs) and international suppliers in southern Africa. The primary business focus of the other subsidiaries is to support the electricity business.

2. Basis of preparation

The condensed group interim financial statements of Eskom as at and for the six months ended 30 September 2025 comprise the Eskom company, its subsidiaries, joint ventures, associates and structured entities (together the group). The condensed group interim financial statements do not include all of the information required for full financial statements and should be read in conjunction with the Eskom Holdings SOC Ltd 31 March 2025 group annual financial statements. The annual financial statements of the group as at and for the year ended 31 March 2025 are available for inspection at the company's registered office and on the Eskom website at www.eskom.co.za.

The condensed group interim financial statements are prepared in accordance with the recognition and measurement requirements of IFRS Accounting Standards, the presentation and disclosure requirements of IAS 34 and in the manner required by the Companies Act.

The condensed group interim financial statements are prepared on the historical-cost basis except for the following items which are measured at fair value:
- derivatives held for risk management
- embedded derivatives
- certain other investments

2.1 Going concern

The board assessed the ability of the group to continue as a going concern in the foreseeable future. The board:
- Reviewed the performance of the group for the period ended 30 September 2025 including the net profit after tax of R24 280 million and the net current liabilities of R45 695 million.
- Considered the impact of the cash flow forecast for the 18 months ending 31 March 2027.
- Noted the improvement in the financial indicators of the group, including EBITDA and EBITDA margin when compared to 30 September 2024.
- Noted the cash and cash equivalents balance of R63 873 million at 30 September 2025 (March 2025: R63 761 million).
- Noted that the liquidity in the longer term after the debt relief period remains at risk because of financial sustainability challenges arising from an inadequate tariff path and structure, high debt service costs, escalating municipal arrear debt, operational inefficiencies, above inflationary cost increases, the impact of crime, fraud and corruption (including loss of revenue because of illegal electricity connections and illicit prepaid electricity tokens), continued focus on addressing plant performance and the funding requirement to expand the transmission infrastructure for new generation sources.
- Noted that the total initial debt relief arrangement from government of R254 billion (introduced in the Eskom Debt Relief Act, 7 of 2023) reduced to R230 billion.
  - The Eskom Debt Relief Amendment Act, 5 of 2025, reduced the debt relief to Eskom by R20 billion and replaced the initial takeover of Eskom debt (principal and future interest) of R70 billion with R50 billion (R40 billion in 2026 and R10 billion in 2029) debt relief support from government for conversion to equity upon complying with the conditions.
  - The debt relief support was permanently reduced with R4 billion (R2 billion in 2025 and R2 billion in 2024) because of the delay in the disposal of Eskom Finance Company SOC Ltd (EFC). The sale of the EFC disposal group (EFC loan book and interest in Nqaba) continued to be prioritised and is expected to be concluded before 31 March 2026, subject to final approval from the South African Reserve Bank Prudential Authority.
- Noted the debt relief support from government of R80.2 billion to be received by March 2026 (including the conditions that the group needs to comply with to allow for the conversion of debt relief to equity) to address Eskom's debt and interest payments as they fall due thereby allowing Eskom to better manage its liquidity position. Any loan amount after the debt relief period that fails to qualify for the conversion of debt to equity because of non-compliance with the conditions will become due and payable from 1 April 2026.
- Noted that interest of R952 million (March 2025: R250 million) was paid on the debt relief support received during the period. The Eskom Debt Relief Amendment Act, 5 of 2024, provided for the monthly payment of interest on amounts advanced as a loan at the 91-day Treasury Bill rate and power to the Minister of Finance to reduce the support to Eskom in the event of non-compliance with the conditions.
- Noted that no new borrowings (except for drawdowns from existing facilities) were allowed from 1 April 2023 until the end of the debt relief period unless approved by the Minister of Finance. All other operational and relevant capital expenditure is financed through operational cash flows and drawdowns from existing project-related loan agreements.
- Noted that the remaining R329 billion of government guarantees issued on borrowings before 31 March 2023 in terms of the government guarantee facility (initially R350 billion) will remain in place until the settlement of the guaranteed debt.
- Considered the impact of the continuous increase in overdue electricity receivables, mainly due to growing municipal arrear debt (including the impact of non-recoverability of long outstanding electricity receivables) and the municipal debt relief arrangement that is yielding minimal results with most of the municipalities failing to comply with the conditions. This represents a material risk and places a significant financial strain on the going-concern assessment. Instructions for write-offs totalling R3.6 billion (March 2025: R0.5 billion) were received from National Treasury relating to municipalities that were compliant with the debt relief conditions in the period. The municipal arrear debt is a key matter that should be resolved before the legal separation of the distribution business as it impacts the liquidity and solvency as well as the financial sustainability of the business.
- Considered the impact of continued improved generating plant performance as well as the ongoing positive and incremental impact of the Generation Recovery Plan, even though certain challenges remain. A worsening of the aged generating plant performance could negatively impact cash flow due to lost revenue and an increase in costs, including the level of spend required on open cycle gas turbines. The generation capacity of the group continues to be managed as a critical focus area to ensure appropriate steps are being taken to manage performance.
- Considered the impact of the current economic climate, including that some rating agencies upgraded credit ratings and expressed a positive outlook on the group.

