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

Independent auditor's report on the consolidated annual accounts

To the shareholders of Energía, Innovación y Desarrollo Fotovoltaico, S.A.

Report on the consolidated annual accounts

Qualified opinion

We have audited the consolidated annual accounts of Energía, Innovación y Desarrollo Fotovoltaico, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, and the income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, except for the effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2024, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for qualified opinion

During the course of our audit work in previous years, relevant incidents and irregularities came to light that indicated the existence of significant weaknesses in the functioning of the Parent company's internal control model, which primarily affected the areas of contract management, project monitoring and related parties. During the 2024 financial year, the Parent company's directors have implemented measures with the aim of resolving internal control weaknesses, which have been carried over from prior years and which, among other aspects, led to the correction of errors described in note 2.5 of the accompanying notes to the consolidated annual accounts. Considering the information described in the aforementioned note as well as the fact that some of the measures were implemented as from the second half of the 2024 financial year, we cannot assure that other issues, not identified to date, may not arise that could, in such case, give rise to other possible errors and/or contingencies not included in the accompanying consolidated annual accounts. Our audit opinion on the consolidated annual accounts for the year ended 31 December 2023 contained a modification in this regard.

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

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Inscrita en el R.O.A.C. con el número S0242 - NIF: B-79031290

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

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

Key audit matters

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

In addition to the matter described in the *Basis for qualified opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
Agreement in relation to Reciclajes Ecológicos Nagini, S.L. As indicated in note 1.4 of the accompanying notes to the consolidated annual accounts, in 2024 the Parent company signed a new agreement with the previous owners of the subsidiary company Reciclajes Ecológicos Nagini, S.L., as a result of which consideration to be delivered amounting to 11.5 million euros was agreed. Part of this consideration is due to the value of the customer portfolio received by Reciclajes Ecológicos Nagini, S.L. from its previous owners in the amount of 2.4 million euros, as a result of the valuation carried out by an independent expert using the multi-period excess earnings method (MEEM). The rest has been allocated to the settlement of the outstanding payment to the previous owners as a result of the acquisition of the subsidiary in 2022 for an amount of 1.3 million euros, and to the cancellation of the purchase option of the previous owners, recorded in the financial results line item, for an amount of 7.8 million euros.	Our audit procedures included, but were not limited, to the following: • Obtaining the contracts signed between the parties and understanding their accounting implications. • Analysing the valuation performed by management´s independent expert on the client portfolio received by Reciclajes Ecológicos Nagini, S.L. from its previous owners, with the support of our experts. Likewise, holding meetings with management´s independent expert to obtain an adequate understanding of the work carried out and the conclusions reached. In addition, evaluating the results of the work performed, competence, capacity and objectivity of the expert. • Assessing the adequacy of the information included in the notes to the consolidated annual accounts in relation to this issue. As a result of our procedures, we have not identified any relevant aspects in relation to this matter.

Given the significance of the amounts mentioned and the estimates and judgements used, we consider the allocation of the agreed consideration and the valuation of the customer portfolio received by Reciclajes Ecológicos Nagini, S.L. to be one of the key matters of our audit.

Recognition of income from sales

The Group's main activities consist of the construction of power generation plants and the commercialisation of energy, which is directly affected by the applicable regulatory framework in the energy sector (note 1.5).

The net amount of revenue in the Group's consolidated income statement as of 31 December 2024 amounted to a total of 134,689 thousand euros. The recognition of revenue relating to contracts for the construction of power generation plants is based on the percentage of completion method considering the degree of progress, as a function of costs incurred to total costs expected for each contract, as explained in note 3.24 of the accompanying consolidated annual accounts.

On the other hand, the recognition of revenue from the commercialisation of energy is significant because of its monetary amount and because it is susceptible to material misstatement, particularly at the end of the financial year, in regard to its recognition in the correct accounting period based on the commercial terms agreed with customers. Energy that has been supplied but not yet billed is estimated according to both external and internal information.

Given the significance of these revenues, and the estimates used in their recognition, we consider the existence, accuracy and cut off of these operations to be key matters in our audit.

Our audit work in this area included, among others, the following procedures:

- Understanding the process that the Group has in place for the recognition of revenue from sales.
- Assessing whether the accounting criteria and policies followed by the management of the Parent company regarding the recognition of revenue from sales are in accordance with the provisions of the applicable accounting standards.
- For projects for the construction of power generation plants, reconciling the figures in the detailed projects' file with the accounting records.
- For a sample of projects for the construction of power generation plants, selected by applying quantitative and qualitative criteria, obtaining the contracts to read and understand the most relevant clauses and their implications, and associated modifications, where relevant, in addition to carrying out a recalculation of the percentage of completion of the projects.
- Carrying out detailed tests on a sample of sales operations, corroborating their existence and accuracy by reference to the supporting documentation of the transaction.
- For revenue from the commercialisation of energy, carrying out cut off tests to ensure that the transactions are properly recorded according to their accrual, analysing the energy supplied but not yet billed at the end of the financial year and comparing these transactions with their subsequent actual billing.

As a result of our procedures, we have not identified any relevant aspects in relation to these matters.

Emphasis of matter

We draw attention to note 2.5 of the notes to the consolidated annual accounts, which describes the restatement carried out by the directors of the Parent company in the 2024 financial year in respect of the comparative figures for the year ended 31 December 2023 compared to those presented in the consolidated annual accounts for the previous year. The changes are mainly due to the accounting for invoices and contracts from previous years and claims from third parties and the derecognition of deferred tax assets that did not meet the requirements established in the accounting standards for their recognition. Our opinion is not modified in respect of this matter.

Other information: Consolidated management report

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

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

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

As described in the *Basis for qualified opinion* section, we have been unable to obtain sufficient and appropriate audit evidence regarding possible errors and/or contingencies given the existence of deficiencies in the Parent company's internal control model. Consequently, we have not been able to reach a conclusion as to whether there is a material misstatement in the consolidated management report in relation to that matter.

Responsibility of the directors and the audit, control and compliance commission for the consolidated annual accounts

The Parent company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent company's directors are responsible for assessing the Group'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 aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so. The Parent company's audit, control and compliance commission is responsible for overseeing the process of preparation and presentation of the consolidated annual accounts.

Auditor’s responsibilities for the audit of the consolidated annual accounts

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

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

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

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company's directors.

- Conclude on the appropriateness of the Parent company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent company's audit, control and compliance commission 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 Parent company's audit, control and compliance commission with a statement that we have complied with ethical requirements relating to independence and we communicate with the aforementioned those matters that may reasonably be considered to threaten our independence and, where applicable, the safeguards adopted to eliminate or reduce such threat.

From the matters communicated with the Parent company's audit, control and compliance commission, we determine those matters that were of most significance in the audit of the consolidated annual accounts of the current period and are therefore the key audit matters.

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

Report on other legal and regulatory requirements

Report to the audit, control and compliance commission of the Parent company

The opinion expressed in this report is consistent with the content of our additional report to the audit, control and compliance commission of the Parent company dated 30 April 2025.

Appointment period

The General Ordinary Shareholders' Meeting held on 26 December 2022 appointed us as auditors of the Group for a period of 3 years, as from the year ended 31 December 2022.

Services provided

Services provided to the Group for services other than the audit of the accounts are disclosed in note 26.3 to the consolidated annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Juan Carlos Ramos Maneiro (17877)

30 April 2025

ENERGÍA, INNOVACIÓN Y DESARROLLO FOTOVOLTAICO, S.A. Y SOCIEDADES DEPENDIENTES

Consolidated annual accounts for the financial year ending 31 December 2024

CONSOLIDATED BALANCE SHEET STATEMENT AT 31 DECEMBER 2024 (in euros)

Consolidated Assets	Note	31/12/2024	31/12/2023 (*)
A) NON-CURRENT ASSETS		**45,464,600**	**74,622,254**
I) Intangible fixed assets	**6**	**26,936,282**	**40,538,222**
Consolidation goodwill		1,026,558	13,198,683
Other intangible fixed assets		25,909,724	27,339,539
II) Tangible fixed assets	**7**	**6,389,321**	**13,091,052**
Land and buildings		1,771,662	4,923,818
Technical facilities and other tangible fixed assets		2,579,282	841,024
Fixed assets in progress and advances.		2,038,377	7,326,211
III) Derechos de uso	**9.1**	**7,243,071**	**7,856,692**
IV) Real estate investments.	**8**	**20,000**	**20,000**
Land and buildings		20,000	20,000
V) Long-term investments in associated companies	**5**	**2,326,420**	**2,321,020**
Holdings under the equity method		2,326,420	2,321,020
VI) Long-term financial investments	**11.1**	**1,017,853**	**8,067,610**
Wealth instruments		182,948	793,269
Securities representing debt		0	3,897
Derivatives		0	3,618,278
Créditos y otros activos financieros		834,905	3,652,166
VII) Deferred tax assets	**18.4**	**1,531,653**	**2,727,657**
B) CURRENT ASSETS		**96,741,995**	**86,624,945**
I) Non-current assets held for sale	**28**	**46,717,951**	**7,448,094**
II) Stock	**17**	**6,670,045**	**10,954,486**
III) Trade debtors and other receivables		**33,144,517**	**46,923,390**
Clients for sales and services	11.1	31,148,360	38,404,291
Miscellaneous debtors	11.1	85,013	6,693,590
Other credits with the public administrations		1,911,145	1,825,509
V) Short-term financial investments	**11.1**	**1,300,773**	**9,420,009**
Wealth instruments		260,000	209,999
Derivatives		0	4,017,527
Loans and other financial assets		1,040,773	5,192,483
VI) Short-term accruals/deferrals	**12**	**2,751,376**	**6,556,889**
VII) Cash and other equivalent liquid assets	**13**	**6,157,332**	**5,322,079**
TOTAL ASSETS (A + B)		**142,206,595**	**161,247,199**

* Restated figures

CONSOLIDATED BALANCE SHEET STATEMENT AT 31 DECEMBER 2024 (in euros)

CONSOLIDATED NET EQUITY AND LIABILITIES	Note	31/12/2024	31/12/2023 (*)
A) NET EQUITY		**22,416,126**	**-10,887,462**
I) Own Funds		**17,978,805**	**-13,897,737**
Deed capital	14.1	1,582,262	1,481,617
Issue premium	14.2	48,709,365	33,810,009
Reserves	14.3	-5,747,780	-4,219,497
Negative results from previous years		-44,869,148	0
Result of the FY attributed to the dominant company	14	-49,010,871	-44,869,148
Own shares	14.4	-83,140	-100,719
Other net equity instruments	14.5	67,398,116	0
II) Ajustes por cambio de valor		**0**	**0**
III) Non-dominant holdings	**15**	**4,437,322**	**3,010,275**
B) NON-CURRENT LIABILITIES		**28,812,606**	**89,235,582**
I) Long-term provisions	**20.1**	**2,873,250**	**4,414,926**
II) Long-term debts	**11.2**	**23,947,830**	**80,469,094**
Debts with credit institutions		11,460,367	9,905,091
Notes and negotiable securities		0	0
Leasing liabilities		6,905,445	7,740,140
Other financial liabilities		5,582,017	62,823,863
III) Official subsidies	**23**	**138,000**	**185,500**
V) Deferred tax liabilities	**18.5**	**1,853,526**	**4,166,063**
C) CURRENT LIABILITIES		**90,977,863**	**82,899,079**
I) Liabilities linked to assets held for sale	**28**	**28,741,827**	**770,933**
II) Short-term provisions	**20.1**	**874,368**	**2,188,450**
III) Short-term debts	**11.2**	**42,678,604**	**47,229,450**
Debts with credit institutions		10,130,604	21,634,166
Notes and negotiable securities		0	3,400,000
Financial leasing liabilities		612,462	499,328
Other financial liabilities		31,935,538	21,695,956
Short-term Investments, group and associated companies		**206,963**	**0**
IV) Trade creditors and other accounts payable		**18,476,102**	**32,510,229**
Suppliers	11.2	8,293,595	13,860,634
Other creditors	11.2	8,532,881	16,477,837
Current tax liabilities		177,386	1,555,502
Other debts with public administrations		1,472,239	616,255
V) Accruals/deferrals		**0**	**200,018**
TOTAL NET EQUITY AND LIABILITIES [A+B+C]	**2.9**	**142,206,595**	**161,247,199**

* Restated figures

CONSOLIDATED INCOME STATEMENT AT 31 DECEMBER 2024 (in euros)

ONGOING OPERATIONS	Note	31/12/2024	31/12/2023 (*)
1. Income	**19.1**	**138,832,357**	**190,137,032**
a) Sales		134,688,751	186,069,861
a) Services		4,143,605	4,067,171
3. Work carried out by the group		**1,155,844**	**18,258,550**
4. Provisioning	**19.2**	**-109,260,897**	**-171,134,280**
a) Consumption of goods		-95,565,865	-134,878,482
b) Consumption of raw materials and other consumables		-10,081,771	-27,386,479
c) Work carried out by other companies		-3,323,601	-8,863,950
d) Impairment of merchandise, raw materials and other supplies		-289,661	-5,369
5. Other operating income		**132,903**	**0**
6. Staff expenses	**19.3**	**-8,483,106**	**-9,165,418**
a) Wages, salaries and similar		-6,756,675	-7,229,521
d) Social charges		-1,726,431	-1,935,897
7. Other operating expenses		**-20,422,268**	**-34,235,202**
a) External services		-18,227,144	-30,900,250
b) Taxes		-1,632,715	-395,036
c) Losses, impairment and change in provisions due to trade operations	11.1.2	-559,431	-2,428,007
d) Other current management costs		-2,977	-511,909
8. Depreciation of Fixed Assets		**-3,650,027**	**-2,887,862**
9. Allocation of subsidies for non-financial fixed assets and others		**1,500**	**1,500**
11. Impairment and results from sale of fixed assets	**6**	**-16,678,345**	**-7,308,225**
12. Other results		**-786,556**	**-3,814,557**
13. Result from loss of control in dependent companies	**1.4**	**402,293**	**82,823**
A1) OPERATING RESULTS		-18,756,304	-20,065,639
14. Financial income	**11.1. 2 & 11.7**	**388,930**	**1,106,112**
b) from negotiable securities and other financial instruments		388,930	1,106,112
15. Financial expenses	**11.7**	**-6,846,469**	**-9,821,518**
16. Variation in the fair value of financial instruments	**11.8**	**-17,244,412**	**-5,915,941**
17. Exchange rate differences		**-207**	**-2,460**
18. Impairment and results from transfers of financial instruments	**11.1.2**	**-5,479,134**	**-2,325,029**
1. Impairment and loss		-5,479,134	0
A2) FINANCIAL RESULTS		-29,181,291	-16,958,836
19. Participation in results of companies under the equity method	**5**	**-13,743**	**0**
A3) PRE-TAX RESULTS		-47,951,338	-37,024,475
20. Profit tax		**-906,345**	**-8,206,831**
A4) CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR		-48,857,684	-45,231,306
Results of the FY attributed to the dominant company		**-49,010,871**	**-44,869,148**
Results of the FY attributed to non-dominant companies	**15**	**153,187**	**-362,158**
Basic results per share		-0.78	-0.80
Basic results per share		-0.66	-0.72

(*) Restated figures

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT AT 31 DECEMBER 2024 (in euros)

	31/12/2024	31/12/2023
A) RESULTS FROM THE PROFIT AND LOSS ACCOUNT	-48,857,684	-45,231,306
TOTAL RECOGNISED INCOME AND EXPENDITURE (A+B+C)	-48,857,684	-45,231,306
Total income and expenses attributed to the dominant company	-49,010,871	-44,869,148
Total income and expenses attributed to the non-dominant company (note 15)	153,187	-362,158

(*) Restated figures

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER 2024 (in euros)

	Deed capital	Issue premium	Reserves	Own shares	Negative results from previous years	Results attributed to the dominant company	Other equity instruments	Total net equity attributable to dominant company shareholders	Non-dominant holdings	TOTAL
A) FINAL BALANCE FOR FY 2022	1,446,166	28,845,525	5,746,345	-907,072	0	-2,602,401	0	32,528,563	1,799,987	34,328,551
II. Adjustments due to errors FY 2022 and prev.	0	0	-4,405,738	0	0	0	0	-4,405,738	0	-4,405,738
B) ADJUSTED BALANCE, START FY 2023	1,446,166	28,845,525	1,340,607	-907,072	0	-2,602,401	0	28,122,825	1,799,987	29,922,813
I. Total recognised income and expenditure	0	0	0	0	0	-44,869,148	0	-44,869,148	-362,158	-45,231,306
II. Transactions with members or owners	35,451	4,964,484	-2,551,930	806,353	0	2,602,401	0	5,856,759	3,715,916	9,572,676
1. Capital increase	35,451	4,964,484	0	0	0	0	0	4,999,935	3,715,916	8,715,851
2. Operations with own shares (net)	0	0	50,471	806,353	0	0	0	856,824	0	856,824
3. Distribution of results	0	0	-2,602,401	0	0	2,602,401	0	0	0	0
IV. Other changes in net equity	0	0	-3,008,174	0	0	0	0	-3,008,174	-2,143,471	-5,151,645
C) FINAL BALANCE FOR FY 2023	1,481,617	33,810,009	-4,219,497	-100,719	0	-44,869,148	0	-13,897,737	3,010,275	-10,887,462
II. Adjustments due to errors FY 2023 and prev.	0	0	0	0	0	0	0	0	0	0
D) ADJUSTED BALANCE, START FY 2024	1,481,617	33,810,009	-4,219,497	-100,719	0	-44,869,148	0	-13,897,737	3,010,275	-10,887,462
I. Total recognised income and expenditure	0	0	0	0	0	-49,010,871	0	-49,010,871	153,187	-48,857,683
II. Transactions with members or owners	100,645	14,899,356	-17,579	17,579	-44,869,148	44,869,148	0	15,000,001	694,000	15,694,001
1. Capital increase	100,645	14,899,356	0	0	0	0	0	15,000,001	694,000	15,694,001
2. Operations with own shares (net)	0	0	-17,579	17,579	0	0	0	0	0	0
3. Distribution of results	0	0	0	0	-44,869,148	44,869,148	0	0		0
IV. Other changes in net equity	0	0	-1,510,704	0	0	0	67,398,116	65,887,412	579,859	66,467,271
E) FINAL BALANCE FOR FY 2024	1,582,262	48,709,365	-5,747,780	-83,140	-44,869,148	-49,010,871	67,398,116	17,978,805	4,437,321	22,416,126

(*) Restated figures

CONSOLIDATED CASHFLOW STATEMENT AT 31 DECEMBER 2024 (in euros)

	Note	31/12/2024	31/12/2023
A) CASHFLOWS FROM OPERATING ACTIVITIES			
1. Pre-tax results for the year.		-47,951,338	-37,024,475
2. Adjustments to results.		50,640,690	23,542,394
a) Depreciation of fixed assets (+).		3,650,027	2,887,862
b) Impairment adjustments (+/-).		23,006,572	4,758,405
c) Variation in provisions (+/-).		268,940	1,266,280
d) Allocation of subsidies (-)		-750	-1,500
g) Financial income (-).		-388,930	-1,106,112
h) Financial expenses (+).		6,846,469	9,821,518
i) Exchange rate differences (+/-).		207	0
j) Participation in results of companies under the equity method (+/-).		13,743	0
k) Change in fair value of financial instruments (+/-).		17,244,412	5,915,941
3. Changes in current capital.		-5,606,645	32,537,060
a) Stock (+/-).		1,983,644	15,520,862
b) Debtors and other receivables (+/-).		-963,339	10,635,946
c) Other current assets (+/-).		1,458,540	124,802
d) Creditors and other payables (+/-).		-2,869,519	6,255,449
e) Other financial liabilities (+/-).		-1,689,839	0
f) Other non-current assets and liabilities (+/-).		-3,526,132	0
4. Other cashflows from operating activities.		-10,589,810	-13,359,482
a) Interest payments (-).		-6,846,469	-9,821,518
c) Interest received (+).		388,930	1,106,112
d) Profit tax (payments) (+/-)		256,945	-4,644,076
e) Other payments (collections)(+/-)		-4,389,216	0
5. Cashflows from operating activities (+/-1+/-2+/-3+/-4)		-13,507,103	5,695,497
B) CASHFLOWS FROM INVESTMENT ACTIVITIES			
6. Investment payments (-).		-12,443,994	-25,529,871
b) Intangible fixed assets		-12,329,159	-7,271,321
c) Tangible fixed assets		-114,835	-18,258,550
7. Divestment receipts (+).		15,051,072	26,612,150
b) Tangible fixed assets.		0	15,551,703
d) Other financial assets.		6,531,892	11,060,447
e) Non-current assets held for sale		8,519,180	0
8. Cashflow from investment activities (7-6)		2,607,078	1,082,279
C) CASHFLOWS FROM FINANCING ACTIVITIES			
9. Receipts and payments from equity instruments.		15,711,579	8,715,852
a) Issue of equity instruments (+).		15,000,000	4,999,936
d) Alienation of instruments of own assets (+).		17,579	0
E) Operations with non-dominant holdings (+)		694,000	3,715,916
10. Receipts and payments for financial liability instruments.		-3,976,300	-26,456,410
a) Issue		24,242,839	81,956,003
1. Notes and other negotiable securities (+).		0	53,600,000
2. Debts with credit institutions(+).		13,241,671	10,920,577
3. Debts, group and associated companies (+).		0	90,192
4. Other debts (+).		11,001,168	17,345,235
b) Return and amortisation of		-28,219,139	-108,412,414
1. Notes and other negotiable securities (-).		0	-68,497,520
2. Debts with credit institutions(+).		-17,881,848	-39,914,894
4. Other debts (-).		-10,337,291	0
11. Payments for dividends and remuneration from other equity instruments.			
12. Cashflows from financing activities (+/-9 +/-10-11)		11,735,279	-17,740,558
Exchange rate differences		-207	
E) NET INCREASE/DECREASE IN CASH OR EQUIVALENT		835,254	-10,962,782
Cash or cash equivalents at the beginning of the financial year.		5,322,079	16,284,861
Cash or equivalents at the end of the financial year.		6,157,332	5,322,079

(*) Restated figures 0 0

ENERGÍA, INNOVACIÓN Y DESARROLLO FOTOVOLTAICO, S.A Y SOCIEDADES DEPENDIENTES

Report on the consolidated annual accounts for the financial year ending 31 December 2024

1. GENERAL INFORMATION

1.1. Dominant company

Energía, Innovación y Desarrollo Fotovoltaico, S.A., was incorporated on 19 December 2008 under number 1908 of the official records of Notary Public Juan Antonio Utrilla Suarez, with the name EDF SOLAR, SL. At the moment of its incorporation, its registered office was at Calle Nou no. 166, in the town of Figueres.

On 12 April 2017 the company name was changed to Energía, Innovación y Desarrollo Fotovoltaico, S.L.U. and subsequently, on 19 December 2019, it was transformed into a public limited company (*sociedad anónima*).

Pursuant to a resolution of the Shareholders' Meeting of 21 September 2023, the company transferred its registered office to Madrid, by virtue of a deed executed by Vigo Notary Mr Julio Manuel Díaz Losada, dated 21 September 2023, under number 1703 of his official records and recorded at the Commercial Registry of Madrid in tome 45970, folio 171, entry 2 of sheet M-807781.

Pursuant to a resolution of the General Meeting of Shareholders of 19 June 2024, the company transferred its registered office to Polígono Industrial Outeda-Curro, Nave E03, Barro (Pontevedra), Postcode 36692, by virtue of a deed authorised by Vigo Notary Mr Miguel Lucas Sánchez, dated 21 June 2024, under number 1947 of his official records and recorded at the Commercial Registry of Pontevedra in sheet PO-54097, entry 48.

Its tax identification number is A-55.025.068.

The National Economic Activity Code for the company's main activity is 4321.

The corporate object of the dominant company is the performance of the following activities:

- ✓ The main activity is the construction, installation, development, operation and maintenance of all kinds of solar, photovoltaic, wind and other energy installations, as well as carrying out studies and projects related to them, and the sale and transfer, by any means permitted by law, of the electricity obtained from any of such installations (CNAE 4321).

- ✓ Intermediation or management in technical engineering services and other activities related to technical advisory services (CNAE 7112).

- ✓ Production of other kinds of electrical energy (CNAE 3519).

On 7 July 2021, the company's shares were listed on the BME Growth trading segment, at BME MTF Equity, with the symbol "EiDF".

The dominant company is defined by the ability to control and, consequently, in counting the voting rights the company holds, solely for the purpose of ascertaining the existence of control, all voting rights are taken into account, including potential ones that can be converted or exercised on the date to which the assessment of control refers, regardless of the company's intentions or financial ability to exercise or convert them.

The principles applied in the drawing up of the Consolidated Annual Accounts of the group, as well as the consolidation perimeter, are set out in notes 1.2, 1.3 and 1.4 of this consolidated report.

The Consolidated Annual Accounts include the financial statements of the companies controlled by the dominant company, directly or indirectly, at 31 December 2024.

1.2. Dependent companies

“Dependent companies” are those companies, including special purpose entities, over which the Group holds or may hold control, directly or indirectly, control being understood as possessing the majority of voting rights at the general meeting of shareholders, either by itself or by means of undertakings or agreements with other members or holds the majority on the management body, either because it appointed the majority or due to the ability to appoint or remove.

However, there are cases of control where the power of management has not been specified. This situation is common in special purpose entities, which are entities, commercial or otherwise, created to reach a specific pre-defined objective, meaning that they essentially act as an extension of the group’s activities. In order to assess whether such entities form part of the group, account is taken, among other things, of the group’s participation in the risks and benefits of the entity, as well as its ability to take part in its operational and financial decision-making.

The breakdown of the dependent companies that make up the Group is provided in Annex I.

The annual accounts of the dependent companies are consolidated with those of the dominant company by applying the full consolidation method.

Since the end of FY 2021, the Group has performed the activity of marketing following the acquisition of the ODF (On Demand Facilities, S.L.) group and Reciclajes Ecológicos Nagini, S.L., thus advancing the integrated development of the business, meaning that the EiDF Group performs its activities in the photovoltaic energy sector, energy marketing and intermediation in energy markets. Note 28 of this consolidated report provides information on the transfer of the holdings of the dominant company in On Demand Facilities, S.L. to non-current assets held for sale.

1.3. Associated companies

"Associated companies" are those over which the group, directly or indirectly through dependent companies, exercises significant influence. Significant influence is the power to intervene in the financial and operational policy decisions of a company, without this representing the existence of control or joint control of the same. When assessing the existence of significant influence, account is taken of potentially exercisable or convertible voting rights on the closing date of each financial year, also considering the potential voting rights held by the Group or by third parties.

