

SSE plc

Year ended 31 March 2026

Notice of Changes to Accounting Treatment and Presentation

13 May 2026

In advance of the full year results announcement and presentation on 28 May 2026, SSE plc expects to reflect one change to accounting treatment and two changes to presentation within the 2025/26 financial statements as set out below.

As a result of the change in accounting treatment, the Group is **restating guidance for 2025/26 to between 149 – 154 pence adjusted earnings per share** as outlined below.

1) Accounting Treatment – Recognition of losses on Neos Networks Limited

As with any other Joint Venture investment, SSE has recognised its share of the profit or loss generated by Neos Networks Limited within its reported and adjusted measures. Any recognised profits / losses result in a corresponding increase / decrease in the carrying value of the Group's equity investment in Neos.

For the 2025/26 financial year, earnings guidance has been provided on the basis that a similar level of losses to 2024/25 would be recognised for Neos. However, as the carrying value of the Group's equity investment reduced to nil during the year, the Group is unable to recognise any further losses in relation to Neos under IAS 28 "Investments in Associates and Joint Ventures".

Whilst this does not result in a restatement to previously reported numbers, it is expected to increase 2025/26 adjusted earnings metrics by 1.9 pence as described below:

Neos Networks – 2025/26	Before Accounting	After Accounting	Difference
Adjusted operating profit	£(17.9)m	£(0.8)m	£17.1m
Adjusted profit after tax	£(23.2)m	£(1.3)m	£21.9m
Number of shares for EPS	1,145.4m	1,145.4m	1,145.4m
Adjusted earnings per share	(2.0) pence	(0.1) pence	+1.9 pence

In SSE plc's Trading Update announcement on 2 April 2026, guidance was provided of between 147 – 152 pence adjusted earnings per share for 2025/26.

After reflecting this accounting treatment, we are **restating guidance for 2025/26 to between 149 – 154 pence adjusted earnings per share**.

2) Presentation – APM adjustments for non-controlling interests

The Group's structure includes non-wholly owned but controlled subsidiaries which are consolidated within the financial statements of the Group. The most significant of those is SSEN Transmission, a 25% stake in which was divested on 30 November 2022.

In order to ensure SSE's results only reflect the share of profit, capital expenditure and debt attributable to the ordinary shareholders of the Group, adjustments have been consistently applied to the Group's Alternative Performance Measures ('APMs') to remove any non-controlling interest share.

Following SSE's equity raise in November 2025 – principally to fund the increasing investment required in SSEN Transmission – the Group undertook a review of debt disclosures.

The debt disclosures have previously been based on the relevant proportion of “external debt within controlled subsidiaries” but, in order to simplify, the Group will be amending this to the relevant proportion of “all debt funding within controlled subsidiaries”. The Group believes that refining this definition will not only simplify the calculation of this metric but also aid market transparency.

This refinement has resulted in the following minor restatement:

2024/25 - Actuals	Original	Change	Restated
Adjusted net debt and hybrid capital	£10,186.7m	£(120.0)m	£10,066.7m
Adjusted net finance costs	£(281.0)m	£6.3m	£(274.7)m
Adjusted profit before tax	£2,138.2m	£6.3m	£2,144.5m
Adjusted earnings per share	160.9 pence	0.4 pence	161.3 pence

There is no change to 2025/26 guidance for net debt and hybrid capital – which is expected to be just over £10bn at 31 March 2026 – and no change to adjusted earnings per share expectations as a result of this refinement.

There have been no other changes to the way the Group calculates its APMs in the current year.

3) Presentation – Segmental Reporting Consolidation

In prior years, SSE has presented financial information for ten individual segments.

During the year, in order to streamline internal reporting processes and ensure the right level of focus is maintained on material business activities, has reduced the number of segments to seven by making the following changes:

- **SSE Thermal** – comprising previous “SSE Thermal” and “Gas Storage” segments;
- **Energy Customer Solutions** – comprising previous “SSE Business Energy” and “SSE Airtricity” segments; and
- **Corporate Unallocated** – comprising previous “Corporate Unallocated” and “NEOS Networks” segments.

These changes are presentational in nature and will not result in any restatement to consolidated numbers. Following this change, SSE will provide segmental reporting based on the seven segments – SSEN Transmission, SSEN Distribution, SSE Renewables, SSE Thermal, Energy Customer Solutions, SSE Energy Markets and Corporate Unallocated.

Enquiries

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