2. Basis of preparation (continued)

2.1 Going concern (continued)

- Acknowledged that an acceptable price increase, uncertainty of the impact of separate licensed electricity revenue determinations, application of the pricing methodology, continued improved plant performance, addressing payment by municipalities and the uncertainty and timing of a fully operational transmission system operator are critical factors in the going-concern assessment.
- Noted the impact of non-technical energy losses because of illegal connections and the selling of illegal tokens which increase the current and future costs incurred by Eskom to produce energy with no corresponding revenue received.
- Considered the impact on future cash flows of ongoing funds set aside for the funding of future nuclear decommissioning activities as directed by the National Nuclear Regulator (cumulative R2.8 billion including interest in treasury investments) whilst discussions regarding a permanent solution are underway.
- Considered the impact of the licence extension on 6 November 2025 by the National Nuclear Regulator for the continued operation of Koeberg unit 2 to 9 November 2045 which will decrease the nuclear decommissioning provision because of later than expected cash outflows and funds to be set aside for the funding thereof.
- Noted that R16.4 billion of the cash and cash equivalents balance was earmarked for the funding of future decommissioning activities and clean energy projects, consisting of an additional R4.3 billion set aside to fund future nuclear decommissioning activities as well as R3.0 billion for long-term coal decommissioning activities and R9.1 billion for clean energy projects.
- Noted that the corporatisation and operationalisation of the National Electricity Distribution Company of South Africa (NEDCSA) is deferred due to external dependencies, inter-ministerial alignment and escalating municipal arrear debt. The legal separation of generation is reliant on the establishment and operationalisation of a new holding company that is dependent on the promulgation of new legislation and government policy.
- Noted that mechanisms of support to NTCSA include, amongst others, approval of a short-term credit facility with Eskom Treasury as well as immediate settlement of intercompany energy purchases and sales.
- Recognised that the group continues to face various challenges that resulted from mismanagement and corruption which could have an influence on stakeholder sentiment. Management is focusing on addressing irregularities, improving processes and strengthening controls as well as enhancing a culture of work ethics and adherence.
- Noted the decisions received from National Energy Regulator of South Africa (NERSA) for the settlement of R40.2 billion relating to past Regulatory Clearing Account (RCA) cases (2015 to 2021) and R54 billion relating to Eskom's court review application for the Multi-Year Price Determination (MYPD) 6 revenue determination (2026 to 2028). The MYPD 6 settlement resulted in additional revenue recovery of R12 billion for 2027 and R23 billion for 2028. The remaining recovery will be determined by NERSA following their governance processes. Acknowledged that a court order has been granted against NERSA regarding the R54 billion settlement which may impact revenue recovery.
- Considered the possible impact if key risks materialise and acknowledged that improved generation plant performance (resulting in improved Energy Availability Factor), the management of operating and capital costs, limiting future investment in coal rehabilitation and clean energy projects as well as addressing the escalating overdue electricity receivables are critical factors in the going-concern assessment.

The challenges that the group is facing are being addressed by the following mitigation strategies and actions:

- Continuous engagement is taking place with the shareholder and National Treasury to ensure that the challenges that impact the going-concern status of the group are addressed satisfactorily within a reasonable timeframe. Government believes that it is critical that a credible, comprehensive and long-term strategy (which incorporates addressing municipal receivables, providing greater clarity and transparency in tariff design and addressing operational efficiencies) is developed to fully optimise the group and company's financial position. The Eskom debt relief arrangement is assisting in setting the group on a path to long-term financial stability. Compliance by the municipalities with the requirements of the municipal debt relief programme as set out by National Treasury remains a key focus area as the programme did not yield the expected results.
- There is continued focus on implementing various strategies to recover overdue electricity receivables. The successful outcome of these strategies remains uncertain. Eskom continually advised National Treasury of the municipalities not compliant with the municipal debt relief arrangement conditions.
- Eskom continues to work with the Minister of Electricity and Energy leveraging the National Energy Crisis Committee structures to ensure that the Electricity Action Plan is implemented expeditiously in collaboration with all key stakeholders to resolve the electricity crisis.
- The Electricity Regulation Amendment Act, 38 of 2024, provides for NERSA to consider the application and issue of licences, new generation capacity and electricity infrastructure. It also caters for the establishment of the transmission system operator in the future (fulfilled by NTCSA in the interim) on an open market platform that will allow for competitive electricity trading with entity specific revenue determinations by NERSA in line with the approved licences. The market operator licence was awarded to NTCSA on 27 November 2025. The transition period (uncertainty relating to detail and timing) is a time-consuming process involving various stakeholder consultations and approval by NERSA. The process for the development, approval and implementation of the market code, rules and trading platform (system) as well as the qualifying criteria for participants are underway.
- The cost structures and capital programme of the group are continuously reviewed to extract cost savings as well as improve liquidity and ultimately financial sustainability.
- The group is aware of outstanding RCA decisions and the impact of large capital projects on its statement of financial position and will only engage in such projects in compliance with the conditions attached to the Eskom Debt Relief Act, 7 of 2023, and with full disclosure and approval by the Minister of Finance and the shareholder.
- The board considered that there are uncertainties and dependencies that exist both from the perspective of timing of interventions as well as whether the plans will materialise as anticipated. The events, conditions and assumptions described above inherently include material uncertainties that may cast significant doubt on the going concern of the group and company.