The existence of significant influence on the part of the Group tends to be demonstrated by one or more of the following circumstances:

- Representation on the Executive Board of Directors or equivalent governing body of the investee company.
- Participation in policy formation processes, including participation in decisions on dividends and other distributions.
- Existence of material transactions or of relative importance between the Group and the investee company.
- Exchange of management personnel.
- Supply of essential technical information.

In general terms, significant influence is assumed in those cases in which EiDF holds a stake of more than 20%.

The breakdown of the associated companies that make up the Group is provided in Annex II.

The annual accounts of the associated companies are consolidated with those of the dominant company by applying the full consolidation method.

1.4. Changes in the consolidation perimeter

The changes in the consolidation perimeter correspond to:

- Inclusions in the consolidation perimeter

  The inclusions in the consolidation perimeter, on the part of the group, are due to:

  a. Incorporation of companies

  The group has not included any newly incorporated companies within the consolidation perimeter in FY 2024.

  In FY 2023, the following companies were included: Barcino Pvsun, S.L.; Narya Ppasun, S.L.; Vilya Pvsun, S.L.; Energia Alfa Solar PV Sun, S.L.; Nenya Ppasun, S.L.; Energia Beta Solar PV Sun, S.L. and Energia Gamma Solar PV Sun, S.L.

  b. Acquisition of control of companies

  - The group has included the following companies within the consolidation perimeter in FY 2024 by means of the **acquisition of assets** (as the acquisition of assets has not entailed the acquisition of control over the business, IFRS 3, Business combinations was not applied) by the dominant company:

    - Vega Lyra Promociones Fotovoltaicas, S.L. (for 12,330,972 euros including the purchase of quota shares and the milestones reached to date and paid by the company on behalf of the dependent company). On 5 August 2024, 100% of the company's quota shares were acquired for 11,123,541 euros. This company is implementing projects for the development of electricity generation plants using photovoltaic technology, namely Barcina Garoña Vega I and Barcina Garoña Vega II each with an installed capacity of 69 MWp.

Subsequently, a payment of 1,207,431 euros was made corresponding to the milestones reached, to date, by the project developer until attaining Ready-to-Build status, this amount being considered a contribution by companies to the dependent company.

Payment of the sale and purchase of quota shares will take place using promissory notes between December 2024 and January 2025 (note 11.2) and the sum of 6,000,000 euros by delivering EiDF quota shares to the sellers (note 14.5).

In FY 2023, the following companies were included:

- Lured Potencia, S.L.: on 10 April 2023, the dominant company acquired 100% of the quota shares for 4.9 million euros. This company is implementing projects for the development of electricity generation plants using photovoltaic technology, namely Alba I, with an installed capacity of 49.95 MWp.

- Sociedad de Explotación Fotovoltaica Berlín, S.L.: on 24 March 2023, the dominant company acquired 100% of the quota shares for 1.95 million euros. This company is developing 4 photovoltaic solar projects, each with installed capacity of 6.5 MWp.

- Sociedad de Explotación Fotovoltaica MI, S.L.: on 28 December 2023, the dominant company acquired 100% of the quota shares. This company is developing one photovoltaic project, namely “San Isidro Solar”, with installed capacity of 18,5 MWp. The value of this sale and purchase is 1.95 million euros.

These acquisitions are classed as asset purchases, falling outside the scope of IFRS 3, Business combinations, due to the nature of the transactions, the type of assets acquired and the very initial stage of development of the projects (note 6 Intangible fixed assets).

- Exits from the consolidation perimeter

The exits from the consolidation perimeter, on the part of the group, are due to:

a. Liquidation of companies

In the course of FY 2024, the dominant company liquidated the following group companies:

- Berilo Logistia, S.LU.
- Dickson Solar Energy, S.L.
- EDF Eléctrica de Galicia, S.L.U.
- Energía Alfa Solar PVSUN, S.L.
- Energía Beta Solar PVSUN, S.L
- Energía Gamma Solar PVSUN, S.L.
- Faro II Solar, S.L.
- Neinver PPASUN, S.L.
- Narya PPASUN, S.L.
- Nenya PPASUN, S.L.
- Peregrine SUN, S.L.
- Solarbru Energía, S.L.U
- Sport PPASUN, S.L.
- Steel PPASUN, S.L.
- Vilya PVSUN, S.L.
- Zona Solar Investment, S.L.U

The effect of the liquidation of these companies on the group has not been significant.

In FY 2023, investee company Central de Electrificación Solar 1, S.L. was wound up without having a significant impact.

b. Loss of control of companies

In the course of FY 2024, the dominant company sold the holdings in the following group companies:

- Eficiencia y Red Solar, S.L. (insignificant operation).

- Hawk PV, S.L, sold to Finlight Corporate, S.L.U., representing a loss of 402,293 euros for the group, recognised in the consolidated income statement under the heading of results from the loss of control of consolidated holdings. The most significant assets held by this company was a photovoltaic plant in operation, as well as payment rights. Moreover, its most significant liabilities corresponded to short-term debt that was cancelled upon sale.

The dominant company, in the course of FY 2023, carried out the following operations that entailed a loss of control.

- Sale of self-consumption facilities with PPA to Finlight Corporate, S.L.U. (a company in which Brookfield Asset Management Inc. holds a stake). On 4 August 2023, certain dependent companies sold material assets and the associated PPAs ("PPA assets") which involved the final sale of 41 industrial self-consumption photovoltaic installations. The agreement contained a series of conditions precedent that have been fulfilled in the course of the year. The sale took place in three phases, two executed before closing 2023 and one executed in January 2024.

  These PPA assets were sold for an amount of 15.5 million euros (2023) and 1 million euros in January 2024. Likewise, associated with this sale, EiDF invoiced the purchaser 4.5 million euros in 2023 for completion work on the assets (EPC construction) and 0.2 million euros in 2024, in line with the terms of the agreement.

The sale of the PPA assets represented a loss of 2.7 million euros for the EiDF Group.

- On 21 December 2023, the EiDF Group formalised the investment agreement with Greenler Solutions, S.L. (the INVESTOR) and Kakuru Invest, S.L. (Midco) both companies controlled by investment group Atitlan. The Agreement signed is for the contribution of funds to Midco by the Investor for the development of the projects in the SPVs and the contribution by EIDF and EIDF Generación to Midco of all the quota shares in certain SPVs. In exchange for these contributions (monetary and non-monetary), the EiDF Group will control 49% of Kukuru Invest*, S.L. The quota shares held by the EiDF Group and Greenler have different rights, the main difference being the financial rights in respect of future dividends. The Investor has subscribed “Class B” shares that entitle it to a privileged dividend consisting of 95% of the distributable profit until it receives all of the contribution it made to the Company and of 90% until it receives twice what it contributed.

  The performance of this agreement entailed the liquidation of the outstanding liability with IKAV and the cancellation of the debt that certain SPVs had with IKAV. In total, it represented the cancellation of debt worth 14.6 million euros.

  The following SPVs were contributed to Midco:

  - AL-ANDALUS PV, S.L.U.
  - ARAGÓN PVSUN, S.L.U.
  - CLM PV, S.L.U.
  - CALZADA OROPESA SOLAR, S.L.U.
  - CAT PVSUN, S.L.U.
  - ELOGÍA ARABAYONA, S.L.U.
  - ELOGÍA BABILAFUENTE, S.L.U.
  - MORSAYAS PV, S.L.U.
  - SKOTTSBERG SOLAR ENERGY, S.L.U.
  - PROYECTO SOLVOLT UNO, S.L.U. *
  - PROYECTO SOLKW UNO, S.L.U. *
  - ENERGÍA INNOVACIÓN Y DESARROLLO FOTOVOLTAICO CYL

GENERACIÓN, S.L.U. *

- PV RIASUN, S.L.U. *

- SOCIEDAD DE EXPLOTACIÓN FOTOVOLTAICA ZETA, S.L.U. *

*EiDF dependent companies.

These SPVs include a total of 44 photovoltaic plant projects.
The Agreement also includes a turnkey EPC contract between Midco and EiDF in which EiDF acts as Contractor for the completion and start-up of all the plants included in the Agreement, except “Project SOLKW UNO S.L.U.”.

Assets worth 22.4 million euros have been delivered, cancelling liabilities worth 14.6 million euros and maintaining receivables worth 5.1 million euros, representing a loss of 2.7 million euros.

The holding received by the group has been valued at fair value in its initial registration based on Midco's business plan.

The estimation has been carried out by an independent expert and was largely based on the discounted cashflow method. As a result of this analysis, at 31 December, the Group had recorded the total investment in Midco at a value of zero, as the flows that EiDF will receive via dividends are largely insignificant and have been discounted at a 7.1% discount rate.

In addition and as part of the operation carried out with the Investor, the Company has exercised the purchase option it had over the SPV “PROYECTO SOLKW UNO, S.L.U.” owned by Greening Concesiones S.L.

- Other changes in the consolidation perimeter

Other changes in the consolidation perimeter are determined by:

Modification of the holding. Additional investment without modification of the holding

In the course of 2024, the dominant company made the following additional investments in certain group and associated companies:

- Member contributions, in the course of the year, in certain companies, the most significant being:

  - In certain companies of the group derived from certain milestones being reached (paid by the dominant company on behalf of the dependent company and considered as member contributions to the same) in the development of the projects (for the amount of 1,908,959 euros) to the following group companies

    - Lured Potencia, S.L.
    - Levante PPASUN, S.L.
    - Sociedad de Explotación Fotovoltaica Berlín, S.L.
    - Sociedad de Explotación Fotovoltaica Mi, S.L.
    - Sociedad de Explotación Fotovoltaica Lamda, S.L.

  - Reciclajes Ecológicos Nagini, S.L..

    On 21 July 2022 both the initial agreement and subsequent addenda of the acquisition of 426,564 shares in dependent company Reciclajes Ecológicos Nagini, S.L., representing 51% of the company's quota shares, were executed as a public deed.

However, due to the terms of certain agreements, EiDF was granted control of the dependent company since 1 January 2022, as it was considered that the purchase of the remaining percentage was guaranteed, due to the 2022-2025 business plan as well as the ratios and indicators associated with the conditions precedent, as EiDF had the exclusive ability to manage the business. Therefore, from the date of acquisition of control, the purchase of 100% of the shares was recorded as a deferred debt.

Moreover, various agreements establish that the sellers will contribute a future client portfolio to Reciclajes Ecológicos Nagini, S.L., the price of which will be determined as 7 times the EBITDA reached in 2025, minus the net financial debt of Reciclajes Ecológicos Nagini, S.L., on the transaction date, the amount previously paid in the acquisition of the quota shares and the amount related to the financial support granted by EiDF to the dependent company as financial debt. This transaction has been considered a contingent payment.

The detailed information on this operation is supplied in note 5 and note 3.12 of the consolidated annual accounts.

In the context of the sale and purchase agreement for the quota shares, the former members of the dependent company will be paid on the basis of the client portfolio contributed to the company. This portfolio was estimated at 5,014,488 euros at the time.

Based on a valuation carried out by a management expert, at closing FY 2024, the value of the same was 2,407,273 euros, which is considered a member contribution to the dependent company, as it is the amount to be paid to the former members of the dependent company on behalf of Reciclajes Ecológicos Nagini, S.L., which records the intangible fixed assets as a consideration.

This operation entails the payment of 1,317,669 euros pending payment from the acquisition of the quota shares of the dependent company in FY 2022 (from the acquisition of 51% of the quota shares) scheduled to mature in 2025 (this amount was included in the liabilities of the consolidated financial statement (note 11.2).

The sale and purchase agreement for the quota shares of Reciclajes Ecológicos Nagini, S.L., (from 2022) established a series of conditions precedent, which granted the buyback option for the same to the sellers, until 2025 at the latest. This was not considered probable and a value of 0 euros was assigned.

So that the buyback option would not be exercised, the dominant company pays the former members of the dependent company 7,842,340 euros, recorded under the heading of variation in the fair value of financial instruments in the consolidated statement of results (note 11.8).

The aggregate amount of these operations will be made effective by paying 1,000,000 euros in 2024 and 10,567,282 euros by issuing 2,686,530 new shares in the dependent company according to the market closing price on 13 November 2024 with a discount of 5% (4.0945 euros/share), recognised by the company under the heading of consolidated statement of financial position (note 14.5).

- Kakuru Invest, S.L. The member contribution in FY 2024 totalled 3,350,295 euros. Fully impaired amount (recorded in the consolidated statement of results under the heading of impairment and profit from transfers of financial instruments-impairments and losses note 11.1.2)

- <u>Capital increase</u>

  - In EIDF Autoconsumo, S.L. On 25 April 2024, EIDF Autoconsumo increased its share capital by 5,078,433 euros, by creating new quota shares, with the part corresponding to EIDF totalling 4,384,433 euros. At the same time, EIDF ceased to hold 100% of the quota shares of EIDF Autoconsumo, S.L., instead holding 86% of the quota shares of the dependent company. The other 14% of the quota shares of the dependent company are owned by Albujón Solar 81, S.L., representing a movement of non-dominant holdings worth 694,000 euros.

In the course of 2023, the dominant company made the following additional investments in certain group and associated companies:

- <u>Member contributions</u>. There were no member contributions in FY 2023.

- <u>Capital increase</u>

  - On 3 March 2023, a capital increase was carried out with EiDF subscribing 75% by offsetting credits worth 4,799 thousand euros and Albujón 25% with a monetary contribution of 1,598 thousand euros. This increase affected Cenprosol Energía, S.L, Balansiya Sun; S.L., Levante PPA Sun, S.L., Sociedad de Explotación Fotovoltaica Landa, S.L.

  - On 10 April 2023, a capital increase was carried out with EiDF subscribing 75% by offsetting credits worth 4,485 thousand euros and Albujón 25% with a monetary contribution of 1,495 thousand euros. This increase affected Cenprosol Energía, S.L, Balansiya Sun; S.L., Levante PPA Sun, S.L., Sociedad de Explotación Fotovoltaica Landa, S.L., Páramo PVSun, S.L; and Vilanova PV Sun, S.L.

- Other operations carried out in FY 2023

  - Exercise of purchase option in SINIA

    On 20 April 2023, an agreement was signed to exercise the purchase option, paying Sinia the amount of 1.8 million euros as the exercise price by the companies in which the EiDF Group held a stake with Sinia. Of the total amount paid, 878 thousand euros were recorded as financial expenditure in 2023, the remaining amount already having been recorded as a liability when Sinia initially became a member. Together with the exercise of this option, a repayment schedule was agreed for the debt that the subsidiaries maintained with Sinia, so that the total cancellation envisaged in the event of exercise of the purchase option was not applied.

    - Arosa Pvsun, S.L
    - Extrem Ppa Pvsun, S.L.
    - Hawk Pv, S.L.
    - Balboa Ppasun, S.L.
    - Olive Pvsun, S.L.
    - Edf Solar O&M, S.L.
    - Sibel Pv, S.L.

  - Sociedades IKAV (Ikopus)

    As described earlier, on 21 December 2023 the Group paid the amount of the holdings in the companies that were outstanding. The Group had recorded the entry of IKAV as a financing, recognising a liability at the initial time of its entry into the dependent companies for the future acquisition of 9% of the holding.

    The dependent companies involved in the operation were:

- EiDF Generación, S.L.	- Calzada Oropesa Solar, S.L.U.	- Elogia Arabayona, S.L.U.
- Al Andalus PV, S.L.U.	- CAT PVSun, S.L.U.	- Elogia Babilafuente, S.L.U.
- Aragón PV Sun, S.L.U.	- Clm Pv, S.L.U.	- Morsayas Pv, S.L.U.
- Skottsberg Solar Energy, S.L.U.		

1.5. Regulatory framework

The current legislation governing the development of photovoltaic facilities, including technical, environmental, administrative and network connection aspects affecting the group is:

- **Regulatory context for generation:**

The main piece of legislation governing the Spanish electricity sector is the Electricity Sector Act (*Ley 24/2013, de 26 de diciembre, del Sector Eléctrico*) which establishes the general regulations applicable to the entire electricity system in Spain, based on EU legislation on common provisions for the internal electricity market.

In order for a photovoltaic facility to be able to supply electricity to the electricity network, it has to obtain access and connection via a specific connection point on the low/medium voltage distribution network, or the high voltage transport network. The choice of connection to a distribution network or a transport network depends on technical factors, such as the envisaged location and the closest connection point with sufficient capacity available.

Access and connection are granted by different entities depending on the network to which the photovoltaic facility is to be connected: each distribution network is operated by the system operator for local distribution in the corresponding zone (the "DSO"); and the transport network is owned and operated by Red Eléctrica de España, as transport system operator ("TSO"). Red Eléctrica de España also manages the entire Spanish electricity system.

The access and connection authorisation process is largely regulated by the Electricity Sector Act, Royal Decree 1955/2000 ("RD 1955/2000"), Royal Decree 1183/2020 ("RD 1183/2020"), which regulate the general procedure applicable to the access and connection authorisation process and CNMC Circular 1/2021 of 20 January on network access and connection conditions ("Circular 1/2021").

According to the electricity sector legislation, the commissioning of a photovoltaic facility is contingent on obtaining the Prior Administrative Authorisation, prior to construction.

In late June 2020, the Spanish Council of Ministers approved Royal Decree Law 23/2020 ("RDL 23/2020"), which substantively modified the authorisation process and the timeframes for construction and operation of energy generation facilities.

RDL 23/2020 introduced material changes to the authorisation process for energy projects with a view to expediting the number of network connection applications. Article 1 of RDL 23/2020 establishes a series of mandatory timeframes for obtaining all the authorisations necessary to attain commercial operation of any new generation project.

Royal Decree 235/2023 introduced changes in the prior administrative authorisation process in order to simplify the administrative procedures for the installation of photovoltaic plants.

Royal Decree Law 20/2023 modified the remuneration system for photovoltaic facilities in order to enhance the legal certainty of the electricity market and speed up decarbonisation.

- Regulatory context for self-consumption:

Photovoltaic self-consumption refers to the production of electricity using a solar photovoltaic facility for consumption by the "producer" with the resulting energy saving.

In legislative terms, the development of self-consumption was made possible thanks to the existing regulatory environment. The Acts and Royal Decrees on which it is based are as follows:

- Royal Decree 1955/2020 and Royal Decree 1699/2011: These rules establish the technical requirements that the photovoltaic facility must meet depending on whether the contracted capacity is greater or less than 100 KW.

  Specifically, Royal Decree 1699/2011 establishes the obligation to regulate the energy supply produced inside the network of a consumer for its own consumption.

- Law 24/2013 Electricity Sector Act: This Act defines self-consumption in article 9 as the consumption of electrical energy from generation facilities connected inside a consumer's network or via an electricity line associated with a consumer and distinguishes between several forms of self-consumption.

The first exclusive regulations governing photovoltaic self-consumption were in Royal Decree 900/2015 of 9 October 2015, which regulates the technical and financial conditions of the forms of electricity supply for self-consumption and self-consumption production. This Royal Decree is known as the "sun tax" levying charges on installed capacity in the case of batteries and on self-consumed energy, except for facilities with a capacity of 10 KW or less and those located on the Canary Islands or in Ceuta and Melilla.

After several years of campaigning by sector professionals and potential consumers, the Government passed Royal Decree Law 15/2018 on urgent measures for the energy transition and consumer protection. One of the main characteristics of this legislation was the elimination of the charges on installed capacity and self-consumed energy.

Royal Decree 244/2019 was approved in April 2019 establishing the financial, technical and administrative conditions for self-consumption. This Royal Decree followed on from Royal Decree Law 15/2018, regulating those aspects not covered in the former.

Royal Decree 1183/2020 was passed on 29 December 2020 governing access and connection to the electricity transport and distribution networks.

On 30 April 2021, the Spanish Government sent the European Commission the National Reform Plan, among other documents. This Plan outlines "ten levers containing the 30 components that make up consistent investment and reform projects to modernise the country".

Royal Decree Law 29/2021, of 21 December, led to the adoption of urgent measures in the energy sphere to promote electrical mobility, self-consumption and the rollout of renewable energy, by amending Royal Decree Law 244/2019, of 5 April and Royal Decree Law 1183/2020 of 29 December.

On 23 December 2023, Royal Decree Law 23/2023 adopted measures in the area of energy to reduce the price of electricity. It eliminated the “sun tax” on self-consumption facilities without a capacity limit.

On 29 December 2023, Royal Decree 1048/2023 was approved, regulating the administrative, technical and financial conditions for self-consumption of electricity.

- **The regulatory context for marketing electricity on the Iberian Market (Spain and Portugal)**

According to the definition in article 6.1.f) of the Electricity Sector Act, electricity marketers are those commercial companies or cooperatives of consumers and users that, accessing the transport or distribution networks, acquire energy for sale to consumers, to other system actors or to carry out internal exchange operations in the terms established by law.

This activity is regulated in articles 46 and 47 of the Electricity Sector Act and in articles 70 to 74 of Royal Decree 1955/2000, which regulates the activities of electricity transport, distribution, marketing, supply and authorisation procedures.

Before notifying the Directorate General for Energy Policy and Mines of the start of activity, the interested party must have demonstrated its technical and financial capacity to Red Eléctrica de España S.A. (REE), as System Operator, and to Operador del Mercado Ibérico Polo Español, S.A. (OMIE), as the case may be. In order to do so:

- Companies must meet the requirements established for purchasers on the electricity production market under the Technical Operating Procedures and, where applicable, the Operating and Settlement Rules for the production market.

- The Companies have to provide the System Operator and the Market Operator the guarantees required for the acquisition of energy on the electricity production market in the Technical Operating Procedures and in the corresponding Operating and Settlement Rules, respectively.

In order to operate on non-peninsular territory electricity systems, marketers will have to meet the technical requirements to be registered in the generation dispatching system and comply with the rules of the payment settlement and guarantee system in force in such territories.

Moreover, legal capacity must be demonstrated in order to exercise the marketing activity, which means that the companies have to be commercial undertakings duly recorded in the corresponding registry or equivalent one in their country of origin, whose corporate object includes the ability to sell and purchase electricity without restrictions or reservations on the exercise of such activity.

The articles of association of companies based in Spain will have to show that they comply with the requirements of separation of activities and accounts established in articles 12 and 20 of the Electricity Sector Act.

The obligations of electricity marketers are set out in article 46 of the Electricity Sector Act. The marketers' obligations include:

- Maintain compliance with the requirements of legal, technical and financial capacity determined in relation to the supply of electricity.

- Acquire the energy necessary to perform their activities, paying for their acquisitions.

- Contract and pay the access toll for the transport and distribution networks of the distribution company based on turnover data, notwithstanding collection thereof from the end consumer, as well as paying the prices and charges stipulated in the regulations, notwithstanding collection thereof from the end consumer.

- Provide the guarantees established in the regulations.

Article 47 of the Electricity Sector Act, of 26 December, establishes that in the event a marketer fails to meet any of the requirements for the exercise of its activity, the Ministry of Energy, Tourism and the Digital Agenda may declare the cancellation of the authorisation to act as marketer.

Meanwhile, on 1 October 2004, the International Convention on the incorporation of an Iberian electricity market between the Kingdom of Spain and the Republic of Portugal was signed in order to favour the integration of the respective electricity systems, creating a stable legal framework that enables operators in the Parties' electricity systems to perform their activity across the Iberian Peninsula with free and equal access to markets for both Parties.

The situation of high prices and volatile gas prices was maintained in 2022, aggravated by the effects of the war in Ukraine, which raised prices on the wholesale daily electricity markets throughout Europe. In Spain, consumers subject to a regulated tariff (Small Consumer Voluntary Price - PVPC), linked to the market and not yet modified, and consumers acquiring their energy directly on the wholesale market or at prices linked to it, were particularly affected by the electricity price increases in the first quarter of the year, leading the Government to adopt different market intervention measures, together with others aimed at protecting vulnerable consumers.

A series of Royal Decree Laws (Royal Decree Law 2/2022, Royal Decree Law 6/2022, Royal Decree Law 10/2022, Royal Decree Law 11/2022, Royal Decree Law 18/2022 and Royal Decree Law 20/2022) implemented different extensions and expansions of the social protection measures, including a prohibition on cutting off the electricity and natural gas supplies of vulnerable consumers, a VAT reduction (to 5%) and of the special electricity tax, suspension of the electricity generation tax, Social Voucher discounts for vulnerable consumers (65%-80%), expansion of subsidised energy by 15% and a new category with a 40% discount.

Royal Decree Law 6/2022 established a new Social Voucher financing system, affecting all companies that perform electricity activities.

Meanwhile, Royal Decree Law 10/2022 established a temporary mechanism (until 31 May 2023) to adjust production costs to reduce the price of electricity on the wholesale market, after its approval by the European Commission. By means of this mechanism, gas, coal and co-generation power stations will receive a subsidy for the difference between the gas price in MIBGAS and a benchmark price (40-70 euros per MWh), the cost of which will be financed by the demand associated with the agreements signed after 26 April 2022 and that corresponding to earlier agreements once renewed or extended.

The same Royal Decree Law establishes a mandate for revising the PVPC calculation formula as of 1 January 2023 (pending) to also revise the indexation of the regulated regime for renewables and co-generation, including a basket of prices between the spot market and annual and quarterly futures markets. Indexation to futures markets will be progressive until it reaches 75% in 2025.

Measures for the reduction of tolls by 80% on electricity-intensive consumers and the possibility to modify the contracted capacity without a penalty were also extended. In order to offset these and other measures that affect sector income, several amount were funded under the General State Budget in order to guarantee the financial sustainability of companies.

- **Regulatory context for gas marketing**

Gas marketers a commercial companies that, accessing third-party facilities in the terms established in the Hydrocarbons Sector Act (*Ley 34/1998, de 7 de octubre del sector de hidrocarburos*) and in Royal Decree 949/2001 of 3 August, regulating third-party access to gas facilities and establishing an integrated financial system for the natural gas sector, acquire natural gas for sale to consumers and other marketers.

Prior to commencing activity, companies looking to act as natural gas marketers will notify the competent administration and the Directorate General for Energy Policy and Mines at the Ministry of Industry, Energy and Tourism in writing, indicating the territorial scope of their activity, as well as a statement affirming that the company meets all the requirements established for exercising the activity.

The standard forms for the statement and notification of commencement of activity are contained in the Decision of 3 May 2010 from the Directorate General of Energy Policy and Mines, approving the standard forms the statement and notification of commencement of the different marketing activities in the hydrocarbons sector, in compliance with the terms of Royal Decree 197/2010, of 26 February, adapting certain provisions on the hydrocarbons sector to the provisions of Act 25/2009, of 22 December, amending various Acts in order to adapt them to the Act on free access to service activities and exercise thereof.