The board has a reasonable expectation that the risks will be satisfactorily addressed with the mitigation strategies in place. The board continues to manage these strategies as a priority as it is important that they materialise as envisaged. The board assessed the current cash flow projections considering that future capital costs during the debt relief period will be funded from cash from operations. The board carefully considered the progress of the initiatives referred to in this note and the continued financial support from government through the debt relief arrangement. The board concluded that there is a reasonable expectation that the group have access to adequate resources and facilities to be able to continue its operations and fund the capital programme for the foreseeable future as a going concern. The condensed group interim financial statements have therefore been prepared on a going-concern basis.

3. Significant changes in accounting policies

The accounting policies are consistent with those applied in the audited financial statements as at 31 March 2025.

4. Critical accounting estimates and judgements

The significant estimates and judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were substantially the same as those applied to the financial statements as at and for the year ended 31 March 2025.

5. Segment information

The operations of the group consist mainly of generation, distribution and transmission activities through Eskom and NTCSA.

Operating segments

Management identified the reportable segments based on the reports regularly provided, reviewed and used by the executive committee (Exco) who serves as the Chief Operating Decision Maker. Exco makes strategic decisions and assessed the performance of the operating segments based on a measure of profit or loss, significant assets and liabilities as well as key financial ratios and operational performance indicators. The amounts provided to Exco with respect to total assets and liabilities were measured in terms of IFRS Accounting Standards. These assets and liabilities were allocated based on the operation of the segment.

The operations of the reportable segments are as follows:

Segment	Operations
Generation	Consists of generation, primary energy and group capital functions that respectively: • procures primary energy • manages capacity and generates electricity for sale to transmission • plan, develop, execute and monitor generation-related capital projects
Transmission (NTCSA)	Consists of transmission network, international customers and electricity trading functions that respectively: • operates and maintains the transmission network for transmitting electricity through the transmission network and manages real time supply and demand by the system operator • purchase and sale of bulk electricity with international customers through the international trader • operates the electricity trading system through the transmission central purchasing agent including purchase of electricity from generation and IPPs and sale of electricity to distribution across six transmission grids
Distribution	Consists of five operating clusters across nine provinces who provides, operates and maintains the distribution network for distributing electricity and the sale of electricity to local large (including municipalities) and small power users (including prepaid residential customers).
All other segments	Relates to operating segments which are below the quantitative thresholds for determining a reportable segment in terms of IFRS 8 *Operating Segments* which includes the group's subsidiaries as well as all service and strategic functions (corporate entities) which do not qualify as a reportable segment in terms of IFRS 8.

Electricity is sold by distribution to external customers in terms of contractual agreements based on the NERSA approved regulated tariffs and accounted for as external revenue in terms of the principal revenue generating activities. Electricity is also sold to international customers through the international trader and accounted for as external revenue in terms of the principal revenue generating activities of the group.

Inter-segment transactions

Inter-segment transactions are based on contractual agreements between segments, including between the generation, transmission and distribution segments for the sale and purchase of electricity.

Inter-segment energy related revenue and recoveries (achieved through transfer pricing) for the flow of electricity from generator to consumer are derived from the revenue in the approved corporate plan which is based on cost recovery plus a return on assets informed by the regulatory methodology principles and revenue determinations and adjusted in line with regulatory record of decisions, RCA and court decisions.

Transfer pricing between the segments is adjusted in future periods as a recovery or reduction to account for differences between actual and estimated information.

All direct corporate service costs were charged to the relevant segments based on service consumption. An appropriate cost driver apportionment was used to split the remaining overhead costs on a fair basis between segments. Net finance costs, net fair value and foreign exchange gains/(losses) were allocated to segments based on segment funding requirements.

5. Segment information (continued)

The segment information provided to Exco for the reportable segments is as follows:

	Generation	Transmission	Distribution	All other segments	Reallocation and inter-segment transactions	Group
	Rm	Rm	Rm	Rm	Rm	Rm
30 September 2025						
External revenue	–	9 068	182 228	516	(517)	191 295
Inter-segment revenue/recoveries	125 453	44 362	(169 742)	9 788	(9 861)	–
Total revenue	125 453	53 430	12 486	10 304	(10 378)	191 295
Profit/(loss) before tax	8 907	26 110	(6 023)	4 102	(583)	32 513
Income tax	–	(7 061)	–	(1 344)	172	(8 233)
Profit/(loss) after tax	8 907	19 049	(6 023)	2 758	(411)	24 280
Segment assets	592 243	165 708	152 042	204 119	(182 323)	931 789
Segment liabilities	88 634	99 268	92 969	455 695	(162 388)	574 178
30 September 2024						
External revenue	–	8 619	175 092	450	(450)	183 711
Inter-segment revenue/recoveries	106 477	48 834	(155 283)	8 391	(8 419)	–
Total revenue	106 477	57 453	19 809	8 841	(8 869)	183 711
(Loss)/profit before tax	(4 308)	26 170	(857)	955	1 069	23 029
Income tax	–	(4 636)	–	(242)	(319)	(5 197)
(Loss)/profit after tax	(4 308)	21 534	(857)	713	750	17 832
Segment assets	576 307	127 584	153 013	171 412	(150 715)	877 601
Segment liabilities	87 144	87 148	88 151	470 656	(126 486)	606 613
31 March 2025						
External revenue	–	21 202	319 701	1 408	(1 416)	340 895
Inter-segment revenue/recoveries	207 117	73 687	(280 788)	16 860	(16 876)	–
Total revenue	207 117	94 889	38 913	18 268	(18 292)	340 895
(Loss)/profit before tax	(4 628)	32 972	(5 271)	505	291	23 869
Income tax	–	(5 761)	–	(1 363)	(698)	(7 822)
(Loss)/profit after tax	(4 628)	27 211	(5 271)	(858)	(407)	16 047
Segment assets	583 251	137 871	143 596	196 268	(149 155)	911 831
Segment liabilities	90 195	94 617	89 135	493 242	(133 703)	633 486

6. Issuances, repurchases and repayments of debt securities and borrowings and share capital

6.1 Debt securities and borrowings

Debt securities and borrowings decreased mainly due to net repayments and exchange rate fluctuations caused by the strengthening of the rand against major currencies. Debt relief support from government of R56 billion was converted to equity. The debt raised and repaid by the group is disclosed in the statement of cash flows.

6.2 Share capital

	Unaudited six months ended 30 September 2025 Shares	Audited year ended 31 March 2025 Shares	Unaudited six months ended 30 September 2024 Shares
Authorised ordinary shares	500 000 000 000	500 000 000 000	500 000 000 000
Issued ordinary shares			
Balance at beginning of the period	317 550 276 001	241 550 276 001	241 550 276 001
Share capital issued	64 000 000 000	76 000 000 000	76 000 000 000
Balance at end of the period	381 550 276 001	317 550 276 001	317 550 276 001

Shares to the value of R64 billion were issued on 6 August 2025 relating to R8 billion and R56 billion of debt relief support approved for conversion on 21 October 2024 and 11 June 2025 respectively.

7. Dividend paid

No dividend was paid to the shareholder during the six months ended 30 September 2025 nor in the comparative periods presented.

8. Significant events and transactions

The following significant movements occurred in the six months ended 30 September 2025:

8.1 Derivatives held for risk management

The net asset position relating to derivatives held for risk management (which hedges foreign debt and borrowings) decreased because of exchange rate fluctuations caused by the strengthening of the rand against major currencies.

8.2 Trade, finance lease, loan and other receivables

Trade and other receivables increased because of the tariff increase and the impact of seasonality (refer to note 9) that resulted in higher revenue as well as a continued decline in municipal payment levels.

A four-year payment arrangement with the City of Johannesburg was entered into for the settlement of overdue debt. This contract modification resulted in the derecognition of the trade receivable and recognition of a loan receivable.

8.3 Embedded derivatives

Embedded derivatives decreased because of the continued ferrochrome market downturn resulting in lower estimated consumption and the strengthening of the rand against the dollar that resulted in a lower upside threshold linked to the ferrochrome and aluminium price.

There was a marginal increase in the embedded derivative balance because of a negotiated pricing agreement with Transalloys (Pty) Ltd effective from 1 April 2025.

8.4 Inventories

Inventories increased because of higher coal stock levels in line with the coal stock recovery plan.

8.5 Investments

Insurance investments increased as insurance premiums received in advance by Escap SOC Ltd (Escap) were invested in money market instruments.

9. Seasonality of interim results

The results of the group were impacted by the following seasonal fluctuations:

- Revenue from electricity sales and consequently electricity receivables and the related value-added tax impact are normally higher during the first six months of the financial year (winter months) as compared to the summer months because of the high demand season tariff increases.
- Primary energy costs associated with renewable IPP purchases are lower in the winter months (first six months of the financial year) due to a lower proportion of power being produced from renewable sources during this time.
- Extensive planned and unplanned maintenance was undertaken in line with the generation recovery plan during the period to address plant performance challenges even though less routine maintenance work is normally undertaken during the winter months which coincides with the first six months of the financial year.

		Unaudited six months ended 30 September 2025 Rm	Unaudited six months ended 30 September 2024 Rm	Audited year ended 31 March 2025 Rm
10.	**Revenue**			
	Redistributors (metropolitan and municipal customers)	81 015	75 929	133 301
	Invoiced to customers	90 508	83 860	145 299
	Amounts not meeting collectability criteria	(15 324)	(12 981)	(23 742)
	Recognised on a cash received basis	5 831	5 050	11 744
	Residential	4 535	4 526	8 597
	Invoiced to customers	4 523	4 501	8 532
	Amounts not meeting collectability criteria	(55)	(33)	(55)
	Recognised on a cash received basis	67	58	120
	Industrial	29 917	33 420	63 509
	Mining	32 509	29 548	52 761
	Commercial	14 307	13 557	24 869
	Agricultural	8 506	8 073	16 291
	International	9 324	8 893	21 611
	Other customers	2 608	2 504	4 687
	Post-paid electricity sales	182 721	176 450	325 626
	Prepaid electricity sales	7 878	6 498	13 275
	Total electricity sales	190 599	182 948	338 901
	Other	696	763	1 994
		191 295	183 711	340 895
11.	**Primary energy**			
	Own generation costs	56 363	54 495	98 011
	International electricity purchases	1 533	4 025	6 554
	Independent power producers	20 510	20 768	45 642
		78 406	79 288	150 207
12.	**Employee benefit expense**			
	Gross employee benefit expense	22 701	21 439	45 358
	Capitalised to property, plant and equipment	(1 098)	(1 003)	(2 198)
		21 603	20 436	43 160
13.	**Finance cost**			
	Gross finance cost	22 478	24 705	46 079
	Capitalised to property, plant and equipment	(2 943)	(3 678)	(6 147)
		19 535	21 027	39 932

14. Income tax

Income tax for the interim period is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year which is applied to the pre-tax income of the interim period.