In line with the events of the electricity sector, the gas sector has also seen the adoption of measures to control prices for consumers, taking the form of the extension set out in Royal Decree Law 11/2022 of the restriction on the increase of the gas last resort tariff (TUR) contained in Royal Decree Law 17/2021. The same Royal Decree Law extends the measures for making natural gas supply agreements more flexible, until the listing price of the daily product with next-day delivery at the Virtual Balancing Point, published by the Iberian Gas Market (MIBGAS) is maintained for ten consecutive daily trading sessions below 60 euros per MWh and at most until 31 December 2022. It also limits the maximum price of butane gas cylinders at 19.95 euros.

Royal Decree Law 10/2022 establishes aid for gas-intensive companies, which is extended to 250 million euros with Royal Decree Law 11/2022 including new sectors.

Royal Decree Law 18/2022 creates a new temporary reduced tariff for communities with communal boilers and extends the restriction on the increase of the gas TUR, both until 31 December 2023. Any potential deficit is covered by a fund of 3,000 million euros in the General State Budget. The fund for the heat voucher is also increased by 225 million euros. The same Royal Decree Act facilitates rescission of gas contracts and associated additional services.

1.6. Seasonality of the Group's transactions

Demand for natural gas is seasonal with the supply and marketing of residential gas in Europe being greater in the colder months from October to March and less in the warmer months from April to September. While the demand for natural gas for industrial use and electricity production is more stable throughout the year.

Meanwhile, the demand for electricity tends to increase during the summer months in Spain, in July and August in particular, offsetting the seasonality of gas as both activities are included in the marketing segment.

The production of renewable energy is linked to meteorological factors that generate certain volatility, although the technological and geographic diversification of the Group's generation facilities makes it possible to mitigate the seasonal factor, generating recurrent cashflow and revenue.

2. BASIS FOR THE PRESENTATIONOF THE CONSOLIDATED ANNUAL ACCOUNTS

2.1. Regulatory framework on financial reporting applicable to the Group

These consolidated annual accounts are drawn up by the Board of Directors of the dominant company at a meeting held for that purpose, in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU), pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, as well as taking into account all the accounting principles and rules and obligatory assessment criteria, as well as the Commercial Code, the Spanish Companies Act, the Securities Market Act and other applicable commercial legislation. The Group adopted IFRS-EU on 1 January 2021 and applied IFRS 1 "First-time Adoption of International Financial Reporting Standards" on that date.

Moreover, the rules, improvements and interpretations adopted or pending adoption by the European Union are taken into consideration:

- Rules, amendments and interpretations that have entered into force as of 1 January 2024:
  - IAS 1 (Amendment) "Classification of Liabilities as Current or Non-current".
  - Lease liability in a sale and leaseback. Amendments to IFRS 16.
  - IAS 7 and IFRS 7 (Amendment) "Supplier Finance Arrangements"

  These amendments have not had a significant impact on these consolidated annual accounts.

- Rules, amendments and interpretations that have not yet entered into force but that may be adopted in advance:
    - None to date.

- Rules, modifications and interpretations of existing rules that cannot be adopted in advance or that have not been adopted by the EU:

  At the date these consolidated annual accounts are drawn up, the IASB and the IFRS Interpretation Committee had published the rules, amendments and interpretations set out below, which are pending adoption by the EU:

    - Amendments to IAS 21 - Lack of exchangeability (effective for financial years starting as of 1 January 2025)
    - Amendments to the Classification and Valuation of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (effective for financial years starting as of 1 January 2026)
    - IFRS 18 Presentation and Disclosure in Financial Statements (effective for financial years starting as of 1 January 2027)

These consolidated annual accounts have been drawn up for the purpose of presenting the financial information of Energía, Innovación y Desarrollo Fotovoltaico, S.A. and its Dependent Companies (the dominant company and the group or the EIDF group), under the following premises:

- The accounting policies used match those used and described in the consolidated annual accounts for the financial year ending 31 December 2023, except for the new IFRS rules and interpretations applicable on 1 January 2024.

- Going concern hypothesis (note 2.6), using the historical cost principle, except for the financial assets and liabilities (including derivatives) at fair value through profit or loss and assets held for sale (valued at fair value minus transfer costs).

2.2. True and Fair Picture

The Consolidated Annual Accounts for the year were drawn up using the accounting records of the dominant company and of its dependent companies (included within the consolidation perimeter) at 31 December 2024, having applied the legal provisions in force on accounting indicated above, with a view to providing a true and fair picture of the consolidated wealth and results, as well as the accuracy of the flows included in the consolidated cashflow statement.

The attached consolidated annual accounts for FY 2024 will be submitted for the approval of the Ordinary General Meeting of Shareholders of the dominant company and it is expected that they will be approved without amendment and filed at the Commercial Registry of Pontevedra.

The consolidated annual accounts for FY 2023 were approved by the Ordinary General Meeting of Shareholders of the dominant company at a meeting held on 19 June 2024 and filed at the Commercial Registry of Madrid on 21 June 2024, being subsequently transferred to the Commercial Registry of Pontevedra on 17 July 2024.

There are no exceptional reasons why the legal accounting provisions were not applied in order to provide a true and fair picture.

2.3. Critical aspects of the assessment and estimation of uncertainty

These consolidated annual accounts have been drawn up assuming that the Group's activity will continue under the going-concern principle (note 2.6) on the understanding that there is no kind of important risk that could entail significant changes to the value of the consolidated assets and liabilities or to the continuation of the activity.

The drawing up of these consolidated annual accounts requires the management of the dominant company to use certain estimations and judgements in relation to the future that are continuously assessed and based on historical experience and other factors, including expectations of future events believed to be reasonable under such circumstances.

Although these estimates were made by the management of the dominant company with the best information available at the close of the financial year, applying its best estimates and market knowledge, it is possible that potential future events oblige the company to modify them in future financial years. In accordance with the legislation in force, the effects of estimation changes in the consolidated income statement will be recognised prospectively.

Below are the main estimations and judgements applied by the group:

- Measurement of progress in the recognition of income (note 3.24).
- Valuation of material (note 3.13), intangible (note 3.12) and financial (note 3.17) assets to ascertain the existence of losses due to impairment (note 3.15 and note 3.17).
- The useful life of material assets (3.13), real estate investments (note 3.14) and intangible assets (3.12).
- Classification of self-consumption PPAs (note 3.13).
- The likelihood of occurrence and amount of indeterminate or contingent liabilities (note 3.25 and 16).
- Valuation of financial liabilities (note 3.17.2).
- Assessment of the criteria for recognising a write off of financial assets (note 3.17.5)
- Assessment of the control or loss of control factors when there are non-dominant holdings (note 3.10).
- Consideration of business or asset in acquisitions / sales of SPVs (note 1.2 and 1.3).
- Calculation of funding for the provision for client portfolio (note 3.17.4).
- Calculation of income provisions at closing for consumption of electricity and gas not invoiced but that has accrued (note 3.24).
- Calculation of estimates and valuations of derivatives (note 3.18).
- Determination for the classification as non-current assets held for sale (note 3.34).

2.4. Comparison of information

In accordance with commercial legislation, for the purposes of comparison of each of the entries in the consolidated financial statement, consolidated statement of results, consolidated statement of changes in net equity and consolidated cashflow statement, the members of the Board of Directors of the dominant company are presenting the figures for FY 2023 as well as those of FY 2024. Moreover, for the purposes of comparison of each of the entries of this consolidated report for FY 2024, the information for FY 2023 is also presented.

These consolidated annual accounts have been drawn up applying the rules in force at 31 December 2024. There was not change in accounting criteria in FY 2024 and FY 2023.

2.5. Correction of errors and restatement of compared figures

In FY 2024, the Group made an adjustment against initial reserves from the previous year, in order to correct errors for a total negative amount of 2,971,339 euros, affecting the following items:

a) Registration of a short-term account payable corresponding to expenses from previous years for the amount of 1,300,000 euros (note 11.2). The Group received the invoice in 2024, although the purchase of projects dates from previous years.

b) Removal of supplier advances for 448,769 euros incorrectly recorded in previous years (note 17).

c) Registration of a short-term account payable corresponding to expenses from previous years for the amount of 91,452 euros (note 11.2).

d) Registration of an account payable corresponding to expenses from previous years for the amount of 1,131,118 euros (note 11.2).

In FY 2023, the Group made an adjustment against initial reserves from the previous year (FY 2022), in order to correct errors for a total negative amount of 1,434,399 euros, affecting the following items:

a) Expenses received in FY 2023, corresponding to FY 2022 for gas and energy supplies for the amount of 1.05 million euros.

b) Expenses received as taxes for the amount of 0.41 million euros.

c) Excess corporation tax expenditure for the amount of 0.42 million euros.

d) Downward correction of energy sales for the amount of 0.293 million euros.

e) Registration of increased financial expenditure for the amount of 0.132 million euros.

All based on the best information available to the members of the Board of Directors of the dominant company at the date these consolidated annual accounts were drawn up. The members of the Board of Directors of the dominant company have modified the compared figures at 31 December 2023 with the reconciliation of the figures presented on that date and the restated figures being as follows:

Consolidated Assets	Restated annual accounts at 31 December 2023	*	EiDF Group annual accounts APPROVED at 31 December 2023
A) NON-CURRENT ASSETS	74,622,254		74,112,678
III) Use rights	7,856,692		2,793,707
VII) Deferred tax assets	2,727,657		7,281,066
A) CURRENT ASSETS	86,624,945		87,073,714
II) Stock	10,954,486		11,403,255
TOTAL ASSETS	161,247,199		161,186,392

CONSOLIDATED NET EQUITY AND LIABILITIES	EIDF Group restated annual accounts at 31 December 2023	*	EiDF Group annual accounts APPROVED at 31 December 2023
A) NET EQUITY	-10,887,462		4,994,344
I) Own Funds	**-13,897,737**		**1,984,069**
Reserves	-4,219,497		-1,248,158
Result of the FY attributed to the dominant company	-44,869,148		-31,958,681
B) NON-CURRENT LIABILITIES	89,235,582		78,751,924
I) long-term provisions	**4,414,926**		**414,926**
II) Long-term debts	**80,469,094**		**75,319,150**
Financial leasing liabilities	7,740,140		2,590,196
V) Deferred tax liabilities	**4,166,063**		**2,832,349**
C) CURRENT LIABILITIES	82,899,079		77,440,124
III) Short-term debts	**47,229,450**		**45,777,783**
Financial leasing liabilities	499,328		439,114
Other financial liabilities	21,695,956		20,304,504
IV) Trade creditors and other accounts payable	**32,510,229**		**28,502,940**
SUPPLIERS	13,249,095		12,185,283
Creditors	16,477,837		13,993,015
Current tax liabilities	1,555,502		1,708,387
TOTAL NET EQUITY AND LIABILITIES [A+B+C]	161,247,199		161,186,392

The group has restated the consolidated financial situation for FY 2023 to include use rights worth 5,063 thousand euros, as well as the corresponding deferred tax liabilities for 1,334 thousand euros, long-term financial leasing liabilities for 5,150 thousand euros and short-term for 60 thousand euros, as well as the corresponding deferred tax asset worth 1,242 thousand euros, corresponding to the effect of 7 lease agreements where photovoltaic facilities are being developed with an average term of 33 years, which had not be recorded in the consolidated annual accounts drawn up for FY 2023.

In FY 2024, the Group made an adjustment against profits from the previous year, in order to correct errors for a total amount of -12,910,466 euros, corresponding to expenditure from previous years. The breakdown of the consolidated statement of results is:

ONGOING OPERATIONS	EIDF Group restated annual accounts at 31 December 2023 (*)	EIDF Group annual accounts APPROVED at 31 December 2023
4. Provisioning	**-171,134,280**	**-170,280,504**
Consumption of goods	-134,878,482	-134,266,943
Consumption of raw materials	-27,386,479	-27,314,613
Work carried out by other companies	-8,863,950	-8,693,579
7. Other operating expenses	**-34,282,977**	**-32,107,698**
External services	-30,900,250	-28,772,746
8. Depreciation of fixed assets	**-2,887,862**	**-2,775,624**
12. Other results	**-3,814,557**	**185,443**
A1) OPERATING PROFIT	-20,065,639	-12,972,120
15. Financial expenses	-9,821,518	-9,567,938
A2) FINANCIAL PROFIT	-16,958,836	-16,705,256
A3) PRE-TAX PROFIT	-37,024,475	-29,677,376
20. Corporation Tax	**-8,206,831**	**-2,643,463**
A4) CONSOLIDATED PROFIT FOR THE FINANCIAL YEAR	-45,231,306	-32,320,839
Result of the FY attributed to the dominant company	-44,869,148	-31,958,681

The heading for provisioning includes 853,776 euros (consumption of goods worth 611,539 euros, consumption of raw materials and other consumables worth 71,866 euros and work carried out by other companies worth 170,372 euros).

The heading for other operating expenses (external services) includes 2,127,504 euros of expenditure from previous years (including the effect of recognising additions in 2023 of use rights (note 9.1)).

The amortisation heading includes 112,238 euros derived from recognising amortisation of registration of use rights (lease agreements) in 2023 (note 9.1). Likewise, the financial expenditure heading includes 253,580 euros derived from recognising additions of use rights.

The other results heading includes the registration of a provision for risks and expenditure worth 4,000,000 euros (note 20.1), due to various claims that are understood to comply with the definition and accounting recognition criteria of a provision contained in the regulatory framework in force.

The corporation tax heading includes the impairment of deferred tax assets resulting from consolidation adjustments prior to 1 January 2023 for the amount of 5,795,764 euros (note 18.4), having considered that they do not meet the requirements established by the accounting regulations to be activated, as well as -232,396 from recognition of corporation tax.

2.6. Going-concern principle and financial situation of the Group

In FY 2024, the Group has successfully executed a series of strategic actions designed to establish the foundations for a new phase of growth and value creation, by means of:

- ✓ **Incorporation of shareholders of standing into the dominant company** with financial profile and proven investment background providing greater financial strength and stability. The new shareholder structure makes it possible to have more balanced governance of the group and ensure the professionalism of the Board of Directors of the dominant company (note 14.1).

- ✓ **Strengthening the structure of the consolidated statement of financial position derived from:**

  - The entry of new capital provided by shareholders (15,000,000 euros) as set out in note 14.1 and 14.2).

  - The conversion of the existing convertible notes 51,852,857 euros recognised as other equity instruments as set out in note 14.5).

  - Classification as other net equity instruments (liability from delivery of shares) linked to Reciclajes Ecológicos Nagini, S.L.. (note 14.5) worth 10,567,282 euros.

  - Classification as other net equity instruments (liability from delivery of shares) linked to dependent company Vega Lyra Promociones Fotovoltaicas, S.L. worth 4,977,977 euros.
  - Repayment of the majority of financial obligations with financial institutions with a significant impact on own funds and solvency ratios.

✓ **Simplification of the existing businesses by means of a restructuring of the group of companies** (note 1.4. changes in the consolidation perimeter) comprising:

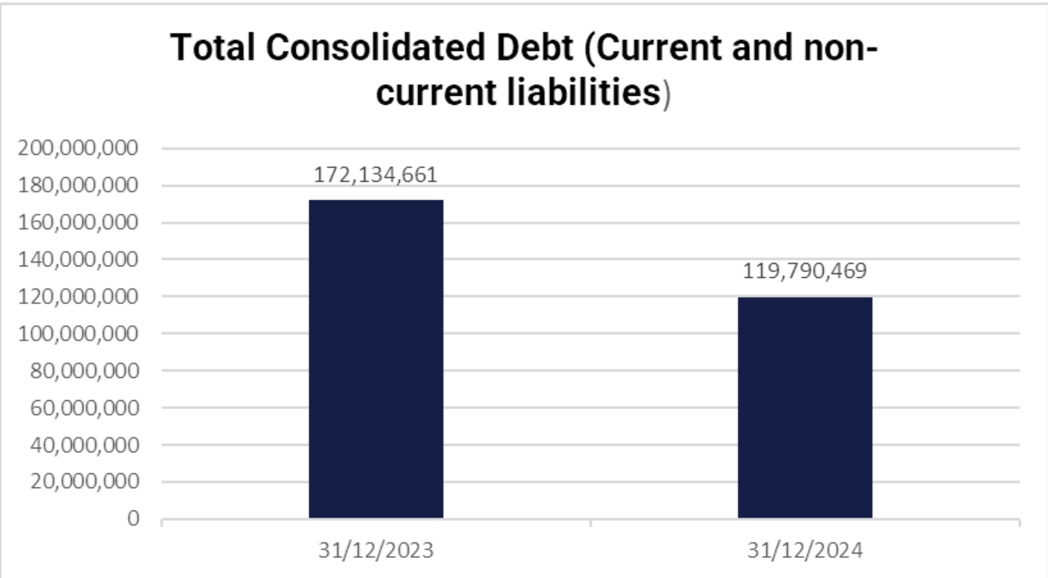
- The winding-up of different group companies.
- The sale of the quota shares of On Demand Facilities, S.L.U (ODF) (note 28).

The new corporate strategy is characterised by the increase, once more, of the group's installation capacity, which underpins market growth in the future.

The advance and the results obtained are shown in the following graphs and ratios showing the evolution of the group in recent months:

- **Reduction of total liabilities**

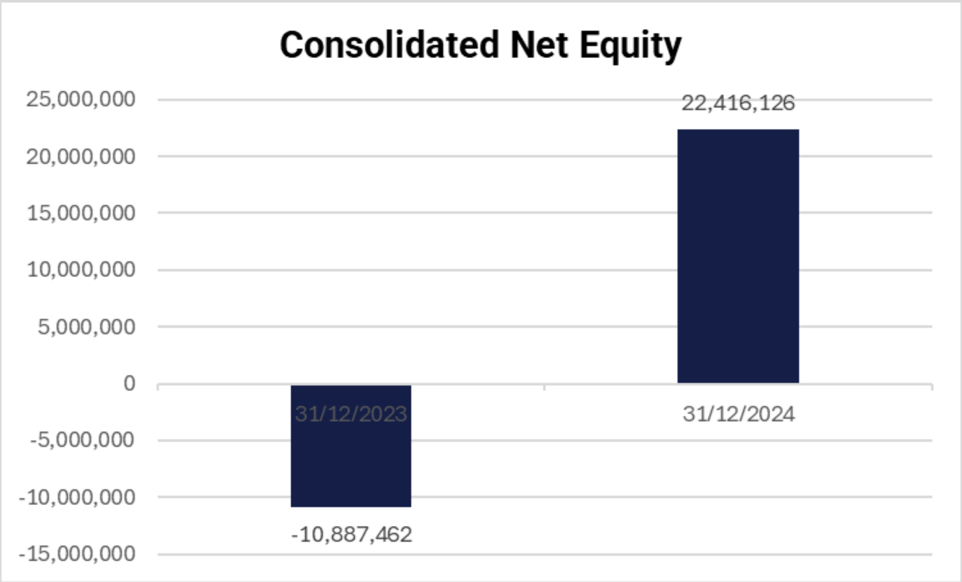
The group reduced its liabilities in the course of the last year by over 52 million euros.



(*) Restated 2023 figures

- **Group wealth creation**

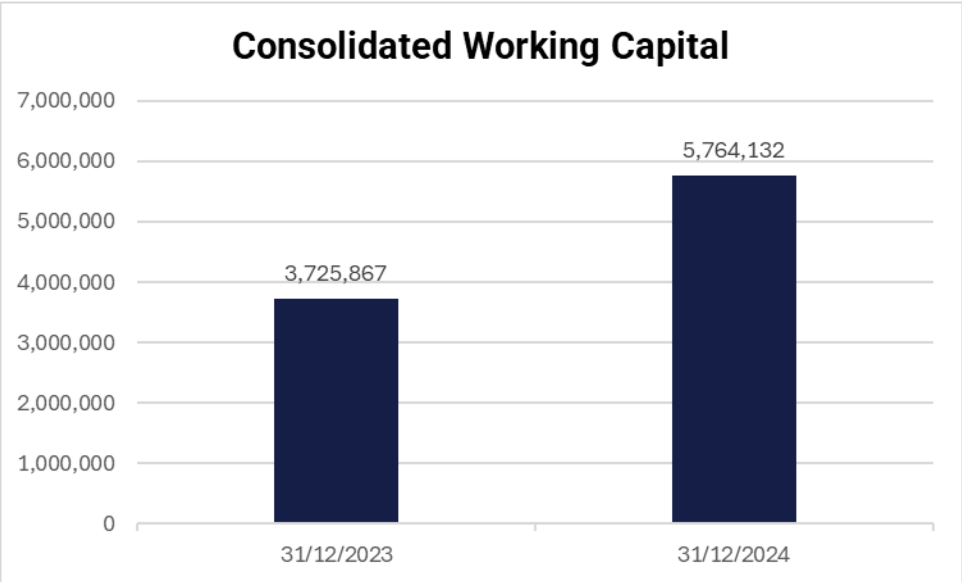
The group's net equity grew by more than 33 million last year.



(*) Restated 2023 figures

- Working Capital

The group's consolidated working capital increased by more than 2 million euros.



(*) Restated 2023 figures

- Result

The breakdown of the group's results is set out in the following chart:

Breakdown	31 December 2024	31/12/2023(*)
Operating Profit	-18,756,304	-20,065,639
Financial profit and participation in results of equity-method companies (note 11.1.2; 11.7 and 11.8)	-29,195,034	-16,958,836
Profit tax (note 14.3)	-906,345	-8,206,831
CONSOLIDATED PROFIT FOR THE FINANCIAL YEAR	**-48.857.684**	**-45.231.306**
Result of the FY attributed to the dominant company	**-49,010,871**	**-44,869,148**

(*) Restated figures

In view of the group's losses, they are due both to losses derived from the business itself and to losses derived from the change in the fair value of financial instruments due to the conversion of debt into shares of the dominant company (note 11.1.2 and 11.8) and impairment of financial instruments (note 11.1.2).

Together with the breach of covenants in certain loans held by the dominant company, these losses represent a factor giving rise to doubt regarding application of the going-concern principle. There are however some mitigating factors of this doubt:

- Treasury provision. The management of the dominant company has prepared a treasury plan for the coming 12 months which shows the group's ability to honour its payment commitments, based on the following measures:
  - Sale of dependent company On Demand Facilities, S.L. For 21,000,000 euros minus the debt existing in the dominant company worth 4,023 thousand euros.
  - Sale of development projects for the amount of 15 million euros.
  - Obtaining external financing worth 20 million euros.

- Obtaining waivers that enable the dominant company to collect certain loans in the long term.

- Increase of the net equity of the dominant company by means of a capital increase and the issue of other equity instruments, described in the course of this consolidated report.

- Positive consolidated Working Capital as described in this point of the consolidated report.

- The dominant company has the stated financial support of the main shareholders.

- **Strategic vision**

  The strategic vision for the group for the 2025-2030 period was approved in the 2025-2030 Strategic Plan, which is based on the following fundamental pillars:

  - Vertical integration of existing businesses:
    - EPC
    - Self-consumption
    - Marketing

  - Focus on TIR businesses and holding assets, which provide the dominant company with recurrent, visible future cashflows in the medium term.

  - Strong commitment to the self-consumption business under the PPA regime.

In order to guarantee compliance, the members of the Board of Directors of the dominant company plan to follow a defined route map that they consider strategic, meaning that no further information is supplied in the consolidated annual accounts, apart from that which the dominant company has to report to the market as inside information.

Despite the negative results, in both FY 2024 and the previous year, the Board of Directors of the dominant company, as mentioned in this note to the consolidated report, have drawn up these consolidated annual accounts assuming that the group's activity will continue on a going-concern basis, considering that there is no major risk of significant changes to the value of the consolidated assets and liabilities or of the continuity of the activity, as it has a treasury plan for the next 12 months that shows the ability to honour the group's payment commitments and, moreover, the group has the manifest support of the main shareholders of the dominant company.

2.7. Environmental, macroeconomic and business risks

From FY 2024 on, the members of the Board of Directors of the dominant company determine the group's main risks and maintain a system of internal monitoring that they consider adequate, carrying out period follow-up thereof.

The risks that may represent a potential threat for achieving the objectives established in the foregoing point are identified:

Environmental risks

This includes the risks derived from climate change (drought, flooding, ...) which may have an impact on the profitability and objectives of the group, as well as the risk of environmental impacts. In this regard, as set out in the risk analysis of the Environment Management System, the main environmental risks for the dominant company are:

- Use of possible pollutant products, assessing and giving priority to those products that are most respectful of the environment and that are manufactured on this premise.
- Excess of packaging material waste, maintaining packaging management with suppliers and looking for alternative uses and improving waste management.
- Using environmentally friendly suppliers.
- Excess waste generated in our work, with constant monitoring of the environmental conduct of all our suppliers.
- Disproportionate consumption of resources, by monitoring the use of resources by the people working in the group.

The opportunities linked to these risks are, among others:

- Reduction of environmental impact.
- Energy cost savings.

Strategic or business risks

This includes those considered a risk in the choice of the business strategy, mentioned in the foregoing point, as well as the reputational risk due to a failure to respect the ethical and integrity principles established in the compliance management system, which can harm the group's reputation.

The opportunities linked to these risks are, among others:

- Implementation and/or development of new businesses.
- Corporate governance.

Macroeconomic risks

This includes those risks derived from the implementation of a new protectionist policy by the United States that could result in:

- A tariff war, with rising commercial tension that could harm the group as the main raw material used are modules that are essentially sourced from China.
- Availability of certain goods may be seriously compromised due to the price increase, leading to a breakdown of the global supply chain and restricting access to imported products.

However, the risks derived from the geopolitical environment can represent an advantage for the group due to the uncertainty affecting the energy supply, representing an increase in investment in clean energy.

The members of the Board of Directors of the dominant company consider that the risks mentioned above do not currently have a major impact on the group.

3. REGISTRATION AND VALUATION RULES.

The members of the Board of Directors of the dominant company set out below the accounting criteria applied in relation to the entries that apply to the group, in the drawing up of these consolidated annual accounts:

3.1. Consistency in time

As mentioned in note 2.4 of this consolidated report, the consolidated annual accounts refer to 31 December 2024, covering the period from 1 January 2024 to 31 December 2024, together with the annual accounts of the dominant company and of all the dependent companies.

3.2. Consistency in valuation

The assets and liabilities, income and expenditure items, and other entries in the annual accounts of the group companies have been valued using the same methods. Those asset or liability items, or income or expenditure entries that have been valued according to non-uniform criteria with respect to those applied in consolidation have been valued again, making the necessary adjustments, solely for the purposes of consolidation.

3.3. Consistency of internal operations

When the amounts of the entries derived from internal operations do not match, or any are pending registration, the appropriate adjustments must be made to carry out the corresponding eliminations.

3.4. Aggregation

The different entries in the individual annual accounts, once standardised, are added according to their nature.

3.5. Transactions between companies included in the consolidation perimeter

Credits and debts, income and expenditure and cashflows between group companies are fully eliminated. Thus, all the results of internal operations are eliminated and deferred until carried out vis-à-vis third parties outside the group.

3.6. Consolidation goodwill and negative difference

The net equity-investment elimination is the offset of the accounting values representing the wealth instruments of the dependent company directly or indirectly owned by the dominant company, with the proportional part of the net equity entries of the dependent company attributable to such holdings, generally on the basis of the values resulting from applying the acquisition method.

In consolidations subsequent to the financial year in which control was acquired, the excess or lack of net equity generated by the dependent company from the acquisition date that is attributable to the dominant company is presented in the consolidated statement of financial position in the entries for reserves or other overall results, depending on their nature. The part attributable to non-dominant holdings is recorded under “Non-dominant holdings”.

Except in cases in which the acquisition of the holding takes place when the corresponding wealth instruments are issued, the book value of the holding need not match the proportional part that the value represents in relation to the fair value of the identifiable assets acquired and liabilities assumed, including provisions, of the dependent company on the acquisition date, leading to a difference that may be positive or negative.

There is a positive difference or consolidation goodwill when the book value of the holding is higher than the proportional part of the fair value of the identifiable assets acquired and liabilities assumed, including provisions, of the dependent company on the date of acquisition of control. In general, this difference is due to the value of the non-identifiable assets or synergies of the company as a whole.

There is a negative consolidation difference when the book value of the holding is less than the proportional part of the fair value of the identifiable assets acquired and liabilities assumed, including provisions, of the dependent company on the acquisition date.

The consolidation goodwill is not attributed to non-dominant holdings.

We understand acquisition date to mean the date on which the dominant company obtains control of the dependent one. When the date of the first consolidation is after the acquisition date, the figures resulting from applying the overall integration method refer to the acquisition date (NOFCAC article 24).

3.7. Modification of the holding without a loss of control

Transactions with non-dominant holdings that do not give rise to a loss of control are accounted for as wealth transactions, that is, as transactions with the owners in their capacity as such.

The difference between the fair value of the consideration paid and the corresponding proportion acquired of the book value of the net assets of the dependent company is recorded in net equity.

Earnings or losses from the transfer of non-dominant holdings are also recognised in net equity.

3.8. Loss of control

If there is a loss of control of a dependent company, which may occur with or without a change in the levels of relative or absolute holding, the dominant company will:

1. Eliminate the book value of the net assets.
2. Eliminate the book value of the non-dominant holdings.
3. Recognise the fair of the consideration received.
4. Recognise, if applicable, the investment maintained in the dependent company at fair value, which should be considered the initial value of the investment, whether as a financial instrument, investment in an associated company or joint business
5. Consider all consolidation adjustments and eliminations of the dependent company made.
6. Reclassify the amounts of income and expenditure recognised in the other overall results related to the dependent company as results or reserves.

7. Recognise any difference as a profit or loss in results attributed to the dominant company.

3.9. Participation or equity method

Investments in associated companies are initially recognised at acquisition cost, additionally including any cost that is directly attributable to the acquisition. The excess between the cost of the investment and the percentage corresponding to the group in the fair values of the identifiable net assets is recorded as goodwill, which includes the book value of the investment.

Any deficit, after assessing the amounts of the cost of the investment and the identification and valuation of the net assets of the associated company, is recorded as income in determining the investor's holding, in the results of the associated company for the financial year in which it was acquired. If the investment is the result of the loss of control of a dependent control that did not constitute a business, the cost of the investment is the fair value, net of the eliminations of results derived from the loss of control.

The Group's participation i the profits or losses of the associated companies obtained since the date of acquisition is recorded as an increase or decrease in the value of the investments paid or charged to the "Participation in the profit (loss) of companies under the participation method" entry of the consolidated statement of profit, after eliminating the proportion derived from the results not realised generated in transactions between that associated company and the group companies.

Likewise, the group's participation in the other overall profit of the associated companies obtained from the acquisition date is recorded as an increase or decrease in the value of the investments in the associated companies, with the balancing entry being recognised by nature in the other overall profit. Distributions of dividends are recorded as reductions in the value of investments.

This is all based on the holding in the ownership at the close of the financial year, unless there have been changes in the holding during the financial year, in which case it is determined considering the holding during the period until the change takes place and, subsequently, in the remaining period, considering the new holding.

Once the participation method has been applied, the Group assesses whether there is objective evidence of impairment of the net investment in the associated company. The calculation of impairment is determined as the result of the comparison of the book value associated with the net investment in the associated with its recovery value, understood to mean the value in use or fair value minus the costs of transfer or disposal by other means.

3.10. Non-dominant holdings

The valuation of non-dominant holdings is according to the effective participation in the net equity of the dependent company once the consolidation adjustments are incorporated.

The consolidation goodwill is not attributed to non-dominant holdings.

The participation of the non-dominant holdings in the profits or losses and the changes in the net equity of dependent companies, after considering the adjustments and eliminations derived from the consolidation, is determined using the percentage holdings existing at closing, without considering the possible exercise or conversion of the potential voting rights, unless there have been changes in the percentage holding in the course of the financial year, in which case it is determined considering the percentage holding during the period until the change takes place and subsequently, in the remaining period, considering the new percentage holding.

The results and income and expenditure recognised in net equity of the dependent companies is assigned to the net equity attributable to the dominant company and to the non-dominant holdings in proportion to their participation, even if this implies a debit balance of non-dominant holdings.

3.11. Business combination

A transaction will qualify as a business combination if the assets acquired and liabilities assumed constitute a business. If the assets acquired are not a business, the transaction will be accounted for as an asset purchase.

With a view to assessing whether an acquisition constitutes a business, the elements of the acquired entity are identified (inputs, processes and products), the ability to create products is assessed (in order to be considered a business, it have at least one input and a substantive process) and lastly, the ability of the market participants to continue creating products is evaluated (performing activities as a business).

In the case of an integrated set of activities at an early phase of development and that has not started to generate products, other factors are considered in order to determine whether it constitutes a business, such as:

(i) The main planned activities have commenced.

(ii) There are employees, intellectual property and other inputs and processes.

(iii) A plan to produce products is being executed.

(iv) It is possible to access the clients that will purchase the products.

In general, a company in an early stage with employees able to develop a product will be considered a business. Therefore, pursuant to the above, it is concluded that IFRS 3 does not apply when there are no products at the acquisition date because development is at an early stage and the processes acquired cannot be considered substantive. Therefore, the acquisition of an asset or group of assets that does not meet the conditions to be considered a business are classed as an acquisition of a company outside the scope of IFRS 3. In these cases, the acquirer company will identify and recognise the identifiable assets individually acquired and liabilities assumed and the cost of the group will have to be distributed between the individually identifiable assets and the liabilities on the basis of their relative fair values on the purchase date. This transaction will not give rise to goodwill.

If it is concluded that it is a business combination, the acquisition method will be applied, which requires that the acquirer company, at the acquisition date, account for the identifiable assets acquired and the liabilities assumed at fair value, as well as, if applicable, the corresponding goodwill or negative consolidation difference.

The acquisition cost is determined as the sum of the fair values, on the acquisition date, of the assets delivered, the liabilities incurred or assumed and the wealth instruments issued by the acquirer and the fair value of any contingent consideration that depends on future events or fulfilment of certain conditions and that must be recorded as an asset, a liability or net equity, according to its nature.

The costs related to the acquisition, other than those associated with the issue of net equity or debt instruments, used by the group in relation to a business combination are accounted for as expenses at the moment they are incurred.

Any contingent consideration to be paid is recognised as fair value on the acquisition date. If the contingent consideration is classed as net equity, it is not assessed again and the settlement is accounted for in net equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in the consolidated income statement, provided they correspond to changes derived from events occurring after the acquisition date.

The excess, on the acquisition date, of the cost of the business combination, on the proportional part of the value of the identifiable assets acquired, minus that of the liabilities assumed, representing the participation in the capital of the acquired company, is recognised as goodwill. In the exceptional case that this amount exceeds the cost of the business combination, the excess is accounted for as income in the consolidated income statement.

When it has only been possible to determine a business combination provisionally at closing, the identifiable net assets are initially recorded at their provisional values, recognising the adjustments made during the valuation period as if they had been known on that date, restating the compared figures from the previous year, as the case may be.

In any event, adjustments to provisional values only contain information on the events and circumstances that existed on the acquisition date and that, had they been known, would have affected the amounts recognised on that date.

The valuation period concludes as soon as the acquirer receives the information it needs on the events and circumstances existing on the acquisition date or discovers that it cannot obtain more information. However, the valuation date should not be more than one year later than the acquisition date.

3.12. Intangible fixed assets

The assets contained in intangible fixed assets are valued at acquisition price or production cost. Specifically:

- ✓ **Development**

This corresponds to capitalised development expenditure for which the corresponding patent or similar instrument has been obtained and includes the costs involved in registration and formalisation of industrial property, as well as the cost of acquiring the corresponding rights from third parties.

- ✓ **Computer applications**

They are assessed at acquisition price or production cost, including website development expenditure here. The useful life of these elements is estimated to be 3 years.

Repairs that do not represent an extension of the useful life and maintenance costs are recognised as expenditure in the financial year in which they take place.

- ✓ **Intangible fixed assets in progress**

Under this heading, the group records the amount corresponding to licences and permits related to renewable energy projects still at the development stage, not having reached "ready-to-build" (RTB) status.

They are recorded at the amounts actually paid, with the useful life of the same being 30 years.

Should non-fulfilment of conditions lead to the loss of the rights derived from this concession, the corresponding impairment would be recorded in the consolidated income statement.

✓ Goodwill

Goodwill represents the excess cost of the business combination over the proportional part of the fair value of the participation in the identifiable net assets of the acquired company on the acquisition date.

Goodwill is assigned, on the acquisition date, to each of the cash generating units (CGU) or Group cash generating units that are expected to benefit from the synergies of the business combination in which the goodwill arose.

Following initial recognition, goodwill is assessed at its cost minus any accumulated impairment losses, which are considered irreversible.

The potential impairment of the cash generating units to which goodwill has been assigned is checked annually or earlier if there are signs of impairment.

✓ Relations with clients

This corresponds to clientele acquired in the business combinations carried out in FY 2021 and 2022 (note 5).

This client portfolio is amortised in linear form during the estimated useful life of 3.9 years.

In terms of assessing the existence of impairment, indications are obtained both from internal sources, evidence of impairment of a client portfolio, and/or from external sources, significant changes with an adverse impact on the entity, pertaining to the legal, economic, technological or market environment.

✓ Brands and technology

This corresponds to the ODF brand and the technology, Sicomm software, that enables the group to automatically and efficiently manage its client databases in the marketing branch (registration/de-registration of contracts, payments and other administrative procedures).

The useful life of these assets has been estimated at 5 years for the technology and 25 years for the brand.

✓ Costs of obtaining contracts

This corresponds to the future client portfolio that the sellers of Reciclajes Ecológicos Nagini, S.L.. will contribute to that company, which pursuant to IFRS 15 “Revenue from contracts with clients” is recorded as a cost of obtaining contracts with clients (note 5).

It has been determined that the fair value at 31 December 2022 of 7 times the actual EBITDA for 2025 is 11,490 thousand euros, calculated according to the provisions set out in IFRS 13 “Fair Value Measurement”, using a valuation model based on Monte Carlo simulations in which the underlying asset (EBITDA Reciclajes Ecológicos Nagini, S.L..) was obtained using the Hull-White model. The EBITDA or Gross Operating Profit is a figure that measures the Net Operating Profit (or EBIT) plus depreciation and amortisation.

As the contract states, the net financial debt of the dependent company on the transaction date, the amount already paid for the acquisition of the quota shares and the amount of financial aid provided by EiDF must be subtracted from that figure, giving a total amount to be recorded as the asset from obtaining the contract of 5,014,488 euros.

In FY 2024, as set out in note 1.4, based on a thirty-party valuation, the value of the same is 2,407,273 euros, which constitutes client portfolio for group effects. This client portfolio is amortised in linear form during the estimated useful life of 3.9 years.

No impairment losses derived from intangible assets were recorded in either FY 2024 or the previous financial year.

3.13. Tangible fixed assets

They are valued at acquisition price or at production cost, which includes, in addition to the amount invoiced after deducting any price discount or reduction, all additional and directly related expenses arising until its start-up, such as the costs of grading and demolition, transport, insurance, installation, assembly and licences and other administrative formalities necessary to start construction of the photovoltaic facilities.

The group includes, where applicable, the cost of the tangible fixed assets that needs a period of more than one year to be in a position to be used, operated or sold, the financial expenses related to specific or generic financing, directly attributable to acquisition, construction or production.

The initial estimation of the current value of the obligations derived from dismantling or removal and others associated with the asset, such as rehabilitation costs, also form part of the value of tangible fixed assets, when these obligations give rise to the registration of provisions. The group does not have any dismantling, removal or rehabilitation commitments for its asset elements. Therefore, the assets do not include values for covering such future obligations.

The costs related to major repairs of elements of tangible fixed assets are recognised as substitution at the moment they are incurred and are depreciated in the period running to the next repair, writing off any amount associated with the repair that could remain in the book value of the fixed asset.

The conservation and maintenance expenses of the different elements that make up tangible fixed assets are charged to the consolidated income statement for the financial year in which they are incurred.

The expenses incurred during the financial year due to work carried out by the group are recognised in the consolidated income statement.

The expansion or improvement costs that give rise to an increase in production capacity or an extension of the useful life of the assets are added to the asset as an increase in its value.

The depreciation of the elements of tangible fixed assets materialises as of the moment they are available for start-up, in linear form during their estimated useful life. The breakdown of the useful life of the different intangible fixed asset elements is set out in the following chart:

Description	Useful life (years)
Constructions	50
Technical facilities	8
Machinery	8
Tools	8
Furniture	8
Information processing equipment	4
Transport elements	8
Photovoltaic facilities for generation	30
Photovoltaic facilities for self-consumption	15

The loss in value of tangible fixed assets due to impairment is recorded when the net book value exceeds the recovery amount, the latter understood as the greater of the recovery value minus sale costs and value in use. The members of the Board of Directors consider that the value of tangible fixed assets is not impaired.

In financial leases, the asset is accounted for depending on its nature, and a financial liability for the same amount, which is the lesser of the fair value of the leased asset and the current value of the minimum payments agreed at the start of the lease.

The tangible fixed assets in use accounts are charged with the amount of such expenses, added to the income entry that contains the work carried out by the group for its assets. This account includes the construction costs associated with the EPC agreement incurred by the group in the construction of farms for subsequent operation. The types of these costs are labour, installation, assembly and start-up. EiDF, with its own personnel, develops the opportunities, designs and constructions its own farms, subcontracting some work under the supervision of the different works managers.

PPAs

A PPA (Power Purchase Agreement) is an energy sale and purchase agreement between an energy services company and a consumer.

The Energy Services Companies (ESE) are defined in article 19 of Royal Decree Law 6/2010, of 9 April, on measures to books economic recovery and employment, according to which:

- ✓ For the purpose of this royal decree law, an energy services company is a natural or legal person who can provide energy services, in the manner defined in the following paragraph, at the user's installations or premises and face a certain degree of financial risk in doing so. This is provided payment of the services provide is based, in full or in part, on obtaining energy savings by implementing energy efficiency improvements and in complying with the other performance requirements agreed.

- ✓ The energy service provided by the energy services company will consist of a collection of obligations, including making intangible investments, carrying out works and providing the supplies necessary to optimise the quality and energy cost reduction. These actions may also involve the construction, installation or transformation of works, equipment and systems, their maintenance, update or renewal, their operation or management derived from the incorporation of efficient technologies. The energy service thus defined will be provided on the basis of an agreement that must entail a verifiable, measurable or estimable energy saving (...)" and a purchaser, generally for a long period of time.

The group records the amount corresponding to photovoltaic facilities constructed under the PPA regime, as the case may be.

The group owns and controls the photovoltaic facilities built and invoices the client either depending on the kW produced by the facility or for effective consumption by the client. Therefore, fixed assets are recognised in the consolidated statement of financial position as well as a service agreement.

In order to record the amount corresponding to the photovoltaic facilities built under the PPA regime, the following is taken into account:

- Acquisition price of raw materials and other similar materials taking into account the discounts applied by the supplier.

- The costs directly attributable to the asset (labour).

- The part that reasonably corresponds to the costs indirectly attributable to the asset should also be added, insofar as such costs correspond to the production, construction or manufacture period, are based on the level of use of the normal operating capacity of the means of production and are necessary for preparing the asset for operation.

- The financial cost, if the asset construction period is more than a year

EiDF's policy, in FY 2023, was to build and operate self-consumption facilities with a PPA through certain group companies. In FY 2024, it is developing and constructing self-consumption facilities with a PPA for sale to third parties either once completed or in the construction stage.

3.14. Real estate investments.

The group classes as real estate investments those non-current assets that are properties and that it holds in order to obtain income, gains or both, instead of using them for the production or supply of goods or services, or for administrative purposes or for sale as part of the ordinary course of its operations.

These assets are valued and depreciated according to the tangible fixed asset criteria for land and buildings indicated in note 3.13 above.

3.15. Losses due to impairment of the value of non-financial assets

At closing each financial year or whenever there are indications of losses of value, the group reviews the book value of its tangible and intangible assets, as well as the real estate investments in order to determine whether there are indications that such assets have suffered impairment.

If there is any indication, the recovery value of the asset is calculated in order to determine the extent of the impairment loss (if any). In the event the asset does not generate cashflows itself that are independent of other assets, the group will calculate the recovery amount of the Cash Generating Unit to which the asset belongs.

The recovery amount is the higher of the fair value minus sale cost and value in use.

Value adjustments due to impairment of tangible and intangible fixed assets and real estate investments, as well as their reversal when the circumstances that gave rise to them ceased to exist, will be recognised as an expense or income, respectively, in the consolidated income statement.

The reversal of the impairment will be up to the limit of the book value of the fixed asset that would be recognised on the date of the reversal if the impairment had not been recorded.

In the financial years ending 31 December 2024 and 31 December 2023, there was no impairment of either tangible or intangible fixed assets or of real estate investments.

3.16. Assets due to use rights, lease liabilities

3.16.1. Identification of a lease:

At the start of a contract, the group assesses whether it contains a lease. A contract is or contains a lease if it grants the right to use the asset identified for a period of time in exchange for a consideration.

In order to assess whether a contract grants the right to use an identified asset for a period of time, the group will assess whether the following requirements are met:

1. There is an identified asset. An asset is usually identified by being explicitly specified in the contract. However, an asset can also be identified by implicit specification as soon as it is placed at the disposal of the client for use. Even when an asset is specified, the client is not entitled to use an identified asset if the supply has the substantive right to replace the asset throughout the period of use.

2. Right to obtain financial benefits from use. In order to control the use of an identified asset, the client must be entitled to obtain substantively all the financial benefits from using the asset throughout the period of use.

3. Right to direct use. The client is entitled to direct the use of an identified asset throughout the entire use period only if:

    a. It is entitled to give instructions on the form and purposes of use of the asset throughout the entire use period, or

    b. The relevant decisions on the form and purposes of use of the asset are predetermined and:

        i. The client is entitled to exploit the asset (or give instructions to others on how to exploit the asset in the manner it determines) throughout the entire use period, without the supplier being entitled to modify these operating instructions; or

        ii. The client has designed the asst (or specific aspects of the asset) in such a way that the form and purpose of such asset are predetermined for the entire use period.

The period of time during which the group uses an asset includes the consecutive and non-consecutive periods of time. The group only reassesses the conditions when there is a significant amendment to the contract.

3.16.2. Lessee's accounting

In the contracts that contain one or more lease components and non-lease components, the group assigns the consideration for the contract to each lease component according to the independent sale price of the lease component and the aggregate individual price of the non-lease components. This treatment has not been applied to vehicles, applying the practical solution allowed by the rules, not separating the non-lease components and accounting for the lease component and any associated non-lease component as a single lease component.

Payments made by the group that do not represent the transfer of the goods or services to it by the lessor do not constitute a component that is separate from the lease, forming part instead of the total consideration for the contract.

3.17. Financial instruments.

3.17.1. Financial assets

Financial assets are valued according to the following classification:

a) Financial assets at fair value with changes in the consolidated income statement

A financial asset must be included in this category unless it should be classified in any of the other categories.

They are initially recognised at fair value and the transaction costs directly attributable to the purchase or issue are recognised as an expense in the consolidated income statement. Changes to the fair value are charged to the consolidated income statement.

b) Financial assets at amortised cost

In general, the following credits are included in this category:

- ✓ **Commercial operations**: these are those financial assets that originate from the sale of goods and the provision of services for company operations with deferred payment.

- ✓ **Non-commercial operations**: these are financial assets that, not being equity instruments or derivatives, have no commercial origin and payment thereof is in determined or determinable amount, derived from loan or credit operations granted by the group.

These assets are initially recognised at fair value plus transaction costs, being subsequently assessed at amortised cost. Accrued interest will be recorded in the consolidated profit and loss account, using the effective interest rate method. Unless the financial assets have a maturity of no more than one year and no contractual interest rate which are valued at face value, both at the time of initial valuation and subsequently, provided that the effect of not updating the flows is not significant.

3.17.2. Financial liabilities

Financial liabilities are valued according to the following classification:

a) Financial liabilities at amortised cost

The group classes as financial liabilities at amortised cost the debits for:

- ✓ **Commercial operations**: these are those financial liabilities that originate from the purchase of goods and services for group operations with deferred payment.

- ✓ **Non-commercial operations**: these are financial liabilities that, not being derivative instruments, do not have a commercial origin, but come from loan or credit operations.

Financial liabilities at amortised cost will initially be valued at their fair value, which, unless there is evidence to the contrary, will be the transaction price, which will be equivalent to the fair value of the consideration received. The transaction costs that are directly attributable form part of the initial valuation.

After the initial recognition, they are valued at amortised cost. The interest accrued is recorded in the consolidated income statement, applying the effective interest rate method, except in the case of commercial operations maturing in less than one year and that do not have a contractual interest rate, which are valued at face value, provided the effect of not updating cashflows is not significant.

b) Fair value financial liabilities with changes in the profit and loss account

This includes derivative financial instruments, provided that they are not financial guarantee agreements they have not been designated as a hedging instrument.

They are initially valued at the fair value of the consideration received, adjusted by the directly attributable transaction costs. After the initial recognition of the financial liabilities contained in this category, they will be valued at fair value with changes in the consolidated financial statement.

The financial liability recorded in this category is an implicit derivative (conversion option for shares of the dominant company) in relation to a convertible bond issue programme between the company and a third party (note 11.2). The implicit derivative is segregable from the rest of the host agreement and, as such, an independent valuation must be carried out, presenting the rest of the contract separately in the consolidated statement of financial position and recording the variations in the fair value of the derivative in the consolidated income statement.

Financial liabilities are removed when the obligations that gave rise to them have been cancelled.

3.17.3. Interest and dividends received from financial assets

The interest on financial assets accrued after the moment of acquisition are recognised as income in the consolidated income statement.

The interest on financial assets valued at amortised cost are recognised under the effective interest rate method and the dividend income from investments in wealth instruments is recognised when the company's right to receive it arises.

3.17.4. Impairment of financial assets

The group regularly assesses whether the financial assets are impaired.

a) Financial assets at amortised cost

The necessary value adjustments are made, provided there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics valued collectively, have deteriorated as a result of one or more events occurring after their initial recognition and that cause a reduction or delay in the estimated future cashflows, which may be determined by the insolvency of a debtor.

Losses due to the impairment of the value of these financial assets will be the difference between their book value and the current value of the future cashflows, including, if applicable, those derived from the enforcement of in rem and personal guarantees, that it is estimated will be generated, discounted at the effective interest rate calculated at the time of initial recognition.

For financial assets at a variable interest rate, the corresponding effective interest rate on the closing date of the consolidated annual accounts will be used in accordance with the contract conditions. The calculation of the impairment losses of a group of financial assets may use models based on formulas or statistical methods.

Impairment adjustments, as well as their reversal when the amount of the loss is reduced for reasons related to a subsequent event will be recognised as expenditure or income, respectively, in the consolidated income statement.

The reversal of the impairment will be up to the limit of the book value of assets recognised on the date of the reversal if the impairment had not been recorded.

3.17.5. Removal of financial assets and liabilities

The company removes financial assets when the rights to the cashflows of the financial asset expire or have been transferred and the risks and benefits inherent to its ownership have been substantially transferred.

And the liability is removed when the obligation has been cancelled.

3.18. Accounting for hedging operations

Derivatives are recognised at fair value on the contract date, with the fair value being recalculated successively. The method for recognising the gain or loss depends on whether the derivative is classed as a hedging instrument and, in that case, the nature of the asset being hedged.

The Group aligns its accounts with its management of financial risks. The risk management objectives and hedging strategy are reviewed periodically, providing a description of the risk management objective sought.

In order for each hedging operation to be considered effective, the group documents that the financial relationship between the hedging instrument and the hedged element is in line with the entity's risk management objectives.

The market value of the different financial instruments is calculated using the following procedures:

- For derivatives listed on an organised market, by their price at close of the financial year (Level 1).

- In the case of derivatives that are not negotiable on organised markets, by cashflow discount, based on the market conditions at close of the financial year or, in the case of non-financial elements, on the best estimation of the future price curves of these elements (Level 2 and 3).

The fair values are adjusted by the expected impact of the observable counterparty credit risk in positive valuation scenarios and the impact of the observable own credit risk in negative valuation scenarios.

For accounting purposes, the operations are classed as follows:

a) Derivatives that qualify for hedge accounting

The Group has not designated its derivatives as eligible for applying hedge accounting in either FY 2024 or 2023.

b) Derivatives that do not qualify for hedge accounting

Certain derivatives do not meet the criteria for the application of hedge accounting or the group decides not to apply it. Changes in the fair value of any derivative that does not qualify for hedge accounting are immediately recognised in the consolidated income statement, as part of the operating margin under the Other Income heading. Likewise, derivatives on commodities not considered as hedging for accounting purposes are recorded in operating income under the same heading, as they essentially constitute a financial hedge in that they share the critical terms of the derivative and the financially hedged element.

3.19. Cash and other equivalent liquid assets

Cash, current bank accounts and deposits are included, as well as other short-term investments that meet the following requirements:

- ✓ Convertible into cash.
- ✓ Maturity of less than three months as of the acquisition date.
- ✓ Subject to an insignificant risk of changes in value.