15. Accounting classification and fair value

15.1 Accounting classification

	30 September 2025 (unaudited)			
	Fair value through profit or loss Rm	Amortised cost Rm	Other[1] Rm	Total Rm
Financial assets				
Derivatives held for risk management and embedded derivatives	4 104	–	7 920	12 024
Foreign exchange contracts	108	–	28	136
Cross-currency swaps	244	–	7 892	8 136
Commodity forwards	45	–	–	45
Commodity options	14	–	–	14
Inflation-linked swaps	957	–	–	957
Embedded derivatives	2 736	–	–	2 736
Trade, finance lease, loan and other receivables	–	47 102	157	47 259
Loans receivable	–	3 493	–	3 493
Finance lease receivables	–	–	157	157
Trade and other receivables	–	43 609	–	43 609
Investments	2 330	28 409	–	30 739
Treasury investments	–	2 772	–	2 772
Negotiable certificates of deposit	–	21 204	–	21 204
Floating rate notes	–	2 883	–	2 883
Inflation-linked bonds	–	1 550	–	1 550
Listed shares	2 330	–	–	2 330
Cash and cash equivalents	–	63 873	–	63 873
Bank balances	–	25 562	–	25 562
Fixed deposits	–	38 311	–	38 311
	6 434	139 384	8 077	153 895
Financial liabilities				
Debt securities and borrowings	–	362 727	–	362 727
Eskom bonds	–	172 942	–	172 942
Eurorand zero coupon bonds	–	9 643	–	9 643
Foreign bonds	–	37 388	–	37 388
Development financing institutions	–	124 701	–	124 701
Export credit facilities	–	17 511	–	17 511
Other loans	–	542	–	542
Derivatives held for risk management	4 412	–	729	5 141
Foreign exchange contracts	906	–	243	1 149
Cross-currency swaps	3 415	–	486	3 901
Commodity forwards	2	–	–	2
Commodity options	12	–	–	12
Credit default swaps	16	–	–	16
Inflation-linked swaps	61	–	–	61
Trade and other payables and lease liabilities	–	47 520	7 225	54 745
Lease liabilities	–	–	7 225	7 225
Trade and other payables	–	47 520	–	47 520
	4 412	410 247	7 954	422 613

1. Other includes derivatives held for risk management designated as cash flow hedges measured at fair value through other comprehensive income and finance leases in terms of IFRS 16 Leases measured at amortised cost. The total assets measured at amortised cost amounts to R139 541 million and the total liabilities measured at amortised cost amounts to R417 472 million.

15. Accounting classification and fair value (continued)

15.1 Accounting classification (continued)

	31 March 2025 (audited) Fair value through profit or loss Rm	Amortised cost Rm	Others[1] Rm	Total Rm
Financial assets				
Derivatives held for risk management and embedded derivatives	7 757	–	11 560	19 317
Foreign exchange contracts	264	–	34	298
Cross-currency swaps	2 872	–	11 526	14 398
Commodity forwards	3	–	–	3
Commodity options	23	–	–	23
Inflation-linked swaps	623	–	–	623
Embedded derivatives	3 972	–	–	3 972
Trade, finance lease, loan and other receivables	–	39 081	174	39 255
Loans receivable	–	1 892	–	1 892
Finance lease receivables	–	–	174	174
Trade and other receivables	–	37 189	–	37 189
Investments	1 869	23 087	–	24 956
Treasury investments	–	2 638	–	2 638
Negotiable certificates of deposit	–	17 056	–	17 056
Floating rate notes	–	2 886	–	2 886
Inflation-linked bonds	–	507	–	507
Listed shares	1 869	–	–	1 869
Cash and cash equivalents	–	63 761	–	63 761
Bank balances	–	31 684	–	31 684
Fixed deposits	–	32 077	–	32 077
	9 626	125 929	11 734	147 289
Financial liabilities				
Debt securities and borrowings	–	372 655	–	372 655
Eskom bonds	–	169 992	–	169 992
Eurorand zero coupon bonds	–	9 077	–	9 077
Foreign bonds	–	39 419	–	39 419
Development financing institutions	–	133 562	–	133 562
Export credit facilities	–	20 063	–	20 063
Other loans	–	542	–	542
Derivatives held for risk management	1 252	–	395	1 647
Foreign exchange contracts	347	–	77	424
Cross-currency swaps	802	–	318	1 120
Commodity forwards	80	–	–	80
Commodity options	6	–	–	6
Credit default swaps	17	–	–	17
Trade and other payables and lease liabilities	–	51 734	7 710	59 444
Lease liabilities	–	–	7 710	7 710
Trade and other payables	–	51 734	–	51 734
	1 252	424 389	8 105	433 746

1. Other includes derivatives held for risk management designated as cash flow hedges measured at fair value through other comprehensive income and finance leases in terms of IFRS 16 measured at amortised cost. The total assets measured at amortised cost amounts to R126 103 million and the total liabilities measured at amortised cost amounts to R432 099 million.