3.20. Stock

Raw materials and other consumables and materials for consumption and replacement are valued at acquisition price or production cost.

The acquisition price is the amount invoiced by the supplier, after deducting the discounts and interest included in the nominal value of the debts, plus additional expenses for the stock that is placed for sale: transport, tariffs, insurance and others attributable to acquisition. As for the production cost, stock is valued by adding the costs directly attributable to the products and, if applicable, the direct labour costs and general manufacturing expenses and the part that reasonably corresponds to costs that are indirectly attributable to products to the acquisition cost of the raw materials.

Indirect taxes levied on stock are only added to the acquisition price or production cost when they are not directly recoverable from the Public Treasury. For stock that needs a period of time of more than a year to be in a position to be sold, the cost includes the financial expenses issued by the supplier or that corresponding to loans or other kinds of external financing, specific or generic, directly attributable to manufacture or construction.

The group values stock at its weighted average price.

The net realisable value represents the estimation of the sale price minus all estimated costs to complete manufacture and the costs that will be incurred in the marketing, sale and distribution processes.

Advances to suppliers charged to future supplies of stock are valued at acquisition cost.

The valuation of obsolete, defective or slow-moving products is reduced to their possible realisation value. When the net realisable value of stock is less than its acquisition price or production cost, the corresponding valuation adjustments are carried out, recognising them as an expense in the consolidated income statement.

If the circumstances that led to the stock value adjustment cease to exist, the adjustment amount is reversed and recognised as income in the consolidated income statement.

3.21. Foreign currency transactions

Foreign currency transactions are recorded in the functional currency of the group (euros), using the exchange rates in effect on the date of the transaction. During the financial year, the differences between the accounting exchange rate and the one in force on the date a payment is made or received are recorded as financial results in the consolidated income statement.

The group has not changed the functional currency in the financial year.

On 31 December each year, the balances payable or receivable in foreign currency are converted at the closing exchange rate. Valuation differences are recorded as financial results in the consolidated income statement.

3.22. Accruals/deferrals

The group records as short-term accruals/deferrals the expenses accounted for in the financial year ending and that correspond to the following financial year.

Likewise, the costs of obtaining contracts with clients with an amortisation period of one year or less are included. They are represented by the commission paid to external commercial agents for contracts with new clients for the marketing of electricity and gas obtained through them.

These commissions are incremental expenses, that is, they only accrue if the sale to a new client is concluded. The amount of this commission is linked to the maintenance of the contract and even if it is paid at the signing of the new contract, the group capitalises and amortises it over the term of the contract (normally one year).

Under current liabilities in the consolidated statement of financial position, the group records liabilities by contract derived from contracts with clients corresponding to the payment made by them, the annual amount of which is received in advance, including both the sale of energy and the sale of a photovoltaic kit.

3.23. Profit tax

Profit tax expenditure for the financial year is calculated using the sum of applicable current tax at the rate levied on the tax base for the year, and after applying the admissible tax deductions, plus the variation of the deferred tax assets and liabilities.

Deferred tax assets and liabilities come from the temporary differences defined as amounts envisaged as being payable or recoverable in the future and that are derived from the difference between the book value of the assets and liabilities and their fiscal base, as well as negative tax bases to be offset and credits for tax deductions not applied.

These amounts are recorded by applying the tax rate at which it is expected they will be recovered or settled to the temporary difference.

The corresponding deferred tax liability is recorded for all the taxable temporary differences, unless the temporary difference is derived from the initial recognition of goodwill or initial recognition (except for in a business combination) of other assets and liabilities in an operation that, when carried out, did not affect either the tax or accounting result.

Meanwhile, deferred tax assets, identified with deductible temporary differences, are only recognised when it is considered likely that the group will have sufficient tax earnings in the future against which they can be used and that are not derived from the initial recognition (except in a business combination) of other assets and liabilities in an operation that does not affect either the tax or accounting results.

The rest of the deferred tax assets (negative tax bases and deductions yet to be offset) are only recognised in the event it is considered likely that the group will have sufficient tax gains in the future against which they can be offset.

At the close of each financial year, the deferred tax recorded (assets and liabilities) is reviewed in order to verify that it remains valid, making the pertinent adjustments in accordance with the results of the analysis carried out.

The deferred tax income or expenditure corresponds to the recognition and cancellation of the deferred tax assets and liabilities, as well as, if applicable, the recognition and application of the income directly charged to net equity from the accounting of those deductions and other tax advantages which qualify financially as a subsidy to the consolidated income statement.

Current tax expenditure is calculated on the basis of the laws approved or practically about to be approved on the balance sheet date.

Management periodically assesses the positions adopted in tax declarations regarding the situations in which the applicable tax regulations are subject to interpretation and considers whether it is likely that a tax authority would accept an uncertain tax treatment. The group assesses its tax balances based on the more likely amount or expected value, depending on what method provides a better prediction of the resolution of the uncertainty.

The group only offsets tax assets and liabilities against current earnings if there is a legal right vis-à-vis the tax authorities and it intends to settle the debts resulting from the net amount or realise the assets and settle the debts simultaneously.

If the group determines that it is not likely that the tax authority will accept an uncertain tax treatment or a group of uncertain tax treatments, it considers this uncertainty in the determination of the tax base, fiscal bases, credits for negative tax bases, deductions or tax rates. At present the company has not adopted any uncertain tax positions.

3.24. Recognition of income from client contracts

The group recognises the income from the ordinary performance of its activity when control of the assets or services committed to clients is transferred. At that moment, income is assessed at the amount set as the consideration it expects to receive in exchange for the goods or services.

The income derived from client contracts is recorded in the accounts using the model established in the legislation:

a) Identify the client contract(s), understood as an agreement between two or more parties that creates enforceable rights and obligations for them.

b) Identify the obligation(s) to be fulfilled under the contract, representing the commitments to transfer goods or provide services to a client.

c) Determine the price of the transaction, or consideration of the contract that the group expects to receive in exchange for the transfer of assets or provision of services committed with the client.

d) Assign the transaction price to the obligations to be fulfilled, which must be carried out according to the individual sale prices of each different good or service committed in the contract, or, if applicable, following an estimate of the sale price when it is not independently observable.

e) Recognise the income from ordinary activities when the group meets an obligation committed by transferring an asset or providing a service; such compliance taking place when the client obtains control of the good or service, meaning that the amount of the income from ordinary activities recognised will be the amount assigned to the contractual obligation fulfilled.

Based on this recognition model, sales of assets are recognised when the products have been delivered to the client and the client has accepted them, even if they have not been invoiced or, where applicable, the services have been provided and the ability to receive the corresponding accounts receivable is reasonably secure.

The sales figure for the financial year includes the estimation of the construction contracts executed that are pending invoicing. The difference between recognised income and the amount invoiced is recorded as follows:

- If positive, as “Production executed pending invoicing” (deferred invoicing) under the heading “Trade debtors and other receivables”.

- If negative, as “Anticipated income” (anticipated invoicing) under the heading “Trade creditors and other accounts payable”.

These asset and liability accounts by contract are generated because the invoicing takes place on the basis of certain milestones established in the contracts, which do not necessarily coincide with the degree of execution of the work. In this way, part is invoiced in advance at the start of the work, delivery of materials, start-up of the facility and handover of the work.

The sales are valued net of tax and discounts and transactions between group companies are eliminated.

Income obtained by the group corresponds mainly to the sale of energy and construction services (EPC).

The forms in which revenue is recognised according to the lines of business are:

- ✓ Energy marketers (sale of electricity and gas)

Energy marketing and intermediation on the energy markets is accrued when supplied.

The energy is invoiced monthly meaning that at the close of the financial year the group's income includes the accumulated invoicing for the year, as well as an estimate of the energy supplied (electricity or gas) pending invoicing, which will be invoiced in the first few months of the following financial year. This estimation is the result of the time difference between receipt of the supply readings made by the distributor (a company outside the group) and the moment the energy is delivered. This estimation is made with the best information available on consumption by clients. The Group, based on the energy acquired and supplied in the last month, deducts the amount of the reading received, meaning that the amount supplied pending invoicing is obtained, to which a financial valuation is applied, depending on the contractual relationship with the clients. The estimation of the energy pending invoicing is included under the heading “Trade debtors and other receivables”.

In those cases in which it is concluded that the group carries out an activity of representation, performing the function of managing the purchase of energy for a third-party marketer, it has been considered that it's function is that of an agent, and not the principal. For this reason, the income derived from the market agent activity is considered reducing the electricity purchases to show the net margin of the activity, so that the effective margin obtained from the representation is recorded as turnover.

Meanwhile, energy purchases and sales between the group's generation and marketing companies are eliminated in the consolidation process.

The group pays a commission to external commercial agents for contracts with new clients obtained through them. The amount of this commission is linked to the maintenance of the contract and even if it is paid at the signing of the new contract, the group accrues/defers it over the term of the contract (one year). These commissions are incremental expenses, that is, they only accrue if the sale to a new client is concluded.

- ✓ PPA (Power Purchase Agreement)

This is a long-term energy sale and purchase agreement for a specific asset and at a pre-established price, between EiDF and a consumer (offtake), normally this asset is transferred to the offtaker at the end of the agreement, unless it is waived. In addition, in the majority of these agreements, the excess energy produced by the asset and not consumed by the offtaker is sold by EiDF on the market.

- ✓ Photovoltaic plant construction agreements

For the agreements in which the activities of engineering, procurement and construction (EPC) are carried out together, the assignment of the consideration for each performance obligation is make using the estimate of its independent sale price at the start of the agreement, based on the group's experience in the provision of similar services, as well as other internal or external information available.

EiDF records the construction income by the degree of progress.

For the development phase (all permits, authorisations, surface area/use rights, etc. obtained) the output model is used, recording the income using direct measurement of value for the client of the goods and services transferred up to that date, in relation to the outstanding goods or services promised in the agreement. For the construction phase (material execution of works and facilities) the input method is used, according to the proportion represented by the costs incurred to date over the total costs necessary until the termination of the agreement. If there are differences between execution and invoicing and amounts are invoiced in advance, the income will be recognised simply as what has been constructed to date, recognising the difference as work invoiced and pending execution (liability).

This category comprises contracts with clients belonging to the generation and self-consumption line of business which are essentially differentiated by the size and location of the photovoltaic plants.

When the dominant company of the group provides construction services to dependent companies in relation to photovoltaic plants maintained in tangible fixed assets in the consolidated statement of financial position, the margin obtained from the sale is eliminated in the consolidation process.

3.25. Provisions and contingent liabilities

The obligations existing at the date of the consolidated annual accounts arising as a result of past events that may give rise to financial harm for the group whose amount and time of cancellation are indeterminate, are recorded in the consolidated statement of financial position as provisions for the current value of the most likely amount it is estimated the group will have to pay to cancel the obligation.

The consideration to be received from a third party when the obligation is settled does not represent a reduction of the amount of the debt, notwithstanding recognising the corresponding payment right in the group’s assets, provided there are no doubts about the payment being received, recording the asset for an amount not exceeding the obligation recorded in the accounts.

The consolidated annual accounts of the group contain all significant provisions in relation to which it is estimated likely that the obligation will have to be fulfilled. Contingent liabilities are not recognised in the consolidated annual accounts, although they are reported, in line with the requirements of the accounting rules.

Provisions are quantified taking into account the best information available on the consequences of the event behind them and they are re-estimated at the closing of each financial year. They are used to address the corporate obligations for which they were originally recognised and reversed, in full or in part, when the obligations cease to exist or are reduced.

Due to the group's activity, it can face claims for delays in the execution of works or non-compliance, however this risk is considered unlikely based on the historical experience in performing numerous agreements and for that reason no contingency is recorded.

In the case of self-consumption facilities (PPA), it is considered highly unlikely that the group will have to assume dismantling costs, due to the nature of the agreement (Note 3.13)

3.26. Severance

In accordance with labour legislation in force, the group is obliged to pay severance to those employees whose labour relationship is terminated under certain conditions. Severance that can be reasonably quantified is recorded as an expense in the financial year in which there is a valid expectation, created by the group vis-à-vis the third parties affected.

3.27. Environmental wealth elements

The costs incurred in systems, equipment and facilities designed to minimise the environmental impact on the performance of the activity, and/or to protect and improve the environment, are recorded as investments in fixed assets. At closing FY 2024 and 2023, the group did not have any assets of this kind,

The rest of the expenses of an environmental nature, other than the above, are considered expenditure in the financial year.

In order to calculate possible environmental provisions that may arise, they are funded using the best estimation of their accrual at the time they are known, and in the event that the insurance policies do not cover the damage caused. The group's consolidated annual accounts do not contain any expense of this kind included in its consolidated income statement.

The members of the Board of Directors of the Dominant Company consider that there are no liabilities, expenses, assets, or provisions and contingencies of an environmental nature that could be significant in relation to the group's assets, financial situation and results.

3.28. Classification of assets and liabilities as current and non-current

Assets and liabilities are classed in the consolidated statement of financial position as:

- Current assets and liabilities when they are linked to the normal cycle of operation of the group and it is expected they will be sold, consumed, realised or settled in the course of the same and third maturity, transfer or realisation is expected to take place within a maximum of one year; they are held for trading purposes or in the case of cash and other equivalent liquid assets whose use is not restricted, for a period of more than one year.

- Otherwise they are classed as non-current assets and liabilities. The group classes an asset as non-current if the lender has agreed prior to the close of the financial year to grant a grace period that ends at least twelve months after closing, during which the group can rectify the breach and the lender cannot demand immediate repayment. In the event this dispensation is obtained after the close of the financial year, even referring to the closed financial year, it will be classed as a current liability.

The normal operating cycle is less than a year for the group’s activity.

3.29. Subsidies, donations and bequests received

The official subsidies from the Public Administrations are recognised when there is reasonable certainty of fulfilment of the conditions associated with their grant and that they will be received.

The capital subsidies granted in the form of assets are recognised and included in the “Official subsidies” entry, of the consolidated statement of financial position and attributed to the Other income entry as the corresponding financed assets are amortised.

3.30. Results per share

The basic results per share are calculated dividing the net results attributable to the holders of the wealth instruments of the dominant company by the weighted average of ordinary shares in circulation during the financial year, excluding the average of ordinary shares acquired by the group and held as own shares.

In order to calculated the diluted results per share, the weighted average number of ordinary shares in circulation is adjusted, if applicable, to consider the conversion of all the potential dilutive ordinary shares. The effect of the dilution corresponds to an increase in the results per share.

3.31. Net equity

The share capital is represented by ordinary shares. The issue costs of the new shares are presented directly against new equity, as reduced reserves.

The dominant company recognises capital increases and decreases in net equity when they have been issued and subscribed.

The acquisition by the Dominant Company of “own share” wealth instruments is presented at the acquisition cost separately as a reduction of net equity in the consolidated statement of financial position, regardless of the reason for the acquisition. No result is recognised in transactions carried out with own equity instruments.

The subsequent amortisation of the Dominant Company’s instruments gives rise to a capital reduction for the nominal amount of such shares and the positive or negative difference between the acquisition price and the nominal price of the shares is charged or paid to the reserves account.

The transaction costs related to own equity instruments, including issue costs related to a business combination is recorded as a reduction of new equity, after considering any tax effect.

✓ Other net equity instruments

The group distinguishes between situations in which it acquires the obligation to directly deliver a fixed amount of the shares of the dominant company in an agreement with third parties or where, after recording a financial liability, the parties agree to settle the liability by delivering shares of the dominant company.

In the first case, under the heading of other equity instruments, instruments where the dominant company will deliver a fixed amount of its shares are included, setting the value of the instrument at the moment of the agreement at its fair value and without subsequently accounting for changes in value.

These instruments are classed as share capital and, if applicable, an issue premium of the dominant company, once the capital increase has been approved by the General Meeting of Shareholders of the dominant company and recorded at the Commercial Registry.

In the second case, this heading includes instruments where the dominant company has acquired the obligation to settle a certain financial liability by delivering a set number of new shares to be issued by the dominant company as a consideration, once the capital increase has been approved by the General Meeting of Shareholders of the dominant company.

At closing, the agreements are entered into by the dominant company and the counterparty, while not qualifying as share capital, and if applicable the issue premium of the dominant company, because on the date the consolidated accounts were drawn up are not recorded at the Commercial Registry.

From the date of the agreement between the parties and until approval of the capital increase by the General Meeting of Shareholders of the dominant company, the corresponding financial liability is valued at fair value, recording any difference in the profit and loss account. On the approval date of the capital increase, the financial liability is classed as other equity instruments (note 14.5).

3.32. Financial information by segment

An operating segment is a component of the group that performs business activities from which it can obtain ordinary income and incur expenses, the operating results of which are regularly reviewed by the Board of Directors of the Dominant Company, in order to decide on the resources that must be assigned to the segment, assess its performance and in relation to which separate financial information is available.

For the financial years ending at 31 December 2024 and 2023, the group is comprised by the following operating segments, in accordance with IFRS 8. Operating segments:

- Generation and Self-consumption: This includes the construction of the plant by the group and subsequent sale of energy to the client or to the market and the construction and installation and on occasion the operation of the photovoltaic plant to supply energy to the client in its production process.

- Marketing: Purchase of energy and subsequent sale to the client or to the market.

- Others: This corresponds to residual activities not related to the main business of the group and to activities/assets of administration and control that affect the rest of segments in general.

Transactions between segments are realised at fair value and are eliminated in the consolidation process.

There are no differences between accounting policies, nature of the activities, forms of valuing and measuring the wealth elements across each of the operating segments and there have been no changes with respect to the previous year.

3.33. Consolidated cashflow statement

The consolidated cashflow statement is presented using the indirect method, which involves starting by presenting the loss or earning, the figure subsequently being corrected by the effects of non-monetary transactions, by all kinds of deferred payment and accrual entries that give rise to payments made or received in the past or in the future, as well as the entries in the consolidated income statement associated with cashflows from activities classed as investment or financing.

The group presents the consolidated cashflow statement using the following terms and meanings:

- **Cashflow** Entry and exit of cash and cash equivalents, understood as highly liquid short-term investments without significant risk of changes to value.
- **Operating activities** Typical group activities, as well as others that cannot be classed as investment or financing.
- **Investment activities** The acquisition, transfer or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.
- **Financing activities** Activities that lead to changes in the size and composition of net equity and of liabilities that do not form part of operating activities.

The cashflows corresponding to the operating activity in FY 2024 and 2023 correspond to the group's ordinary activity.

3.34. Non-current assets held for sale

Non-current assets (or transferable groups of elements) are classed as held for sale when it is considered that their book value will be recovered via a sale operation instead of through ongoing use.

This condition is considered met only when the sale is highly likely and it is available for immediate sale in its current condition which will foreseeably be completed within a term of one year as of the date of its classification. These assets are presented valued at the lower amount of their book value and the fair value minus the costs necessary for their transfer and are not subject to depreciation.

An impairment loss is recorded for any initial or subsequent reduction in value of the asset (or transferable group) up to the fair value minus sale costs. An earning is recorded for any subsequent increase in fair value minus the sale costs of an asset (or transferable group), but not in excess of the accumulated impairment loss recognised previously. The loss or earning not previously recognised on the date of sale of a non-current asset (or transferable group) is recognised on the date on which it is removed from the accounts.

A discontinued activity is a component of the entity that has been transferred or classed as held for sale, and that represents a line of business or geographic area of significant operation and separate from the rest, forms part of an individual and coordinated plan to transfer that line of business or area of operation or is a dependent entity acquired exclusively for the purpose of resale. The results of discontinued activities are presented separately in the income statement.

Non-current assets classed as held for sale and assets of a transferable group classed as held for sale are presented separately from the rest of assets in the consolidated statement of financial position, like the liabilities of a transferable group classed as held for sale.

4. BUSINESS COMBINATIONS

There were no business combinations during FY 2024 or FY 2023.

FY 2022:

In accordance with the terms of note 1 of these consolidated annual accounts, as part of the integrated business development strategy, the group has decided to commit to the energy marketing branch.

On 30 December 2021, EiDF (acquirer) and the sellers, entered into a letter of intent for the sale and purchase of the quota shares of Reciclajes Ecológicos Nagini, S.L. ("LOI"), a company devoted to the energy marketing branch. Under this agreement, the shareholders of Reciclajes Ecológicos Nagini, S.L. grant EiDF the ability to direct the relevant activities that have a significant influence on the earnings of Reciclajes Ecológicos Nagini, S.L., effective as of 1 January 2022.

These activities include determining the financial structure or raising funds, the design and preparation of strategies for execution of the business plan and the administrative, accounting and legal management of the company by EiDF.

On 3 May 2022, another letter of intent was formalised in which EiDF will grant financial support to Reciclajes Ecológicos Nagini, S.L., as financial debt, for a total of 24,000,000.00 euros, to be disbursed between 2022 and 2025 on a quarterly basis. In addition, the companies agreed to formalise the acquisition of an initial 51% of the quota shares and of the remaining 49%, in 2025 at the latest, provided a series of conditions precedent are met referring essentially to certain management and performance values and indicators being reached, included in the 2022-2025 Business Plan.

Due to the terms of certain agreements, EiDF was granted control of Reciclajes Ecológicos Nagini, S.L. since 1 January 2022, as it was considered that the purchase of the remaining 49% was guaranteed, as compliance with the 2022-2025 Business Plan and the ratios and indicators associated with the conditions precedent, depends exclusively on EiDF's ability to manage the business. Therefore, from the date of acquisition of control, EiDF recorded the purchase of 100% of the shares as a deferred debt.

On 3 June 2022, one of the members of Reciclajes Ecológicos Nagini, S.L., S.L. sold 48,410 shares to another of the members, for the amount of 86,000 euros, giving a price per share of 1.7765 euros. It has been decided that this price per share is the best reflection of the fair value of the same.

In this way, it was decided that the fair value of the consideration paid for the acquisition of 100% of the quota shares of Reciclajes Ecológicos Nagini, S.L., represented by 836,400 quota shares, is 1,486 thousand euros, of which, 38,197 euros have already been paid and the remaining amount will be paid in 2025. The fair value of the disbursement to be made by EiDF in 2025 totals 1,318 thousand euros, considering a market discount rate. In this way, the fair value of the consideration paid for acquisition of 100% of the quota shares of Reciclajes Ecológicos Nagini, S.L. totals 1,356 thousand euros.

The Letter of Intent establishes that the sellers will contribute a future client portfolio to Reciclajes Ecológicos Nagini, S.L., the price of which will be determined as 7 times the EBITDA reached in 2025, minus the net financial debt of Reciclajes Ecológicos Nagini, S.L., on the transaction date, the amount previously paid in the acquisition of the quota shares and the amount related to the financial support granted by EiDF to the dependent company as financial debt.

The EBITDA or Gross Operating Profit is a figure that measures the net operating profit plus depreciation and amortisation.

It has been considered that this transaction does not fall under IFRS 3 “Business combinations” as it does not represent a consideration paid by EiDF in exchange for acquisition of control of the company, but is considered a separate transaction under IFRS 15 “Revenue from contracts with customers”, its nature being that of “costs of obtaining contracts with customers”. This asset will be recognised over the years according to the KWh actually obtained by the vendors in proportion to the total KWh committed as future client portfolio in the 2022-2025 Business Plan.

On 21 July 2022, the initial agreement and subsequent addenda formalised were executed as public deeds, approving the acquisition of 426,564 shares of Reciclajes Ecológicos Nagini, S.L., representing 51% of the company’s quota shares.

In 2022, the business acquired generated ordinary income and consolidated results for the Group, in the period running from the acquisition date and close of the financial year, worth 44.2 million euros and 0.5 million euros, respectively. As the date of acquisition of control is 1 January, these figures cover the entire financial year. For 2023, a turnover of 44.6 million euros was generated together with a positive result of 2.6 million euros.

The breakdown of the business combination cost, the fair value of the net assets acquired and the consolidation goodwill is as follows:

Consideration delivered	**1,355,866.48**
Fair value of net assets acquired	**329,308.06**
Goodwill	**1,026,558.42**

The goodwill recognised corresponds to the synergies expected from the combination operations of acquired and acquirer, that could not be assigned to other intangible assets that do not meet the conditions to be recognised separately. The amounts recognised at the acquisition date of the assets, liabilities and contingent liabilities at fair value, were as follows:

Nagini Reciclajes Ecológicos, S.L.	**Fair value**
Non-current assets	**5,013,351.29**
Relations with clients	2,612,000.00
Computer applications	46,188.34
Technical facilities and other tangible fixed assets	26,171.67
Use rights	272,163.62
Deferred tax assets	391,827.66
Long-term financial investments	1,665,000.00
Current assets	**2,112,692.10**
Trade debtors and other accounts receivable	1,870,496.00
Treasury	242,196.10
Accruals/deferrals	
Non-current liabilities	**2,283,307.58**
Long-term debts with related companies	1,562,266.67
Deferred tax liabilities	721,040.91
Current liabilities	**4,513,427.75**
Debts with third parties	873,278.62
Short-term debts with related companies	38,534.00
Trade creditors and other accounts payable	2,370,126.98
Short-term accruals/deferrals	1,231,488.15
Total Net Assets	**329,308.06**

5. COMPANY HOLDINGS ACCORDING TO THE EQUITY METHOD

The breakdown of holdings in companies under the equity method is provided in the following chart:

Description	Tornalti Solar, S.L	Kakuru Invest, S.L.(*)
At closing FY 2022	**2,287,228**	-
Additions	-	-
Removals	-	-
Other movements	24,935	-
Participation in results	8,857	-
Impairment	-	-
At closing FY 2023	**2,321,020**	-
Additions	-	3,350,295
Removals	-	-
Other movements	19,143	-
Participation in results	-13,743	-
Impairment	-	-3,350,295
At closing FY 2024	**2,326,420**	**0**

(*) Acquisition of control of 49% of the company in FY 2023. It was decided that the fair value of the same is zero (note 1.4).