	30 September 2024 (unaudited)			
	Fair value through profit or loss Rm	Amortised cost Rm	Other[1] Rm	Total Rm
Financial assets				
Derivatives held for risk management and embedded derivatives	11 984	–	12 422	24 406
Foreign exchange contracts	11	–	3	14
Cross-currency swaps	2 128	–	12 419	14 547
Commodity forwards	1	–	–	1
Commodity options	6	–	–	6
Inflation-linked swaps	418	–	–	418
Embedded derivatives	9 420	–	–	9 420
Trade, finance lease, loan and other receivables	–	53 898	196	54 094
Loans receivable	–	7 757	–	7 757
Finance lease receivables	–	–	196	196
Trade and other receivables	–	46 141	–	46 141
Investments	1 841	24 203	–	26 044
Treasury investments	–	2 509	–	2 509
Negotiable certificates of deposit	–	17 726	–	17 726
Floating rate notes	–	2 895	–	2 895
Inflation-linked bonds	–	1 073	–	1 073
Listed shares	1 841	–	–	1 841
Cash and cash equivalents	–	33 011	–	33 011
Bank balances	–	13 561	–	13 561
Fixed deposits	–	19 450	–	19 450
	13 825	111 112	12 618	137 555
Financial liabilities				
Debt securities and borrowings	–	395 348	–	395 348
Eskom bonds	–	168 621	–	168 621
Commercial paper	–	681	–	681
Eurorand zero coupon bonds	–	8 546	–	8 546
Foreign bonds	–	59 092	–	59 092
Development financing institutions	–	131 846	–	131 846
Export credit facilities	–	21 120	–	21 120
Other loans	–	5 442	–	5 442
Derivatives held for risk management	4 766	–	1 098	5 864
Foreign exchange contracts	2 472	–	558	3 030
Cross-currency swaps	1 848	–	540	2 388
Commodity forwards	370	–	–	370
Commodity options	6	–	–	6
Credit default swaps	23	–	–	23
Inflation-linked swaps	47	–	–	47
Trade and other payables and lease liabilities	–	44 186	6 967	51 153
Lease liabilities	–	–	6 967	6 967
Trade and other payables	–	44 186	–	44 186
	4 766	439 534	8 065	452 365

1. Other includes derivatives held for risk management designated as cash flow hedges measured at fair value through other comprehensive income and finance leases in terms of IFRS 16 measured at amortised cost. The total assets measured at amortised cost amounts to R111 308 million and the total liabilities measured at amortised cost amounts to R446 501 million.

15. Accounting classification and fair value (continued)

15.2 Fair value

Valuation processes and principal markets

The group has a control framework in place for the measurement of fair values. It includes a valuation team (supported by external specialists) that ultimately reports to the Chief Financial Officer and has overall responsibility for all significant fair value measurements.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. Where third-party information, such as broker quotes or pricing services, is used to measure fair value, this information is assessed as to whether it provides adequate support for the accounting treatment applied including the level of the fair value hierarchy assigned to it.

The group is involved in various principal markets because of the unique funding activities undertaken where the fair value is determined by each participant in the different principal markets. The principal markets include capital and money markets, development financing institutions and export credit agencies.

Valuation techniques and levels

Financial instrument	Valuation technique
Level 1: Quoted prices (unadjusted) in active markets	
Insurance investments (listed shares)	Quoted bid price in active markets. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
Level 2: Inputs other than quoted prices included within level 1 that are observable	
Loans receivable (excluding EFC), treasury investments, insurance investments (excluding listed shares) and debt securities and borrowings	A discounted cash flow technique is used which uses expected cash flows and a market-related discount rate.
Derivatives held for risk management	Valuation determined with reference to broker quotes as well as use of discounted cash flow and option pricing models. Broker quotes are tested for reasonableness by discounting expected future cash flows using a market interest rate for a similar instrument at the measurement date.
	Valuations of cross-currency swaps include the credit risk of Eskom (known as debit value adjustment) and counterparties (known as credit value adjustment) where appropriate. A stochastic modelling approach is followed where the expected future exposure to credit risk for Eskom and its counterparties (considering default probabilities and recovery rates derived from market data) is modelled.
Trade and other payables and cash and cash equivalents	Fair values have not been disclosed for financial instruments where the carrying amounts are a reasonable approximation of fair value.
Level 3: Unobservable inputs	
Embedded derivatives	Fair value determined using unobservable inputs.
Loans receivable (EFC home and other loans)	The fair value of EFC loans are based on discounted cash flows using market-related interest rates.
Trade and other receivables	Fair value determined using unobservable inputs. The carrying value is equal to the fair value due to the expected short-term maturity of the trade receivables. The fair value for long-term receivables is based on discounted cash flows using the effective interest rate method. The carrying value approximates the fair value as the interest rates are market related and no additional disclosure is required.

There were no changes in the valuation techniques applied nor transfers between level 1, 2 or 3 of the fair value hierarchy during the six months ended 30 September 2025 nor in the comparative periods.

Fair value hierarchy

The fair value hierarchy of financial instruments is as follows:

	30 September 2025 (unaudited)			31 March 2025 (audited)			30 September 2024 (unaudited)		
	Level 1 Rm	Level 2 Rm	Level 3 Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets									
Loans receivable	–	3 612	–	–	1 893	–	–	470	6 838
Home loans	–	–	–	–	–	–	–	–	6 838
Municipal payment arrangement	–	3 586	–	–	1 864	–	–	–	–
Other loans	–	26	–	–	29	–	–	470	–
Derivatives held for risk management and embedded derivatives	–	9 288	2 736	–	15 345	3 972	–	14 986	9 420
Foreign exchange contracts	–	136	–	–	298	–	–	14	–
Cross-currency swaps	–	8 136	–	–	14 398	–	–	14 547	–
Commodity forwards	–	45	–	–	3	–	–	1	–
Commodity options	–	14	–	–	23	–	–	6	–
Inflation-linked swaps	–	957	–	–	623	–	–	418	–
Embedded derivatives	–	–	2 736	–	–	3 972	–	–	9 420
Investments	2 330	28 676	–	1 869	23 213	–	1 841	24 376	–
Treasury investments	–	2 850	–	–	2 646	–	–	2 529	–
Negotiable certificates of deposit	–	21 342	–	–	17 153	–	–	17 853	–
Floating rate notes	–	2 915	–	–	2 901	–	–	2 906	–
Inflation-linked bonds	–	1 569	–	–	513	–	–	1 088	–
Listed shares	2 330	–	–	1 869	–	–	1 841	–	–
Assets held-for-sale	–	–	6 992	–	–	7 233	–	–	–
Home loans	–	–	6 436	–	–	6 725	–	–	–
Other loans	–	–	556	–	–	508	–	–	–
Financial liabilities									
Debt securities and borrowings	–	356 792	–	–	358 836	–	–	387 341	–
Eskom bonds	–	163 325	–	–	154 673	–	–	156 284	–
Commercial paper	–	–	–	–	–	–	–	680	–
Eurorand zero coupon bonds	–	8 926	–	–	7 788	–	–	7 145	–
Foreign bonds	–	38 616	–	–	42 751	–	–	60 861	–
Development financing institutions	–	126 340	–	–	131 570	–	–	133 460	–
Export credit facilities	–	19 017	–	–	21 477	–	–	23 363	–
Other loans	–	568	–	–	577	–	–	5 548	–
Derivatives held for risk management	–	5 141	–	–	1 647	–	–	5 864	–
Foreign exchange contracts	–	1 149	–	–	424	–	–	3 030	–
Cross-currency swaps	–	3 901	–	–	1 120	–	–	2 388	–
Commodity forwards	–	2	–	–	80	–	–	370	–
Commodity options	–	12	–	–	6	–	–	6	–
Credit default swaps	–	16	–	–	17	–	–	23	–
Inflation-linked swaps	–	61	–	–	–	–	–	47	–

15.3 Day-one gain/loss

The group recognises a day-one gain/loss on the initial recognition of cross-currency and inflation-linked swaps held as hedging instruments where applicable.

	Cross-currency swaps Rm	Inflation-linked swaps Rm	Total Rm
Loss at 31 March 2024	(1 403)	(10)	(1 413)
Day-one (loss)/gain recognised	(86)	48	(38)
Amortised to profit or loss	142	(2)	140
(Loss)/gain at 30 September 2024	(1 347)	36	(1 311)
Day-one gain/(loss) recognised	214	(127)	87
Amortised to profit or loss	88	18	106
Loss at 31 March 2025	(1 045)	(73)	(1 118)
Day-one gain recognised	691	–	691
Amortised to profit or loss	53	14	67
Loss at 30 September 2025	(301)	(59)	(360)

16. Material events subsequent to 30 September 2025

The following significant events occurred after 30 September 2025:

Changes to Eskom board of directors and Exco

Mr LL Goqwana, Dr TL Mthombeni, Mr CR le Roux and Dr B Vilakazi were re-appointed as non-executive directors on the Eskom board effective from 1 October 2025.

Ms BS Tshabalala (Lead Independent Director), Dr AJ Barendse, Dr EK Chiloane, Ms SN Govind, Dr DC Matshoga, Mr TP Nchocho and Dr JV Peach were appointed as non-executive directors on the Eskom board effective from 1 December 2025.

The tenure of Mr L Mkabela (Lead Independent Director), Ms FBB Gany, Ms APZ Mafuleka, Dr C Von Eck, Ms T Ramano and Mr B Ntshalintshali as non-executive directors on the Eskom board concludes on 30 November 2025.

Mr ML Bala was appointed as chief executive officer of NTCSA effective from 1 October 2025.

Plant performance

Koeberg power station unit 1 was reconnected to the national grid on 29 October 2025 after a planned refuelling outage from 17 February 2025 returning 930MW of electricity supply.

Koeberg licence extension

The National Nuclear Regulator approved a 20-year licence extension for Koeberg power station unit 2 on 6 November 2025 which allows for the continued operation of unit 2 from 9 November 2025, the current licence expiry date, until 9 November 2045.

Credit ratings

Standard & Poor's Global Ratings upgraded the foreign and local currency long-term credit ratings of Eskom from B to B+ on 24 November 2025.

Market operator licence

NERSA awarded the market operator licence to NTCSA on 27 November 2025.

17. Exchange rates

	Unaudited 30 September 2025	Audited 31 March 2025	Unaudited 30 September 2024
Euro	**20.26**	19.81	19.24
United States dollar	**17.27**	18.31	17.28
Pound sterling	**23.21**	23.66	23.11
Japanese yen	**0.12**	0.12	1.70

18. Reportable irregularities

There have been no significant changes to reportable irregularities as disclosed in the annual financial statements for the year ended 31 March 2025.