As they are associated companies that consolidate according to the equity method, they are not reflected in the consolidated statement of financial position or in the consolidated income statement. The financial information of these companies at 31 December 2024 and 2023 is that set out in the following chart:

Description of consolidated financial statement headings	Tornali Solar, S.L.		Kakuru Invest, S.L.	
	Financial year 2024	FY 2023	FY 2024	FY 2023
Non-current assets	3,780,007	3,780,007	44,073,035	32,124,165
Current Assets (CA)	13,257	5,385	10,950,767	10,432,021
Net equity	2,799,956	2,834,313	54,919,855	42,560,735
Non-current liabilities	923,499	950,932	0	-
Current liabilities	69,809	147	103,947	-4,550
Net Turnover	-	-	144,765	-
Operating Results	-10,915	-8,265	-377,205	-527,385
Financial Results	-23,442	-13,877	753,441	288,339
Results for the FY	**-34,357**	**-22,142**	**376,236**	**-239,046**

6. INTANGIBLE FIXED ASSETS

6.1. Movement analysis

The analysis of movement of intangible fixed assets is set out in the following charts:

	Balance at 31/12/2023	Additions	Included in perimeter	Removals	Transfers (Note 28)	Balance at 31/12/2024
Cost						
Goodwill	13,198,683	0	0	0	-12,172,125	1,026,558
Development	455,479	0	0	0	-455,479	0
Intangible fixed assets in progress	17,628,537	54,254	12,329,159	-120,300	0	29,891,650
Relations with clients	2,612,000	2,407,273	0	0	0	5,019,273
Brands and technology	10,268,253	0	0	0	-10,268,253	0
Computer applications	519,609	143,931	0	0	-152,556	510,984
	44,682,561	2,605,458	12,329,159	-120,300	-23,048,413	36,448,465
Accumulated amortisation						
Development	-311,243	0	0		311,243	0
Relations with clients	-435,334	-1,416,786	0		0	-1,852,120
Brands and technology	-3,234,060	-1,456,489			4,690,549	0
Computer applications	-163,702	-63,135	0		69,507	-157,330
	-4,144,339	-2,936,410	0		5,071,299	-2,009,450
Impairment						
Goodwill	0	-7,573,811			7,573,811	0
Fixed assets in progress	0	-7,502,689	0	0	0	-7,502,689
		-15,076,500	0		7,573,811	-7,502,689
Net book value	**40,538,222**					**26,936,282**

Entries recorded in intangible fixed assets in progress correspond to items included in the perimeter due to acquisitions that took place during the financial year (Vega Lyra Promociones Fotovoltaicas, S.L.) (note 1.4).

Client relations recorded correspond to Reciclajes Ecológicos Nagini, S.L.. (note 1.4 and 6.4).

Transfers correspond to On Demand Facilities, S.L. and Energía Libre Comercializadora, S.L (note 28).

Impairment of goodwill is derived from the classification of On Demand Facilities, S.L. and Energía Libre Comercializadora, S.L. as non-current assets held for sale (note 28). Impairment of fixed assets in progress corresponds essentially to impairment of intangible fixed assets in progress of group companies Altair Ecosolar, S.L. (6,627,689 euros), Sociedad de Explotación Fotovoltaica Berlín, S.L. (611,250 euros) and Sociedad de Explotación Fotovoltaica Mi, S.L. (263,750 euros).

	Balance at 31/12/2022	Additions	Exits from perimeter	Transfer	Balance at 31/12/2023
Cost					
Goodwill	13,198,683	0	0	0	13,198,683
Development	455,479	0	0	0	455,479
Intangible fixed assets in progress	13,238,743	7,123,396	-2,733,602	0	17,628,537
Relations with clients	2,612,000	0	0	0	2,612,000
Brands and technology	10,268,253	0	0	0	10,268,253
Computer applications	371,684	147,925	0	0	519,609
	40,144,842	7,271,321	-2,733,602	0	44,682,561
Accumulated amortisation					
Development	-240,439	-70,804	0	0	-311,243
Relations with clients	-217,667	-217,667	0	0	-435,334
Brands and technology	-1,777,571	-1,456,489	0	0	-3,234,060
Computer applications	-148,840	-14,862	0	0	-163,702
	-2,384,517	-1,759,822	0	0	-4,144,339
Net book value	**37,760,325**				**40,538,222**

The entries recorded correspond to items included in the perimeter due to acquisitions made in the course of the financial year. The exits from the perimeter correspond to the Kakuru Invest, S.L. and Finlight operations (note 1.4).

Purchase options over assets worth 1 million euros were written off as losses for the year.

6.2. Other Information

There are no circumstances that have represented a significant impact in the current financial year or in future financial years that affect residual values, useful lives or amortisation methods, as the case may be. No financial expenses have been capitalised in the financial year.

The Company has not received any subsidies, donations and bequests related to intangible fixed assets in the financial year.

The Company has made no adjustments to the value of intangible fixed assets, except as mentioned in point 6.1.

No firm commitments have been given for the purchase of intangible fixed assets at 31 December 2024 and 2023.

The entity does not have intangible fixed asset elements whose rights are exercised outside of Spain.

The entity has no intangible fixed asset elements acquired from group companies.

There are no firm commitments to sell intangible fixed assets.

All assets in this category are attached to the activity of operation.

There are no circumstances affecting intangible fixed assets, such as lawsuits or seizures.

6.3. Goodwill

The breakdown of goodwill by cash generating unit (CGU) is set out below.

CGU (company)	31 December 2024	31 December 2023
Reciclajes Ecológicos Nagini, S.L..	1,026,558	1,026,558
On Demand Facilities, S.L. (note 28)	0	12,172,125
TOTAL	**1,026,558**	**13,198,683**

The recoverable amount of a CGU is determined using calculations of value in use, except in the case of the subgroup formed by On Demand Facilities, S.L. and Energía Libre Comercializadora, S.L., whose value has been determined as market value minus sale costs (note 28).

In order to perform this analysis, the cashflow discount method is used. This method is based on the principle that the estimated value of an entity or business is defined by its ability to generate financial resources in the future, assuming that they can be removed from the business and distributed among the company shareholders, without compromising the continuation of the activity. Therefore, for each CGU, the valuation was based on the free cashflows generated by the business, discounted at the appropriate discount rates.

The key operating hypotheses used to calculate the value in use for the different CGU are based on the group's budget for the following financial year, past experience and future expectations derived from the strategic plan for the next 5 years. To obtain the cashflow discount, a discount rate based on the weighted average cost of capital (WACC) is used. The residual value of each CGU is applied in general terms as permanent income.

Below are details of the projected entries for calculating value in use and the key hypotheses considered:

- Ordinary income: the sales figure is estimated according to the growth by volume and in an estimation of the variation in the market price of electricity and gas.

- Sales costs: estimated according to the volume necessary to cover the estimated supply and an estimation of the evolution of the variation in the market price of electricity and gas.

- Gross Margin: based on the efficiency plans defined by the group, mainly optimisation of client portfolios, applying a profitability analysis methodology designed to establish threshold margins below which establishing a commercial relationship with these clients is not considered viable and on the management of the financial hedges that seek to maximise profit covering certain positions depending on the evolution of electricity and gas market prices. The Gross Margin is calculated as the total income from sales of the group minus sales costs, divided by the total sales income expressed as a percentage.

- EBITDA: This is calculated using the net profit of the CGU, before deducting interest, tax, depreciation and amortisation.

- Working Capital: based on the optimisation of the average payment period of accounts receivable and payable.

- Taxes: the tax projections are calculated according to the effective rate and results expected from the same.

- Discount rate: The market discount rate (WACC) of 10.7% (in 2023 the discount rate was 9.5%).

- Growth rate: a permanent growth rate (“g”) of 2% was used (in 2023 the growth rate was 1.7%).

Sensitivity analysis:

Depending on the useful life and the WACC used, the central value of dependent company Reciclajes Ecológicos Nagini, S.L.'s business is between 41,232 thousand euros and 28,784 thousand euros.

The WACC sensitivity analysis is determined by the value that, stressing the model, equals the recovery value of the net book value of the same, which is 35%.

6.4. Client portfolio

The client portfolio generated in relation to Reciclajes Ecológicos Nagini, S.L.. (note 1.4 and 6.1) is determined based on the following key assumptions.

- Discount rate: The market discount rate (WACC) is 10.7%.
- Growth rate: a permanent growth rate (“g”) of 2% was used.
- Client portfolio rotation (useful life): 3.91 years

Sensitivity analysis:

Depending on the useful life of the portfolio and the WACC used, the portfolio value is situated between 1,620 thousand euros and 2,544 thousand euros.

The WACC analysis of these assumptions is determined by the value that, stressing the model, equals the recovery value of the net book value of the same, which is 10.7%.

The recovery value of the client portfolio has been determined on the basis of its value in use, while the registration recognised in the financial year was performed by using the multi-period excess earnings method (MEEM).

7. TANGIBLE FIXED ASSETS

7.1. Movement analysis

The analysis of movement of intangible fixed assets is set out in the following charts:

	Balance at 31/12/2023	Additions	Work carried out on fixed assets	Exits from perimeter	Others	Transfer	Balance at 31/12/2024
Cost							
Land and buildings	4,995,951	114,835	0	0	0	-3,222,100	1,888,686
Technical facilities and other tangible fixed assets	2,211,358	0	0	0	0	1,296,987	3,508,345
Fixed assets in progress and advances	7,326,213	0	1,155,844	-812,538	-2,221,622	-3,409,519	2,038,378
	14,533,522	114,835	1,155,844	-812,538	-2,221,622	-5,334,632	7,435,409
Accumulated amortisation							
Constructions	-89,844	-27,180	0	0	0	0	-117,024
Technical facilities			0	0	0	501,882	
Other tangible fixed assets	-1,352,624	-78,321					-929,063
	-1,442,468	-105,501	0	0	0	501,882	-1,046,087
Impairment							
Land and buildings	0	-2,222,100	0	0	0	2,222,100	0
							0
Net book value	**13,091,052**						**6,389,322**

The entries recorded under the “Fixed assets under construction and advances” heading correspond mainly to activated expenses necessary for the development of the photovoltaic facilities and work carried out for fixed assets related to the execution of the facilities.

Transfers correspond to photovoltaic facilities sold to a third party in FY 2024 (amounts classified at 31 December 2023 as non-current assets held for sale have been included). Moreover, the tangible fixed assets classed as non-current assets held for sale of the fixed assets of On Demand Facilities, S.L. And Energía Libre Comercializadora, S.L. have been included (note 28). In addition, the transfer of a rural property called “Villegas” in the municipal district of Los Barrios has been included, having suffered impairment of 2,222 thousand euros prior to the transfer of non-current assets held for sale (note 28).

	Balance at 31/12/2022	Additions	Work carried out on fixed assets	Exits from perimeter	Removals	Transfer	Balance at 31/12/2023
Cost							
Land and buildings	5,247,641	0	0	0	-251,690	0	4,995,951
Technical facilities and other tangible fixed assets	3,739,269	0	0	-1,466,372	-61,539	0	2,211,358
Fixed assets in progress and advances	33,995,234	0	18,258,550	-37,479,477	0	-7,448,094	7,326,213
	42,982,144	0	18,258,550	-38,945,849	-313,229	-7,448,094	14,533,522
Accumulated amortisation							
Constructions	-72,133	-17,711	0	0	0	0	-89,844
Technical facilities Other tangible fixed assets	-597,480	-755,144	0	0	0	0	-1,352,624
	-669,613	-772,855	0	0	0	0	-1,442,468
Net book value	**42,312,531**						**13,091,052**

The exits from the perimeter correspond to the Kakuru and Finlight operations (note 1).

The transfers correspond to the classification of certain elements as assets held for sale (note 28).

The entries recorded under the "Fixed assets under construction and advances" heading correspond mainly to activated expenses necessary for the development of the photovoltaic facilities and work carried out for fixed assets related to the execution of the facilities.

Entries to the perimeter correspond to acquisitions that took place during the financial year (note 1.4).

7.2. Other Information

The group does not include the estimated dismantling, removal or rehabilitation costs as increased value of the assets as it is not considered that it will be necessary to perform such work at the end of the useful life of the fixed assets.

The depreciation coefficients by groups of elements are provided in note 3.13 of this consolidated report.

During FY 2024 there were no estimation changes that affected residual values to the estimated dismantling, removal or rehabilitation costs, useful lives and depreciation methods.

The amount of land totals 925,708 euros while buildings amount to 962,978 euros (at 31 December 2023, land was 4,147,808 euros and buildings 934,834 euros).

The group does not possess investments in tangible fixed assets outside of Spain.

No financial expenses were capitalised in FY 2024 or 2023.

The group estimates that tangible fixed asset goods are not impaired meaning that no impairment loss is recorded at close of this financial year or the previous one.

The group does not include elements not involved in the main activity in the value of tangible fixed assets.

The group does not have firm purchase commitments and foreseeable sources of financing, or firm sale commitments in relation to tangible fixed assets.

There are no circumstances affecting tangible fixed assets, such as lawsuits or seizures, nor are they subject to any kind of guarantee or pledge at either 31 December 2024 or 31 December 2023.

The group has various assets acquired under financial leasing arrangements, which, as is usual in this kind of operation, in terms of the end ownership, are subject to exercise of the purchase options determined (note 9.3). In general, these purchase options represent insignificant amounts if considered in relation to the acquisition as a whole, and there is an interest in enforcing them at the corresponding time.

The group's policy is to formalise insurance policies to cover possible risks affecting various elements of its tangible fixed assets. The members of the Board of Directors of the dominant company revise the hedges and risks covered annually, or when circumstances make it necessary, and agree on amounts that should reasonably be covered for the following year.

At 30 June 2024, the Group held a capital subsidy worth 138,000 euros (at 31 December 2023, the figure was 139,125 euros), granted in FY 2017 by the Galician Agency for Rural Development (AGADER) for an amount of 200 thousand euros for financing construction of the warehouse where the company has its registered office (note 23). This subsidy is considered non-repayable. The net book value of the same totals 720,944 euros (at 31 December 2023, the net book value was 708,769 euros).

8. REAL ESTATE INVESTMENTS

Real estate investments, both at 31 December 2024 and at the close of the previous year, totalled 20,000 euros, corresponding to a single plot of land.

The company has not obtained income or incurred significant expenses in relation to it.

9. USE RIGHT ASSETS

9.1. Analysis of movement in use rights

The analysis of movement of use rights is set out in the following charts:

	Balance at 31/12/2023	Additions	Removals	Included in perimeter	Balance at 31/12/2024
Cost					
Land	2,068,049	0	-384,126	0	1,683,923
Constructions	454,242	0	0	0	454,242
Other tangible fixed assets	5,988,828	0	0	0	5,988,828
	8,511,119	0	-384,126	0	8,126,993
Accumulated amortisation					
Land	-181,137	-48,569	29,632	0	-200,074
Constructions	-37,800	-10,793	0	0	-48,593
Other tangible fixed assets	-435,490	-199,765	0	0	-635,255
	-654,427	-259,127	29,632	0	-883,922
Net book value	**7,856,692**				**7,243,071**

	Balance at 31/12/2022	Additions	Removals	Included in perimeter	Balance at 31/12/2023(*)
Cost					
Land	2,068,049	0	0	0	2,068,049
Constructions	454,242	0	0	0	454,242
Other tangible fixed assets	813,605	5,175,223	0	0	5,988,828
	3,335,896	5,175,223	0	0	8,511,119
Accumulated amortisation					
Land	-132,568	-48,569	0	0	-181,137
Constructions	-27,007	-10,793	0	0	-37,800
Other tangible fixed assets	-283,120	-152,370	0	0	-435,490
	-442,695	-211,733	0	0	-654,427
Net book value	**2,893,202**				**7,856,692**

(*) Restated figures

The inclusion of leases, from Fy 2023, in which the group acts as lessee, correspond to 7 lease agreements for locations on which the group is developing its photovoltaic facilities. These lease agreements are signed for an average of 33 years with an option for extension of 1 to 5 years in some cases.

The rest of the leases in which the group acts as lessee and recorded under this heading, correspond to leases of land for the installation of facilities. Land lease agreements are normally signed for periods of 25-30 years, with the option to extend them by 5-10 years (mutual agreement of the parties).

Payments are established as a fixed annual quota that may vary depending on the phase of the project (development, construction or operation). The payments tend to be updated in line with the CPI. The agreements tend not to include purchase options.

The agreements may have a grace period running from the signing of the agreement and the land being made available, to the start of construction. During this period, EiDF can rescind the agreement without being penalised.

The use right has been defined according to the duration of the agreement for each asset. The lease liability derived from these agreements amounts to 7,363,188 euros (at 31 December 2023 it was 8,000,203 euros (restated amount)) (note 11.2).

9.2. Operating leases

The amount of the leases and fees contained under the external services heading, in the consolidated income statement, totals 1,037,479 euros (at 31 December 2023 it totalled 1,988,757 euros), corresponding to the lease of offices, land, generation, machinery...

No contingent amount for operating leases has been recognised as an expense.

9.3. Financial leases

Tangible fixed assets includes elements acquired under financial leasing arrangements worth 706,492 euros (at 31 December 2023, the amount was 977,493 euros) which can be broken down as follows:

Subject of the agreement FY 2024	Cost	Accumulated depreciation	Net book value
Transport elements	669,100	451,980	217,120
Machinery (forklift)	19,500	8,271	11,229
IT processing equipment (server)	17,893	15,696	2,197
TOTAL	**706,492**	**475,947**	**230,545**

Subject of the agreement FY 2023	Cost	Accumulated depreciation	Net book value
Transport elements	669,100	374,408	294,691
Machinery (forklift)	19,500	5,931	13,569
IT processing equipment (server)	17,893	11,220	6,673
Intelligent electric meters (On Demand Facilities, S.L. (note 28)	271,000	126,495	144,505
TOTAL	**977,493**	**518,054**	**459,438**

The value of the purchase option in the case of transport elements totals 1,792 euros (at 31 December 2023, the value of the purchase option in the case of transport elements totalled 1,792 euros and that of the intelligent electric meters was 4,645 euros).

The amount of future payments outstanding at 31 December 2024 was 154,719 euros (at 31 December 2023, it was 239,265 euros) (note 11.2) broken down as follows:

Outstanding future payments	31 December 2024	31 December 2023
Transport elements	140,233	218,178
Machinery (forklift)	8,643	11,975
IT processing equipment (server)	5,843	9,112
Intelligent electric meters	0	152,513
TOTAL	**154,719**	**391,778**

The maturities corresponding to financial leases are provided in note 11.3 of this consolidated report.

10. RISK POLICY AND MANAGEMENT

Risk management is controlled by the group, which identifies, assesses and hedges the financial risks in line with the policies approved by the members of the Board of Directors of the dominant company which seeks to minimise the same, looking to strike a balance between the possibility of minimising them and the cost derived from potential actions to achieve it.

- **Credit risk**: it is caused by the possibility of not recovering financial assets for the amount accounted for and by the established deadline. The group has established a procedure using which it carried out all its operations under watchful risk monitoring and assesses the credit quality of clients, taking into account past experience.

  The maximum exposure to credit risk is set out in the following chart:

Description	31 December 2024	31 December 2023
Long-term financial investments (note 11.1 Financial assets)	1,017,853	8,067,610
Trade debtors and other accounts receivable (note 11.1 Financial assets)	33,144,517	46,923,390
Short-term financial investments (note 11.1 Financial assets)	1,300,773	9,420,009
Cash and other equivalent liquid assets (note 11.1 Financial assets)	6,157,332	5,322,078
TOTAL	41,620,475	69,733,087

  The group does not have a significant concentration of credit risk, with exposure distributed across a large number of clients.

  Note 3.17.4 contains information on the impairment of the group's financial assets in terms of its policy. The adjustment due to client credit losses implies a high degree of judgement and revision of individual balances based on the clients' credit quality, current market trends and a historical analysis of credit losses on aggregate.

The impairment of accumulated trade credits at 31 December 2024, totals 13,215 thousand euros (at 31 December 2023, the figure was 12,656 thousand euros), with the main movements in FY 2024 being as follows:

- Impairment of commercial client accounts receivable at 31 December 2024 totalled 1,446 thousand euros (at 31 December 2024 it was 3,825 million euros).

- Bad trade debts totalling 481 thousand euros (at 31 December 2023, the figure was 6,353 thousand euros).

- Reversal of impairment for 1,367 thousand euros (at 31 December 2023 the figure was 1,841 thousand euros).

Non-current assets held for sale are reclassified for an amount of 6,662 thousand euros (note 28).

In general, the group maintains its treasury and equivalent liquid assets in financial institutions with a high credit ranking.

- **Liquidity risk:** caused by the possibility that the group cannot dispose of liquid funds or access them for the amount necessary to meet payment obligations (note 11.3).

  Prudent management of liquidity risk implies maintaining sufficient cash and the availability of financing by means of a sufficient amount of credit facilities committed with trusted financial institutions with sufficient capacity to settle positions on the market.

  In order to ensure liquidity and to be able to meet all payment commitments arising from its activity, the group has the treasury shown on its consolidated statement of financial position as well as the credit facilities and financing set out in note 11.2. Contractual maturity of financial liabilities is also included in that note. The financial liabilities of the group do not represent a significant concentration of liquidity risk.

At 31 December 2024, and 2023, the group failed to meet certain ratios, specifically the "Net Financial Debt (NFD)/EBITDA" financial ratio, which was stipulated by each of the loan agreements granted by TREA Direct Lending, S.C.A. SICAV Raif (note 11.2. Financial liabilities) and the ratio associated with a BBVA loan, under which it could be obliged to have to assume the return the entire debt.

Nonetheless, the group, in the case of TREA, has obtained dispensation prior to the close of FY 2024 and 2023, which releases it from having to assume the consequences derived from non-compliance with the ratio in loans worth 4.2 million in 2024 and 19 million in 2023.

In the case of the BBVA loan, the Group, in FY 2024 and 2023, has not obtained a dispensation, and as such has included the total debt associated with that contract in current liabilities.

At 31 December 2024, the group has positive working capital of 5,764,132 euros (at 31 December 2023, the positive working capital was 3,725,867 euros after restating the annual accounts at 31 December 2023) (note 2.5).

- Market risk: caused by uncertainty about the future evolution of financial markets, both prices and interest rates, with the subsequent possible impact on the group's results and cash flows.

    - Price risk: represented by the variations in the margin of the group as a result of the volatility of energy prices and changes in the fair value of certain financial instruments.

        - In the self-consumption and generation branch, the group seeks to reduce exposure to market risk by means of private energy sale and purchase agreements (PPAs) that make it possible to establish the future sale price with third parties for an agreed period, as well as that exposure to possible tariff changes on the market. The production not covered by PPAs is exposed to market changes, at a price that changes by the hour. This production is not representative of the group's total production.

- For the marketing branch, 90-95% of the portfolio is price-linked, meaning that the group does not assume risks in this regard, as it obtains a fixed margin.

  The group contracts derivatives, in order to fully or partially mitigate the risks in the electricity sale margin for fixed price agreements or for gas purchases due to the oscillation of electricity and gas market prices. The information on this kind of contract is set out in note 11.4. The group periodically reviews the risk management objectives and hedging strategy, providing a description of the risk management objective sought, ensuring that the risk margin is within the limits set.

Meanwhile, the group is exposed to market risk due to the volatility of the market prices of the financial assets and liabilities valued at fair value, that it maintains in its consolidated statement of financial position. These have been broken down in note 11.

The level of risk accepted in the investments made by the group is determined by the investment guidelines established by the Board of Directors, which stipulate, among other things, the kind of assets to be invested in and analyses the proportion of these assets in the total portfolio. Exposure to hedging instruments is not very relevant.

- Interest rate risk can affect the calculation of the current value of future cashflows to determine fair value, as well as the financial costs due to the financing of commercial operations and loans and credits at a variable rate or that should be renewed. The variability of the interest rate depends both on the European and world economies.

  Interest rate risk in the group is manifested by the variation in the financial costs of variable-rate debts, largely Euribor-linked, as a result of interest rate fluctuations.

The financial debt of the group that accrues interest at fixed interest rates at 31 December 2024, represented 6.76% of total financial debt (at 31 December 2023, it represented 44%). From the sensitivity analysis of the interest rate on financial expenses, the need to record higher/lower additional expenditure of 146 thousand euros was manifested, considering the effects of an increase and a decrease of 25 basis points in the interest rate of the loans with a variable interest rate.

11. FINANCIAL INSTRUMENTS

11.1. Financial assets

The group recognises as a financial asset any asset that is a corporate wealth instrument or represents a contractual right to receive cash or another financial asset, or to exchange financial assets or liabilities with third parties in potentially favourable conditions.

The members of the Board of Directors of the dominant company have provided the breakdown of the non-current assets with a view to facilitating the analysis of the consolidated statement of financial position:

Description	31 /12/2024	31/12/2023 (*)
Intangible fixed assets (note 6)	26,936,282	40,538,222
Tangible fixed assets (note 7)	6,389,321	13,091,052
Use rights (note 9.1)	7,243,071	7,856,692
Real estate investments (note 8)	20,000	20,000
Long-term investments in group and associated companies (note 5)	2,326,420	2,321,020
Long-term financial investments	1,017,853	8,067,610
Deferred tax assets (note 18.4)	1,531,653	2,727,657
TOTAL	**45,464,600**	**74,622,254**

(*) Restated figures

As well as the breakdown of current assets:

Description	31/12/2024	31/12/2023 (*)
Non-current assets held for sale (note 28)	46,717,951	7,448,094
Stock (note 17)	6,670,045	10,954,486
Trade debtors and other receivables	33,144,517	46,923,390
Short-term financial investments	1,300,773	9,420,009
Short-term accruals/deferrals (note 12)	2,751,376	6,556,889
Cash and equivalent liquid assets (note 13)	6,157,332	5,322,079
TOTAL	**96,741,994**	**86,624,945**

(*) Restated figures

11.1.1. Classification of financial assets by nature

The breakdown of long-term financial assets is contained in the following charts:

Description	31/12/2024	31/12/2023
Wealth instruments	182,948	793,269
Securities representing debt	0	3,897
derivatives	0	3,618,278
Loans and other financial assets	834,905	3,652,166
TOTAL	**1,017,853**	**8,067,610**

✓ Long-term financial assets:

The breakdown of long-term financial assets, by nature, is contained in the following charts:

Financial year 2024 Long-term financial assets	Wealth instruments (1)	Debt securities (note 11.1.2)	Credits, Derivatives and Others (2)	TOTAL
Fair value assets with changes in results	182,948	-	-	**182,948**
Financial assets at amortised cost	-	-	834,905	**834,905**
TOTAL	**182,948**	**0**	**834,905**	**1,017,853**

Financial year 2023 Long-term financial assets	Wealth instruments (1)	Securities representing debt	Credits, Derivatives and Others (2)	TOTAL
Fair value assets with changes in results	793,269	3,897	3,618,278	**4,415,444**
Financial assets at amortised cost	-	-	3,652,166	**3,652,166**
TOTAL	**793,269**	**3,897**	**7,270,444**	**8,067,610**

(1) The amount of **wealth instruments** corresponds to long-term investment funds for an amount of 182,948 euros (at 31 December 2023, the amount was 793,269 euros). An investment fund loss of 4,922 euros is recognised in the financial year (no impairment was recorded in FY 2023) (note 11.8).