19. New standards and interpretations

19.1 Standards, interpretations and amendments to published standards that are not yet effective

The following new standards, interpretations and amendments to existing standards have been published that are applicable for future accounting periods that have not been adopted early by the group. These standards and interpretations will be applied in the first year that they are applicable to the group which is the financial period beginning on or after the effective date.

Topic	Summary of requirements	Impact
Classification and measurement of financial instruments – amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* (1 January 2026)	The amendments specify: • when a financial liability settled through an electronic payment system can be deemed to be discharged before the settlement date • how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs • new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs These amendments have to be applied prospectively.	No impact on the group as financial liabilities are derecognised on settlement date and there are no equity instruments designated at fair value through other comprehensive income or financial assets with contingent features.
Contracts referencing nature-dependent electricity – amendments to IFRS 9 and IFRS 7 (1 January 2026)	The amendments provide guidance on: • the own-use exemption for purchasers of electricity under such power purchase agreements • hedge accounting requirements for companies that hedge their purchases or sales of electricity using power purchase agreements • new disclosure requirements relating to contracts for nature-dependent electricity with specified characteristics These amendments have to be applied prospectively.	The amendments are not expected to have a material impact on the group as existing power purchase agreements are for own use and not designated for hedge accounting. The relevant disclosure will be updated as required.
Annual improvements volume 11 – amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 7, IFRS 9, IFRS 10 *Consolidated Financial Statements* and IAS 7 *Statement of Cash Flows* (1 January 2026)	The amendments include the following: • IFRS 1: clarifies hedge accounting wording inconsistencies with IFRS 9 • IFRS 7: aligns the terminology and concepts with IFRS 13 *Fair Value Measurement* and updates the implementation guidance to simplify aspects of the requirements that are not illustrated • IFRS 9: updates cross-references for derecognition of lease liabilities and aligns terminology with IFRS 15 *Revenue from Contracts with Customers* • IFRS 10: clarifies inconsistencies relating to judgement when determining whether a party is acting as a de facto agent • IAS 7: replaces 'cost method' with 'at cost' for consistency with IFRS Accounting Standards These amendments have to be applied retrospectively.	The amendments are not expected to have a material impact on the group and will be adopted as required if applicable.
IFRS 18 *Presentation and Disclosure in Financial Statements* (1 January 2027)	IFRS 18 will replace IAS 1 *Presentation of Financial Statements* while carrying forward many of the requirements in IAS 1 and introduces new requirements relating to: • presentation of specified categories and defined subtotals in the statement of profit or loss • disclosures on management-defined performance measures in the notes to the financial statements • improved aggregation and disaggregation Some of the requirements in IAS 1 moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and IFRS 7.	The group is assessing the presentation requirements for implementation.
Sale or contribution of assets between an investor and its associate or joint venture – amendments to IFRS 10 and IAS 28 *Investments in Associates and Joint Ventures* (optional adoption, effective date deferred indefinitely)	The amendments address the conflict between the guidance on consolidation and equity accounting when a parent loses control of a subsidiary in a transaction with an associate or joint venture. The amendments require that the full gain be recognised when the assets transferred meet the definition of a business under IFRS 3 *Business Combinations*.	No impact as the group is currently not disposing of any investments in associates or joint ventures.

19. New standards and interpretations (continued)

19.2 Standards, interpretations and amendments to published standards that are effective and applicable to the group

Topic	Summary of requirements	Impact
Lack of exchangeability – amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* (1 January 2025)	The amendments specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not. The amendments clarify: • when a currency is exchangeable into another currency • how a company estimates a spot rate when a currency lacks exchangeability • the disclosure requirements for users to understand the impact of the currency not being exchangeable The amendments apply retrospectively.	No impact on the group as all foreign currency transactions are exchangeable.

Appendix – abbreviations, acronyms and definitions

Accounting, audit and other financial terms	
EBITDA	Profit before depreciation and amortisation expense and net fair value and foreign exchange (loss)/gain
IAS®	International Accounting Standard/(s)
IFRS® Accounting Standards	International Financial Reporting Standards as issued by the International Accounting Standards Board
R	Rand
Rm	Rand millions

Accounting standards and interpretations	
IAS 1	Presentation of Financial Statements
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 28	Investments in Associates and Joint Ventures
IAS 34	Interim Financial Reporting
IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 3	Business Combinations
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 10	Consolidated Financial Statements
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 18	Presentation and Disclosure in Financial Statements

Entities	
EFC	Eskom Finance Company SOC Ltd
Escap	Escap SOC Ltd
Eskom	Eskom Holdings SOC Ltd
Group	Eskom Holdings SOC Ltd and its subsidiaries
NEDCSA	National Electricity Distribution Company of South Africa SOC Ltd
NTCSA	National Transmission Company South Africa SOC Ltd

Legislation	
Companies Act	Companies Act, 71 of 2008
Eskom Debt Relief Act	Eskom Debt Relief Act, 7 of 2023

Other	
Board	Eskom board of directors
CA(SA)	Chartered Accountant of South Africa
CFO	Chief Financial Officer
Exco	Executive Committee
IPP	Independent Power Producer
NERSA	National Energy Regulator of South Africa
MYPD	Multi-Year Price Determination
RCA	Regulatory Clearing Account

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