(2) The breakdown of **credits, derivatives and others** is as follows:

a. <u>Assets at fair value with changes in results</u>, at 31 December 2024, were 0 euros, and at 31 December 2023, represented 3,618,278 euros, relating to derivatives (note 11.4).

b. <u>Long-term credits granted to related companies</u>, were 0 euros (at 31 December 2023 they totalled 2,412,384 euros) with the following breakdown:

i. Albujón Solar 81, S.L. 0 euros (at 31 December 2023 the figure was 2,143,470 euros). Outstanding balance receivable of 2,074,943 euros derived from the sale of the quota shares of Área de Producción Solar, S.L. and Norte I PPA SUN, S.L., an amount that was impaired in full in FY 2024 (note 11.1.2).

ii. High Churraski, S.L., 0 euros (at 31 December 2023 the figure was 268,914 euros).

c. Long-term bonds and deposits, includes, among others:

i. Bonds that Reciclajes Ecológicos Nagini, S.L.. (699,138 euros) has to provide as electricity market agent to the market as a guarantee it will cover the financial obligations that may derive from its actions as market participant (at 31 December 2023, the figure was 968,035 euros).

ii. Long-term bonds and deposits of the dominant company for the amount of 135,767 euros (at 31 December 2023, the amount was 101,369 euros).

✓ Short-term financial assets

The breakdown of **current (short-term) financial assets** is contained in the following chart:

Description	31/12/2024	31/12/2023
Clients for sales and services	31,148,360	38,404,291
Miscellaneous debtors	85,013	6,693,590
Short-term equity instruments	260,000	209,999
derivatives	0	4,017,527
Credits and other short-term financial assets	1,040,773	5,192,483
Cash and other equivalent liquid assets	6,157,332	5,322,079
TOTAL	**38,691,478**	**59,839,969**

The breakdown of short-term financial assets, by type, is contained in the following charts:

Financial year 2024 Short-term financial assets	Equity instruments (1)	Credits/Derivatives/ Other (2)	TOTAL
Fair value assets with changes in results	260,000	-	**260.000**
Financial assets at amortised cost	-	38,431,478	**38,431,478**
TOTAL	260,000	38,431,478	**38,691,478**

Financial year 2023 Short-term financial assets	Instruments Equity (1)	Credits/Derivatives/ Other (2)	TOTAL
Fair value assets with changes in results	209,999	4,017,527	**4,227,526**
Financial assets at amortised cost	-	55,612,443	**55,612,443**
TOTAL	209,999	59,629,970	**59,839,969**

(1) The breakdown of **equity instruments** corresponds to short-term investment funds.

(2) The breakdown of **credits, derivatives and others** is as follows:

a. Assets at fair value with changes in results, at 31 December 2024, were 0 euros, and at 31 December 2023, represented 4,017,527 euros, relating to derivatives (note 11.4).

b. Trade debtors and other receivables, 31,233,373 euros (at 31 December 2023 the figure was 45,097,881 euros). Of which 4,124,928 euros correspond to associated company clients, at closing FY 2024 (at 31 December 2023, the amount was 5,113,093 euros) (note 25.1).

This heading contains assets from client contracts worth 4,801 thousand euros that correspond to production executed pending invoicing (at 31 December 2023, for the amount of 9,585 thousand euros). The group has discharged its obligations transferring assets or services to clients before payment by the clients is enforceable (note 3.24).

Accumulated impairment of trade credits totals 4,921,994 euros (at 31 December 2023, the amount was 12,656,870 de euros).

c. **Credits to companies**, 907,997 euros (at 31 December 2023 the figure was 1,535,858 euros), corresponding to:

   a. Amount receivable for credit assignment agreements worth 246,135 euros with Prosol Energía, S.L.U (a shareholder of EiDF), which assigns collection of a series of credits in its favour in order to repay a major part of the short-term loan that EiDF had granted it in previous financial years (at 31 December 2023 the amount was 316,021 euros).

   b. Short-term credit with related company Reb&Hire, S.L for the amount of 0 euros (at 31 December 2023, the amount was 355,039 euros).

   c. Short-term credit with related company Albujón Solar 81, S.L. for the amount of 0 euros (the amount of the short-term credit was 50,000 euros, impaired in full).

   d. Credit granted by Reciclajes Ecológicos Nagini, S.L. to Prosol Energía, S.L. (shareholder of the dominant company) for the amount of 60,000 euros (at 31 December 2023 the amount was 60,000 euros).

   e. Credit granted by Reciclajes Ecológicos Nagini, S.L. to Promenade Marketing 2014, S.L. for the amount of 562,926 euros (at 31 December 2023 the amount was 562,926 euros).

   f. Credit granted by Reciclajes Ecológicos Nagini, S.L. to third parties for the amount of 38,936 euros (at 31 December 2023 the amount was 0 euros).

   g. At 31 December 2023, a credit granted to EB Nuestra Luz Tu Energía, S.L., by On Demand Facilities, S.L. For the amount of 241,872 euros (note 28. Assets held for sale), with the interest rate applicable to the operation being 3% and repayment of the same being by means of offsetting the commissions accrued in favour of that company from obtaining energy sales agreements with new clients.

d. Other financial assets worth 132,776 euros (at 31 December 2023 they totalled 3,656,625 euros), corresponding largely to:

   a. At 31 December 2024, short-term bonds (worth 47,013 euros) and other receivables (worth 85,763 euros).

   b. At 31 December 2023, security deposits established by On Demand Facilities, S.L (note 28. Assets held for sale), for the energy purchases and its operations with the Iberian energy market operator (OMIE) (Spain and Portugal), the Iberian Gas Market (MIBGAS), the financial energy market with Omiclear-Camara de Compensaçao and MEFF Sociedad Rectora del Mercado de Productos Derivados, S.A. (MEFF).

      The bonds necessary to operate on the electricity market are established as a percentage of the energy sold on the market. As these bonds are updated monthly, they are classed in the short term, as with short-term deposits (worth 756,426 euros), current account with directors (worth 24,329 euros) and Prosol Value, S.L. (worth 500,000 euros) and short-term bonds (worth 46,637 euros).

11.1.2. Loses and earnings by category of financial asset

The breakdown of loses and earnings by category of financial asset is provided in the following charts:

Financial year 2024	Financial assets at fair value	Financial assets at amortised cost
Financial income	-	388,930
Losses from impairment of commercial operations	-	-559,431
Impairment of financial instruments ($)	-	-5,479,134
Net earnings/(Losses) in results	**0**	**-5,649,635**

Financial year 2023	Financial assets at fair value	Financial assets at amortised cost
Financial income	-	1,106,112
Losses from impairment of commercial operations	-	-2,428,007
Impairment of financial instruments	-	-13,231
Net earnings/(Losses) in results	**0**	**-1,335,126**

($) corresponds to:

- Impairment of quota shares in associated company Kakuru Invest, S.L. for an amount of 3,350,295 euros. (Note 1.4).
- Impairment of long-term balance receivable and short-term loan with Albujón Solar 81, S.L. For an amount of 2,074,943 euros and 50,000 euros, respectively (note 11.1.1).
- Losses of securities representing debt worth 3,897 euros (note 11.1.1).

11.1.3. Classification by maturity

The breakdown of maturities of financial assets is contained in the following charts:

Financial year 2024 maturity	Year 2025	Year 2026	Year 2027	Year 2028	2029 and following	TOTAL
Wealth instruments	260,000	0	0	0	182,948	**442,948**
Securities representing debt	0	0	0	0	0	**0**
Loans to third parties	907,997	0	0	0	0	**907,997**
Other financial assets	132,776	0	0	0	834,905	**967,681**
Trade debtors and other receivables	31,233,373	0	0	0	0	**31,233,373**
TOTAL	**32,534,146**	**0**	**0**	**0**	**1,017,853**	**33,551,999**

Financial year 2023 maturity	Year 2024	Year 2025	Year 2026	Year 2027	2028 and following	TOTAL
Wealth instruments	209,999	0	0	0	793,269	**1,003,268**
Securities representing debt	0	0	0	0	3,897	**3,897**
Loans to third parties	1,535,858	2,428,928	0	0	0	**3,964,786**
Other financial assets	3,656,625	0	0	0	1,223,238	**4,879,863**
Derivatives	4,017,527	2,333,390	496,254	446,760	341,874	**7,635,805**
Trade debtors and other receivables	45,097,881	0	0	0	0	**45,097,881**
TOTAL	**54,517,890**	**4,762,318**	**496,254**	**446,760**	**2,362,278**	**62,585,500**

11.2. Financial liabilities

The members of the Board of Directors of the dominant company have provided the breakdown of the non-current liabilities with a view to facilitating the analysis of the consolidated statement of financial position:

Description	31/12/2024	31/12/2023(*)
Long-term provisions (note 20.1)	2,873,250	4,414,926
Long-term debts	23,947,830	80,469,094
Official subsidies (note 23)	138,000	185,500
Deferred tax liabilities (note 18.5)	1,853,526	4,166,063
TOTAL	**28,812,606**	**89,235,583**

(*) Restated figures

And for current liabilities

Description	31/12/2024	31/12/2023
Liabilities linked to non-current assets held for sale (note 28)	28,741,827	770,933
Short-term provisions (note 20.1)	874,368	2,188,450
Short-term debts	42,678,604	47,229,450
Short-term Investments, group and associated companies	206,963	0
Trade creditors and other accounts payable	18,476,102	32,510,229
Accruals/deferrals	0	200,018
TOTAL	**90,977,864**	**82,899,080**

(*) Restated figures

✓ Long-term financial liabilities

The breakdown of **non-current (long-term) financial liabilities** is contained in the following chart:

Description	31/12/2024	31/12/2023
Long-term debt with credit institutions	11,460,367	9,905,091
Long-term financial leasing liabilities	6,905,445	7,740,140
Other long-term liabilities	5,582,017	62,823,863
TOTAL	**23,947,829**	**80,469,094**

The breakdown of long-term financial liabilities, by nature, is contained in the following charts:

Financial year 2024 Long-term financial liabilities	Debts with credit institutions (1)	Notes and negotiable securities (2)	Derivatives and others (3)	TOTAL
Financial liabilities at amortised cost	11,460,367	0	12,487,462	23,947,829
TOTAL	**11,460,367**	**0**	**12,487,462**	**23,947,829**
Financial year 2023				TOTAL

Long-term financial liabilities	Debts with credit institutions (1)	Notes and negotiable securities (2)	Derivatives and others (*) (3)	
Financial liabilities at amortised cost	9,905,091	0	70,564,003	80,469,094
TOTAL	**9,905,091**	**0**	**70,564,003**	**80,469,094**

(*) Restated balance

(1) The breakdown of **long-term debts with credit institutions** is provided with the breakdown of short-term debts with credit institutions.

(2) At 31 December 2024, the group had no **long-term notes and negotiable securities**, while at 31 December 2023 there were:

- **Convertible bonds** (0 euros in FY 2024) in FY 2023 there was an amount of 5,000 thousand euros that had been fully converted into shares at 31 December 2023.

- **Promissory notes** (0 euros at 31 December 2024), at 31 December 2023:

  - On 20 December 2023 a sale and purchase agreement for promissory notes was signed by Prosol Energía, S.L. in which EiDF acquired promissory notes issued in MARF worth 8,100 thousand euros.

    On 20 December 2023 a sale and purchase agreement for promissory notes was signed by Laurion Financial Enterprises, S.à R.L, in which EiDF acquired promissory notes issued in MARF worth 3,000 thousand euros.

    Both acquisitions were carried out in order to repay in advance the promissory notes purchased prior to 31 December 2023. As a consideration for the purchase, the dominant company entered into convertible loan participating agreements with Prosol Energía, S.L. and Laurion Financial Enterprises, S.à R.L. for 8,100 euros and 3,000 euros, respectively, mentioned in the breakdown in the following point.

- **Convertible participating loans** (0 euros at 31 December 2024), at 31 December 2023 the total amount was 28,348 thousand euros. At 31 December 2023 the lenders had notified their irrevocable decision to convert. The capital increase to cater for these conversions was contingent on the mandatory authorisation of the General Meeting of Shareholders of the dominant company which will have to be called by its management body.

  The breakdown of convertible participating loans is as follows:

  1. On 20 December 2023, Prosol Energía, S.L. (a shareholder of EiDF) and the dominant company signed an agreement amending and restating the loan agreements by virtue of which these loans were renewed as Convertible Participating Loans for the current amount loaned (8.5 million euros) plus interest accrued to date (47,695 euros) meaning that the convertible participating loan was entered into for an amount of 8,547 thousand euros.

     The rate of interest applicable to the loan is variable interest, the amount of which is determined using the lender's EBITDA with certain conditions.

     The maturity date is 21 June 2025 and a conversion price is established.

     The same day as the signing of the agreement, Prosol Energía, S.L. notified the conversion at a price of 3.4597 euros per share, which entailed the issue of new shares in EiDF.

  2. On 20 December 2023, the convertible participating loan is signed with Prosol Energía, S.L. for the amount of 8,100 thousand euros and with Laurion Financial Enterprises, S.à R.L. (Laurion) for 3,000 thousand euros. It was signed in the same conditions as mentioned above.

     On 20 December 2023, the two companies (shareholders of EiDF) notified the conversion at a price of 3.4597 euros per share, which entailed the issue of new shares in EiDF.

3. On 27 December 2023, the members of the Board of Directors of the dominant company approved the signing of two new convertible participating loan agreements with Prosol Energía, S.L. and Laurion Financial Enterprises, S.à R.L. for the amount of 4,400 thousand euros and 800 thousand euros, respectively, with the same conditions as the previous loans.

   The same day, conversion was notified at a price of 3.6379 euros per share, which entailed the issue of new shares in EiDF.

4. On 29 December 2023, the participating loan was signed with Prosol Energía, S.L. for the amount of 3,500 thousand euros. It was signed in the same conditions as the previous loans.

   The same day, conversion was notified at a price of 4.0875 euros per share, which entailed the issue of new shares in EiDF (note 14.5).

The capital increase to cater for these conversions was contingent on the mandatory authorisation of the General Meeting of Shareholders of the dominant company.

These convertible participating loans have entailed a contribution of funds worth 28,348 thousand euros, although the estimation of the fair value of the derivative financial instruments implicit in the financing programme (convertible participating loans) has entailed the recognition of a loss of 5,662 thousand euros, leading to the presentation of a long-term liability of 34,010 thousand euros.

This estimation calculates the difference between the conversion value calculated on the basis of the conversion price of the debt into shares (the price of the shares to be issued) and the current value, calculated by taking as a reference that which would apply as market conversion price on the day on which it is specified, updated with a discount rate that reflects the capital cost.

Detailed information on these participating loans is available in note 9.3. Financial liabilities of the individual annual accounts of FY 2023 of the dominant company.

(3) The breakdown of **long-term derivatives and others** is contained in the following charts:

Long-term derivatives and others	At 31/12/2024	At 31/12/2023
Financial leasing liability (i)	6,905,445	7,740,140
Other financial liabilities (ii)	5,582,017	62,823,863
TOTAL	**12,487,462**	**70,564,003**

i. The breakdown of **long-term financial leasing liabilities** is provided with the breakdown of short-term leasing liabilities.

ii. The breakdown of **other long-term financial liabilities** corresponds to:

a. Real estate suppliers, for the amount of 1,272,000 euros (at 31 December 2023 the figure was 3,353,417 euros), corresponding to:

1. The amount pending payment of the developments of which group company Sociedad de Explotación Fotovoltaica Mi, S.L. has become owner, that EIDF has agreed to pay on behalf of the group company for an amount of 975,000 euros.

   At 31 December 2023, for an amount of 3,056,417 euros which also includes the amount of 975,000 euros, an amount of 2,081,417 euros corresponding to the amount pending payment for developments of group company Lured Potencia, S.L.

2. Dependent company Levante PPASUN, S.L. has an outstanding payment of 297,000 euros for the acquisition of various projects from PV Riasun, S.L. (At 31 December 2023, for the amount of 297,000 euros).

b. Other Debts, at 31 December 2024, dependent company Reciclajes Ecológicos Nagini, S.L.. for the amount of 52,934 euros (at 31 December 2023 the amount was 47,601 euros).

c. Long-term loans, at 31 December 2024, for the amount of 4,250,000 euros with Zenon II S.C.A., SICAV-RAIF (formerly TREA Direct Lending, S.C.A. SICAV Raif) (at 31 December 2023, the amount was 19,250,000 euros) (the difference was transferred to short term in FY 2024).

   Loan formalised on 9 April 2021, for an amount of 4,250,000 euros, used for financing the purchase of land and financial support for the purchase of dependent companies On Demand Facilities, S.L. and Energía Libre Comercializadora, S.L. (ODF Group).

   This loan contains a series of guarantees and obligations which will be cancelled with the sale of On Demand Facilities, S.L. (note 28):

   - Pledge over the credit rights derived from certain intragroup loans signed between EiDF and its dependent companies.

   - Pledge over the credit rights derived from the Red Eléctrica access and connection permit.

   - Pledge of the Company's holding in subsidiaries ODF Ingeniería y Proyectos para la Eficiencia, S.L.; ODF Gestión de Negocios de Energía, S.L.; On Demand Facilities, S.L.

   - Personal guarantee from EiDF against the obligations contained in the agreement.

   Moreover, this loan contains a series of guarantees and obligations which will be cancelled with the sale of On Demand Facilities, S.L. (note 28):

- Annual certificate from the auditor certifying compliance with the financial ratios required in the agreement.

- Half-yearly certificate from the Group signed by the financial manger certifying compliance with the financial ratios required in the agreement.

- Compliance at all times and for the lifetime of the agreement with the "Net Financial Debt (NFD)/EBITDA" financial ratio calculated using its audited consolidated financial statements, the ratio is established up to June 2026 (June 2023-2.60; December 2023-2.50; June 2024-2.40; December 2024-2.30; June 2025-2.20; December 2025-2.10 and June 2026-2.00).

The obligations imposed described above have not been met, although dispensation from application was obtained, which is why the loan is maintained as long term.

d. Debt with related companies for the amount of 0 euros at 31 December 2024. At 31 December 2023, for the amount of 6,317,669 euros corresponding to Memento Gestión, S.L. for an amount of 5,000,000 euros maturing on 31 March 2025 and debt as a result of the purchase of dependent company Reciclajes Ecológicos Nagini, S.L.., for an amount of 1,317,669 euros, maturing in a in 2025 at the latest (note 1.4).

e. Debt with related companies for the amount of 0 euros at 31 December 2024. At 31 December 2023, the group had debt with Sonne PF Systems, S.L. (related party) worth 3,000,000 euros with an asset guarantee (self-consumption solar facilities) the maximum maturity of which was estimated at 18 months as of 1 December 2023, at the discretion of the lender (note 21.1).

   The conditions of maturity have been novated, meaning that it will not take place before 1 January 2025. This debt is instrumented in a Group EiDF (EiDF, EiDF Autoconsumo, S.L and Energía Alfa Solar, S.L) asset sale agreement in which the purchase is entitled to return the assets to the seller within a term of 18 months, at the purchaser's discretion.

On 9 December 2024, the parties agreed to terminate the above-mentioned agreement and withdraw from the dation in payment agreement, cancelling the main and ancillary obligations derived from the same in terms of the transfer of assets.

f. Bonds received by Reciclajes Ecológicos Nagini, S.L. to third parties for the amount of 7,084 euros (at 31 December 2023 the amount was the same).

✓ Short-term financial liabilities

The breakdown of **current (short-term) financial liabilities** is contained in the following chart:

Description	31/12/2024	31/12/2023
Short-term debt with credit institutions	10,130,604	21,634,166
Notes and negotiable securities	0	3,400,000
Short-term financial leasing liabilities	612,462	499,328
Other short-term financial liabilities	31,935,538	21,695,956
Short-term Investments, group and associated companies	206,963	0
SUPPLIERS	8,293,595	13,860,634
Other creditors	8,532,881	16,477,837
TOTAL	**59,712,043**	**77,567,921**

(*) Restated figures

The breakdown of short-term financial liabilities, by type, is contained in the following chart:

Financial year 2024 Short-term financial liabilities	Debts with credit institutions (1)	Notes and negotiable securities (2)	Derivatives and others (3)	TOTAL
Financial liabilities at amortised cost	10,130,604	0	49,581,439	59,712,043
TOTAL	**10,130,604**	**0**	**49,581,439**	**59,712,043**

Financial year 2023	TOTAL

Short-term financial liabilities	Debts with credit institutions (1)	Notes and negotiable securities (2)	Derivatives and others (3)	
Financial liabilities at amortised cost	21,634,166	3,400,000	52,533,755	77,567,921
TOTAL	**21,634,166**	**3,400,000**	**52,533,755**	**77,567,921**

(1) The breakdown of **debts with credit institutions** is contained in the following charts:

At 31/12/2024	Drawn				
Type of operation	Short term	Long term	TOTAL	Limit	Available
Loans	9,872,688	1,709,967	11,582,655	-	-
Credit and discount agreements	0	9,750,400	9,750,400	16,600,000	6,849,600
Confirming debts and cards	257,916	0	257,916	302,042	44,126
TOTAL	**10,130,604**	**11,460,367**	**21,590,971**	**16,902,042**	**6,893,726**

The limit of credit facilities was 16,000,000 euros with bullet maturity at 2 years, with the possibility of renewal for an additional year. The interest rate established is Euribor 12m+5%.

At 31 December 2024, the group had yet to draw 5,868,600 euros under the credit facilities. This amount was drawn in January 2025.

The obligation to present the following compliance ratios on a half-yearly basis is included:

- Net financial debt/EBITDA < 6, during 2025.
- Net financial debt/EBITDA < 3, during 2026.

The financing agreement includes a mandatory early repayment clause in the event of a change of control of the dominant company.

A guarantee is established in favour of the financial entity for the amount of the principal of the facilities by the shareholder of the dominant company, Laurion Financial Enterprises, S.à R.L.

A first-ranking in rem right of pledge has been established over the pledged quota shares of dependent company Reciclajes Ecológicos Nagini, S.L. in favour of the financial entity as secured creditor, as security of full and timely fulfilment of all obligations, present or future, derived from the credit facility of 10 million euros.

Moreover, a pledge is established in favour of the financial institution of all the dominant company's rights over an asset sale and purchase agreement for the self-consumption facilities.

At 31/12/2023	Drawn				
Type of operation	Short term	Long term	TOTAL	Limit	Available
Loans	15,934,508	6,269,672	22,204,180	-	-
Credit and discount agreements	201,991	3,285,465	3,487,456	17,318,000	13,830,544
Import financing	3,211,062	0	3,211,062	12,910,388	9,699,326
Confirming debts	2,262,574	349,954	2,612,528	8,670,000	6,057,472
Interest accrued and not paid	24,031	0	24,031	-	-
TOTAL	**21,634,166**	**9,905,091**	**31,539,257**	**38,898,388**	**29,587,342**

The breakdown of debts with credit institutions is contained in the following chart:

Breakdown of bank debt by group company	At 31/12/2024	Limit
Confirming	-	-
Discount	0	600,000
Credit facility	9,750,400	16,000,000
Loans	10,458,264	-
Total EiDF	**20,208,664**	**16,600,000**
Confirming	255,874	300,000
cards	2,042	2,042
Total Reciclajes Ecológicos Nagini, S.L..	**257,915**	**302,042**
Loan	1,124,392	-
Total Parque Solar Investment, S.L.	**1,124,392**	**-**
Total bank debt	**21,611,578**	**16,902,042**

The debts with credit institutions accrue interest at a market rate, whether variable (market margin) or fixed rate (market).

The group does not have debts with special characteristics other than those mentioned in other notes to this consolidated report.

(2) Green bond programme, at 31 December 2024, for 0 euros.

On 19 December 2021, the Dominant Company signed an agreement with Rentamarkets SV, S.A. for the issue of a **green bond programme** worth 25 million euros, in order to obtain financing on the market to undertake the investment envisaged in the strategic plan in the coming years.

They are considered green as they are issued in accordance with the Green Bond Principles (GBP), on the condition that the funds are used to finance or refinance existing or future projects with which it is expected to increase the share of renewable energy in the electricity pool.

They are issued in the course of 2023 with the amount at 31 December 2023 being 3,400,000 euros and the maturity date being 17 January, 14 March and 12 April, respectively.

Financing agreements linked to the disbursement and subscription of convertible notes, at 31 December 2024, for the amount of 0 euros.

On 20 September 2023, the dominant company signed a financing agreement with Global Corporate Finance Opportunities 24 Ltd., in which the investor undertook to regularly invest in the dominant company, at the request of EiDF, up to a maximum amount of 20,000,000 euros by means of the disbursement and subscription of convertible notes (the "Operation").

This investment agreement was subject to the usual terms and conditions in this kind of operation. The convertible notes matured in 12 months and did not accrue any interest. The Investor could convert the convertible notes into ordinary shares of the Company at any time at a conversion price equal to the lower of (i) 95% of the arithmetic mean of the daily weighted average price of the EiDF shares on BME Growth, as published by Bloomberg, for the five trading days immediately preceding the conversion date and (ii) 95% of the last closing price of the EiDF shares on the business day prior to conversion.

On 22 September 2023, the Dominant Company requested a first tranche under the financing for an amount of 5,000,000 euros, being converted in its entirely before the close of the financial year with no amount drawn at closing.

Note 31 of the annual accounts of the EiDF Group at 31 December 2023 provides detailed information on the convertible participating loans and the repayment of promissory notes.

(4) The breakdown of **short-term derivatives and others** corresponds to:

Short-term derivatives and others	At 31/12/2024	At 31/12/2023
Financial leasing liability (i)	612,462	499,328
Other financial liabilities (ii)	31,935,538	21,695,956
Debts with group companies (iii)	206,963	0
SUPPLIERS	8,293,595	13,860,634
Other creditors (iv)	8,532,881	16,477,837
TOTAL	**49,330,378**	**52,473,541**

(*) Restated figures

i. The breakdown of **financial leasing liabilities** (note 11.2) is contained in the following chart:

At 31/12/2024			At 31/12/2023		
Short term	Long term	TOTAL	Short term	Long term	TOTAL
75,029	79,690	**154,719**	84,833	154,432	**239,265**

The remaining amount corresponds to the outstanding amount of use rights (note 9.1) for an amount of 7,363,188 euros (at 31 December 2023 the amount was 8,000,203 euros after restating FY 2023) of which 6,825,755 euros correspond to long term (at 31 December 2023, the amount was 7,585,708 euros) and 537,433 euros corresponds to the short term (at 31 December 2023 for the amount of 414,495 euros).

ii. The breakdown of **other short-term financial liabilities** corresponds largely to:

a. **Loans convertible into shares of the dominant company** worth 11,041,319 euros (of which 4,079,750 euros correspond to Link Securities Capital, S.L. and 6,961,569 euros to Memento Gestión, S.L.) (at 31 December 2023 for an amount of 3,919,268 euros):

   i. On 19 February 2024, the dominant company signed a convertible line of financing with Link Securities Capital, S.L. in order to provide the company with flexible financing by means of access to new own resources for a maximum amount of 5,000,000 euros.

   The agreement was novated on 14 May 2024 in order to extend its term until 31 July 2024 and remove the maximum limit of convertible loans that can be formalised.

   On 15 July 2024, given the trading volume of shares in the Dominant Company, the term of the agreement was extended to 30 September 2024.

   On 1 October 2024, in view of the current trading volume and market price of the shares, it was not sufficient to dispose of the maximum amount during the term of the agreement, meaning that it was extended once again to 31 December 2024.

   The amount at 31 December 2024, 3,500,058 euros, (550,800 shares will be issued) and the effect of the fair value variation at 31 December 2024, is 579,692 euros (note 11.8).

   ii. Memento Gestión, S.L., a related company (a shareholder of EiDF) for the amount of 5,000,000 euros derived from the acquisition of On Demand Facilities, maturing prior to 31 July 2025.

Related company Prosol Energía, S.L. granted a joint and several bond. On 23 July 2024, with the consent of Prosol Energía, S.L. a debt novation agreement was signed for the outstanding debt (at the agreement signing date the amount was 5,202,389 euros) despite being participating in nature, it was also convertible into share of the debtor (Dominant Company) at the creditor's full discretion. The debt will mature on 23 December 2025.

On 23 July 2024, Memento Gestión, S.L. notified its intention to convert a total of 4,202,389 euros of the total outstanding debt into shares in the Dominant Company. The number of shares to be issued is 1,156,168 shares.

The amount, at 31 December 2024, is 4,202,388 euros, and the effect of the fair value variation at 31 December 2024, is 2,759,181 euros (note 11.8).

iii. At 31 December 2023, this corresponded to a convertible participating loan with Prosol Energía, S.L. for an amount of 3,919,268 euros.

b. **Short-term debts** for the amount of 17,122,499 euros.

i. Of the loan with Memento Gestión, S.L. the amount not convertible into shares and as such, short-term debt, at 31 December 2024, totalled 1,122,499 euros, maturing on 23 December 2025 (at 31 December 2023, the amount outstanding was 5,000,000 euros maturing on 31 March 2025, accounted for as long-term).

ii. Sinia Renovables, S.A.U. debt, for the amount of 3,000,000 euros derived from the agreement signed on 23 December 2024, in which the dominant company assumes the outstanding debt of dependent companies Balboa PPASUN, S.L.; Extrem PPASUN, S.L. and Lar PPASUN, S.L. With Sinia Renovables, S.A.U., such debt accruing ordinary interest at a rate of 4.5% per annum on the remaining amount of debt pending repayment at any given time (at 31 December 2023, the outstanding amount was 6.8 million euros).

iii. Loans with Zenon II S.C.A., SICAV-RAIF (formerly TREA Direct Lending, S.C.A. SICAV Raif) for the amount of 13,000,000 euros (at 31 December 2023 the amount was 19,250,000 accounted for as long-term):

- Loan formalised on 29 October 2021, for an amount of 10,000,000 euros, used for financing the purchase of land and financial support for the purchase of dependent companies On Demand Facilities, S.L. and Energía Libre Comercializadora, S.L. (ODF Group).

  With a single maturity date at the end of the agreement in 2026 (5 years as of signing) and with a variable annual interest rate linked to the Euribor accruing quarterly (Euribor+7%). The amount of this loan at 31 December 2024 is 8,000,000 euros.

- Loan formalised in August 2022, with a principal of 5,000,000 euros, maturing on 25 August 2025 and accruing interest at a variable rate of Euribor+6.75%.

This loan contains a series of guarantees and obligations which will be cancelled with the sale of On Demand Facilities, S.L. (note 28):

- Pledge over the credit rights derived from certain intragroup loans signed between EiDF and its dependent companies.

- Pledge over the credit rights derived from the Red Eléctrica access and connection permit.

- Pledge of the Dominant Company's holding in subsidiaries ODF Ingeniería y Proyectos para la Eficiencia, S.L.; ODF Gestión de Negocios de Energía, S.L.; On Demand Facilities, S.L.

- Personal guarantee from EiDF against the obligations contained in the agreement.

Moreover, these loans contain a series of guarantees and obligations which will be cancelled with the sale of On Demand Facilities, S.L. (note 28):

- Annual certificate from the auditor certifying compliance with the financial ratios required in the agreement.
- Half-yearly certificate from the Group signed by the financial manger certifying compliance with the financial ratios required in the agreement.
- Compliance at all times and for the lifetime of the agreement with the "Net Financial Debt (NFD)/EBITDA" financial ratio calculated using its audited consolidated financial statements, the ratio is established up to June 2026 (June 2023-2.60; December 2023-2.50; June 2024-2.40; December 2024-2.30; June 2025-2.20; December 2025-2.10 and June 2026-2.00).

c. **Other short-term debts**, for the amount of 3,176,477 euros (at 31 December 2023 the figure was 2,263,640 euros), corresponding to:

   i. <u>Debt</u> outstanding for the acquisition of shares of group company Vega Lyra Promociones Fotovoltaicas, S.L. for 1,674,310 euros (note 1.4).

   ii. <u>Debt</u> outstanding on developments accrued linked to group company Lured Potencia, S.L. for an amount of 1,502,167 euros based on the milestones reached in the project under execution (note 1.4).

   iii. Other short-term real estate suppliers for the amount of 185,289 euros.

   At 31 December 2023, it corresponded largely to debt from the acquisition of 100% of the quota shares of group company Lured Potencia, S.L. for an amount of 1,502,167 euros.

d. Short-term real estate suppliers, at 31 December 2024, an amount of 81,217 euros (at 31 December 2023, the amount was 1,300,000 euros) (note 2.5).

e. **Current account with directors**, 327 euros at 31 December 2024 (at 31 December 2023 the figure was 0 euros).

f. **Short-term debts**, at 31 December 2024, dependent company Reciclajes Ecológicos Nagini, S.L.. for the amount of 227,069 euros (at 31 December 2023 the amount was 177,591 euros).

g. **Short-term debts** with related company Vega Lyra Promociones Fotovoltaicas, S.L. for the amount of 279,000 euros (at 31 December 2023 the amount was 0 euros) (note 1.4).

h. **Debt derived from agreements related to the securitisation fund** signed by dependent companies Energía Libre Comercializadora, S.L. and On Demand Facilities, S.L. Worth 0 euros at 31 December 2024 (at 31 December 2023 the amount was 9,887 thousand euros).

iii. **Debt with associated company** Kakuru Invest, S.L. Of 206,963 euros (at 31 December 2023 the figure was 0 euros).

iv. **Other creditors** includes liabilities from client contracts worth 3,157 thousand euros (at 31 December 2023 the amount was 6,486 thousand euros) corresponding to the advance invoicing of EPC contracts (self-consumption). The group has an unconditional right to receive an amount as consideration before it has transferred the asset or service to the client (note 3.24).

11.3. Classification by maturity

The breakdown of classification of financial assets by maturity is contained in the following charts:

Financial year 2024	2025	2026	2027	2028	2029 and following	TOTAL
Debts with credit institutions	10,130,604	10,170,552	231,080	236,482	822,253	**21,590,971**
Leasing liabilities	612,462	691,980	650,256	631,273	4,931,936	**7,517,907**
Convertible participating loans	11,041,319	-	-	-	-	**11,041,319**
Other financial liabilities	20,894,219	4,607,017	975,000	-	-	**26,476,236**
Debts with group companies	206,963	-	-	-	-	**206,963**
Suppliers and creditors	16,826,476	-	-	-		**16,826,476**
TOTAL	**59,712,043**	**15,469,549**	**1,856,336**	**867,755**	**5,754,189**	**83,659,872**

Financial year 2023	2024	2025	2026	2027	2028 and following	TOTAL
Debts with credit institutions	21,634,166	6,714,759	687,262	1,371,358	1,131,712	**31,539,257**
Notes and negotiable securities	3,400,000	0	-	-	-	**3,400,000**
Other financial liabilities	22,195,284	17,069,410	14,594,901	774,758	4,115,241	**58,749,594**
Convertible participating loans	-	34,009,693	-	-	-	**34,009,693**
Suppliers and creditors	29,726,932	-	-	-	-	**29,726,932**
TOTAL	**76,956,382**	**57,793,862**	**14,937,262**	**1,801,215**	**1,131,712**	**157,425,476**

(*) Restated figures

11.4. Derivative financial instruments

The group contracts derivatives, in order to fully or partially mitigate the risks in the electricity sale margin for fixed price agreements or for gas purchases due to the oscillation of electricity and gas market prices.

These agreements are linked to the marketing branch (On Demand Facilities, S.L and Energía Libre Comercializadora, S.L.) and the Group does not designate its derivatives as eligible for hedge accounting. They are not classed as held for sale (note 28).

The breakdown of fair value and maturity of the derivatives is:

- Contracts for difference (CFD), nominal contracted 58MWh maturing between 2025 and 2031 and fair value of the asset of 1,925,682 euros (at 31 December maturity was between 2023 and 2031 and the fair value of the asset was 2,862,496 euros).
- Futures-gas purchase, nominal contracted 15MWh maturing in 2025 and fair value of the asset of 1,692,596 euros (at 31 December maturity was between 2023 and 2026 and the fair value of the asset was 4,773,310 euros).

The fair value of the derivative financial instruments is accounted for as a financial asset or liability depending on whether the fair value is positive or negative, respectively.

11.5. Deferral of payments to suppliers in commercial operations

The information in relation to the average period of payment to suppliers in commercial operations is as follows:

Description	FY 2024	FY 2023
Average period of payment to suppliers	34.87 days	23.30 days
Paid transactions ratio	28.23 days	19.70 days
Ratio of outstanding operations	174.98 days	129.60 days
		Amount (Euros)
Total payments made	213,282,850	277,512,333
Total outstanding payments	10,118,568	14,837,394

While during FY 2024 the group exceeded the maximum period of payment for commercial suppliers established by law, the group is making an important effort to remedy this situation.

The breakdown of the information on the monetary volume paid in a period within the limit established by the regulations on late payment, as well as the percentage it represents of the total volume of payments and the number of invoices paid within the limit established by the regulations on late payment, as well as the percentage it represents of the total invoices paid.

Description	FY 2024	FY 2023
Monetary volume paid within	195,264,540 EUR	292,349,727 EUR
Percentage of total payments	89.66%	95%
Number of invoices paid within	111,230	203,977
Percentage of total invoices	30.98%	95%

11.6. Other Information

In FY 2024 and 2023, there were no non-payments of principal or interest on loans with credit institutions or breaches of contract that granted the lender the right to claim early repayment of the loan.

The breakdown of assets assigned and accepted as guarantee both at 31 December 2024 and 2023 as well as the outstanding debt associated with secured financing operations is provided in notes 11.2 to this report.

Both at 31 December 2024 and 2023, the group held no firm buying and selling commitments for financial and non-financial assets other than as mentioned in this report.

At 31 December 2024 and 2023 the group had no lawsuits, seizures or other substantive circumstances that affected the financial assets.

11.7. Information related to the consolidated income statement and net equity

Financial income, for the financial year, totalled 388,930 euros (1,106,112 euros in FY 2023), while financial expenditure for the year was 6,592,889 euros (9,567,938 euros in FY 2023), derived in part from the interest on the loans granted by the financial institutions and 5,417 euros of financial expenditure with associated company Kakuru Invest, S.L.

11.8. Variation in the fair value of financial instruments

Losses due to variation in the fair value of financial instruments, in the financial year, totalled 17,244,412 euros (at 31 December 2023 the amount was 5,915,941 euros) with the following breakdown:

- Losses due to variation in the fair value of financial instruments, in the financial year, totalled 17,329,299 euros, due largely to:

  a. The difference between the value of the share and the conversion price of the participating loans at the moment of capitalisation represents losses of 6,143,164 euros, as mentioned in note 14.5 of this consolidated report.

  b. The effect of the estimation of the difference between the value of the share and the conversion price of the participating loans convertible into shares represents losses of 3,338,873 euros (note 11.2), of which 579,692 euros correspond to Link Securities and 2,759,181 euros to Memento Gestión, S.L.

  c. Loss from variation in fair value, in accordance with the content of note 1.4. Variation in the consolidation perimeter regarding the member constriction of Reciclajes Ecológicos Nagini, S.L.. for the amount of 7,842,340 euros (at 31 December 2023 the amount was 0 euros).

  d. Variation in the fair value of the investment fund (note 11.1.1) for the amount of 4,921 euros (at 31 December 2023 the figure was 0 euros).

During FY 2023, the group recognised losses for the amount of 6,094,126 euros of which 432,128 euros correspond to variations in the fair value of the derivative implicit in the financing agreement for convertible bonds and 5,661,998 euros with variations in the fair value of the derivative implicit in the convertible participating loan agreements.

- Earnings due to variation in the fair value, in the financial year, totalled 84,887 euros (at 31 December 2023 the amount was 178,185 euros) of which:
  - 71,254 euros correspond to the effect of the estimation of the difference between the value of the share and the conversion price of the shares to be delivered due to the purchase of the quota shares in Vega Lyra Promociones Fotovoltaicas, S.L. (note 14.5).
  - 13,633 euros of the valuation of the investment funds in different financial institutions.

11.9. Financial instruments and fair value

The book value and the fair value of those instruments recognised at amortised cost do not vary significantly.

12. SHORT-TERM ACCRUALS/DEFERRALS

This heading includes the accruals/deferrals of annual expenses that on the closing date have not accrued and that amount to 549,029 euros for the financial year (at 31 December 2023 the amount was 377,327 euros) (insurance policies (for the company's ordinary activity as surety insurance)).

As well as the costs of obtaining client contracts, in the case of marketing companies) the repayment period of which is one year or less, for the amount of 2,202,347 euros (at 31 December 2023 the amount was 6,179,562 euros) (note 3.22).

13. CASH AND EQUIVALENT LIQUID ASSETS

The total cash and equivalent liquid assets is included in the consolidated cashflow statement, with no restrictions on the availability of the same on 31 December in either 2024 or 2023.

14. OWN FUNDS

The breakdown of the Group's Owe Funds is set out in the following chart:

Breakdown	At 31/12/2024	At 31/12/2023 (*)
Deed capital	1,582,262	1,481,617
Issue premium	48,709,365	33,810,009
Reserves	-5,747,780	-4,219,497
Own shares	-83,140	-100,719
Negative results from previous years	-44,869,148	0
Results attributed to the dominant company (note 16.1)	-49,010,871	-44,869,148
Other net equity instruments	67,398,116	0
TOTAL	**17,978,805**	**-13,897,737**

(*) Restated balance

14.1. Share capital of the dominant company

The share capital of the dominant company totals 1,582,262 euros, represented by 63,290,470 shares, each with a face value of 0.025 euros, fully subscribed and paid in, while on 31 December 2023 it totalled 1,481,617 euros, represented by 59,264,705 shares, each with a face value of 0.025 euros.

The following movements in the share capital of the dominant company took place in FY 2024:

- On 13 November 2024, the Board of Directors of the dominant company approved a capital increase by means of the issue of new shares in the company, to be fully subscribed and paid in by means of monetary contributions, with exclusion of the pre-emption right. Pursuant to the authorisation granted by the Extraordinary General Meeting held on 9 September 2022, the Board of Directors of the dominant company resolved to carry out a capital increase in accordance with the following terms:

  Capital increase by means of monetary contributions for a nominal amount of 100,645 euros, by means of the issue and release into circulation of 4,025,765 new ordinary shares belonging to the same class and series as those currently in circulation, each with a face value of 0.025 euros. It was resolved that the issue rate (face value and issue premium) of the new shares would, pursuant to the meeting of 24 October 2024, be 3.726 euros per share.

  The total amount to be paid in was 15,000,000 euros, of which 100,645 corresponded to the face value and the rest to the issue premium. On 15 November 2024, Azahar Inversiones Capital Sil, S.A. Made a monetary contribution for the capital increase for the amount of 15,000,000 euros.

  This capital increase was recorded at the Commercial Registry of Pontevedra on 27 February 2025.

The following movements in the share capital of the dominant company took place in FY 2023:

On 20 September 2023, the dominant company signed a financing agreement with Global Corporate Finance Opportunities 24 Ltd. (the “Investor”), an investment vehicle managed by Alpha Blue Ocean.

According to the agreement signed, the investor undertook to regularly invest in the Company, at the request of EiDF, up to a maximum amount of 20,000,000 euros by means of the disbursement and subscription of convertible notes (the "Operation"). This investment agreement was subject to the usual terms and conditions in this kind of operation.

The convertible notes matured in 12 months and did not accrue any interest. The Investor could convert the convertible notes into ordinary shares of the Company at any time at a conversion price equal to the lower of (I) 95% of the arithmetic mean of the daily weighted average price of the EiDF shares on BME Growth, as published by Bloomberg, for the five trading days immediately preceding the conversion date and (ii) 95% of the last closing price of the EiDF shares on the business day prior to conversion.

On 22 September 2023, the Company requested a first tranche under the financing for an amount of 5,000,000 euros.

On 20 December 2023, Global Corporate Finance Opportunities 24 Ltd. notified the final conversion of the convertible bond into shares. In total, it converted 1,000 notes for a nominal amount of 5,000,000 euros.

As a result of the above, on 19 October 2023, the Company issued a deed for the issue of convertible notes and consequent capital increase authorised by Madrid Notary Ms Eloisa López-Monis Gallego, under number 2757 of her official records and, on 11 January 2024, issued a capital increase deed in order to cover the conversion of the notes before Madrid Notary Ms Eloisa López-Monis Gallego, under number 48 of her official records. This capital increase was recorded at the Commercial Registry of Madrid on 19 January 2024. The 1,418,073 new Company shares were issued with an issue premium of €3.5009 per share, and a share issue rate of €3.5259 (€0.025 face value plus €3.2009 issue premium). Following the capital increase, the share capital was set at the figure of 1,481,617.625 euros, represented by 59,264,705 shares.

In total, the convertible bonds have entailed a contribution of funds worth 5million euros, although the estimation of the fair value of the derivative financial instruments implicit in the financing programme (convertible bonds) has entailed the recognition of a loss of 0.4 million euros, recorded against reserves. This estimation calculates the difference between the conversion price of the debt into shares (the price of the shares to be issued) and the market price on the conversion date.

The summary of the movements in FY 2024 and 2023 is set out in the following chart:

Events and dates	Shares	Face value	Equity	Issue premium	Total Premium
Accumulated 31/12/2022	**57,846,632**	**0.03**	**€1,446,166**		**€28,845,525**
2023 Increase (Recorded 2024)	1,418,073	0.03	€35,452	3.50	€4,964,484
Accumulated 31/12/2023	**59,264,705**	**0.03**	**€1,481,617**		**€33,810,009**
Increase of monetary capital	4,025,765	0.03	€100,645	3.701	€14,899,356
Accumulated 31/12/2024	**63,290,470**	**0.03**	**€1,582,262**		**€48,709,365**

The breakdown of the shareholders of the Dominant Company with a holding of more than 5% is set out in the following chart:

Shareholders	Percentage holding		
	31 December 2024 % economic rights	31 December 2024 % political rights	31 December 2023
Prosol Energía, S.L. (1)	38.86%	18.67%	54.60%
Laurion Financial Enterprises, S.A.R.L (2)	12.95%	33.14%	12.89%
Mass Investments ARK 2021, S.L. (3)	9.58%	9.58%	8.31%
Memento Gestión, S.L. (4)	6.57%	6.57%	6.63%
Azahar Inversinoes Capital Sil, S.A.	6.36%	6.36%	-

(1) The main shareholder of Prosol Energía, S.L. Is Rebeca Alonso Abril, director of EiDF. Rebeca Alonso Abril is the direct holder of 221,855 shares of EiDF, meaning that she directly and indirectly controls 39.23% of the economic rights and 19.05% of the political rights (38.86% of the economic rights and 18.67% of the political rights through Prosol Energía, S.L. and the rest as a natural person).

(2) Laurion Financial Enterprises, S.A.R.L. Informs that Jordi Berini Suñé, vice-chairman of EiDF, directly owns 84,413 shares, representing 0.14% of the capital of EiDF and Tiago Moreira da Silva, non-executive director of EiDF directly holds 85,000 shares, representing 0.14% of the capital of EiDF, thus giving Laurion Financial Enterprises, S.A.R.L. a total position of 7,846,002 shares, representing 13.24% of the economic rights and 33.42% of the political rights (12.95% of the economic rights and 33.14% of the political rights held via Laurion Financial Enterprises, S.A.R.L. And the rest of the rights as individuals).

(3) Mass Investments ARK 2021, S.L. is a company owned by Alejandro Alorda.

(4) Memento Gestion, S.L. is a company owned by Julio Sergio Palmero Dutoit, director at EiDF.

(5) Azahar Inversiones Capital Sil, S.A, is a free investment company with Juan Ignacio Conesa Alcaraz as chairman of the Board of Directors and CEO.

The members of the Board of Directors of the dominant company are not aware of the existence of other shareholders with 5% or more.

14.2. Dominant company issue premium

As a result of what is stated in note 14.1 of this consolidated report, the issue premium totals 48,709,366 euros (at 31 December 2023 it was 33,810,009 euros).

The restated text of the Spanish Companies Act expressly allows the use of the issue premium in order to increase share capital and does not establish a specific restriction in terms of the availability of that balance.

14.3. Reserves

14.3.1. Legal reserve of the dominant company

In accordance with the restated text of the Spanish Companies Act, the company is obliged to provision a legal reserve that will, in any event, be 10% of the profit for the financial year until the reserve reaches at least 20% of the share capital. The legal reserve cannot be distributed if it is used to offset losses, in the event there are no other reserves available for that purpose, it must be replenished with future profits.

The amount of the legal reserve of the dominant company, both at 31 December 2024 and at 31 December 2023, totalled 2,034,638 euros.

14.3.2. Other reserves

- ✓ **Capitalisation reserve of the dominant company**

The amount of the capitalisation reserve amounted to 87,311 euros at 31 December 2024 and 31 December 2023).

Effective as of the tax periods starting from 1 January 2015, the capitalisation reserve is created, consisting of a reduction of the prior tax base of the tax period by the profits obtained in the previous tax period which are not distributed in the tax period in which the tax base is reduced, provided the amount of such profits not distributed is maintained at the net equity of the dominant company for a period of five years as of the close of the financial year that corresponds to the tax period in which the reduction was applied. This reserve is restricted during the five-year term in which the amount of the increase in net equity must be maintained.

✓ Voluntary reserve of the dominant company

The voluntary reserve of the dominant company is unrestricted, however dividends cannot be distributed using that reserve while net equity is, or becomes as a result of the distribution, less than the subscribed capital.

14.4. Own shares of the dominant company

The composition of the portfolio of own shares of the dominant company is set out in the following chart:

31 December 2024			31 December 2023		
Number	Face value	Cost	Number	Face value	Cost
22,947	6.09	83,140	18,432	5.46	100,719

The movement of the balance of own shares held as treasury stock is set out in the following chart:

	Acquisition cost	Average price	Number of shares
Balance at 31/12/22.	**907,072**	**10.74**	**84,446**
Additions	4,844,884	12.16	398,442
Removals	-5,651,237	12.17	-464,456
Balance at 31/12/23.	**100,719**	**5.46**	**18,432**
Additions	2,666,560	6.57	406,105
Removals	-2,684,139	6.68	-401,590
Balance a 31/12/24 (note 16.1)	**83,140**	**6.09**	**22,947**

The main operations that have taken place, in FY 2024 and 2023, are due to the sale and purchase of own shares through the liquidity provider.

14.5. Other net equity instruments of the dominant company

The amount of other net equity instruments of the dominant company for an amount of 67,398,116 euros corresponds to:

- Loans convertible in shares where the conversion has been executed and the shares to be delivered have been determined, for an amount of 51,852,857 euros. The capital increases have been approved by the General Meeting of Shareholders and are pending assessment by the Commercial Registry of Pontevedra. Of the above amount, 263,700 euros correspond to share capital and the rest to the issue premium, derived from the following operations:

    - In relation to the financing agreement signed between the company and Global Corporate Financer Opportunities 24, Ltd, an investment vehicle managed by Alpha Blue Ocea, dated 19 March 2024, the conversion of a second tranche was agreed, for a nominal amount of one million euros, as a result of which a deed executing the capital increase was issued, in order to cover the conversion of 200 bonds, by virtue of the resolution of the General Meeting of Shareholders dated 9 September 2022. The 175,945 new company shares were issued with an issue premium of €5.6586 per share, and a share issue rate of €5.6836 (€0.025 face value plus €5.6586 issue premium).

      On 10 April 2024 a deed executing a capital increase was issued in order to cater for the conversion of the convertible bonds into shares. This operation gave rise to financial income for an amount of 64 euros (note 11.8).

    - On 19 June 2024, the Extraordinary General Meeting of Shareholders approved a capital increase derived from the conversion of convertible participating loans into shares, excluding the pre-emption right, with the total debts to be capitalised at 39,047,695 euros and the fair value at the capitalisation date being 50,852,882 euros.

The resolution consisted of increasing capital by 259,301 euros together with an issue premium of 50,593,581 euros from offsetting credits, that is an issue premium of 0.7247 euros per share. This operation gave rise to trading portfolio loss for an amount of 6,143,164 euros (note 11.8).

- As is described in note 1.4, the dominant company has incurred a debt with a fair value of 10,567 thousand euros, in relation to the operations described involving dependent company Reciclajes Ecológicos Nagini, S.L..

  This corresponds to the issue of 2,686,530 new shares at 4.0945 euros per share. The issue of new shares will take place following the capital increase to be approved by the General Meeting of Shareholders of EiDF no later than 28 February 2025. On 27 February 2025 the sale and purchase agreement was novated, extending the deadline for approval by the General Meeting of Shareholders of EiDF until 31 May 2025.

- Debt from the delivery of shares worth 4,977,977 euros, as set out in note 1.4, derived from the acquisition of quota shares in dependent company Vega Lyra Promociones Fotovoltaicas, S.L., by means of the delivery of EiDF shares at a price per share of 6.50 euros. The parties have agreed to prohibit the transfer or other disposal of the shares to be delivered. This prohibition will last until 31 December 2024, from the effective delivery of the shares, unless the parties agree otherwise.

  This valuation gave rise to trading portfolio profit for an amount of 71,254 euros (note 11.8).

  The following chart contains a summary of the number of shares to be issued, as well as the fair value of other equity instruments:

Holder	Fair value (thousands €)	Number of shares to be issued
Vega Lyra Promociones Fotovoltaicas, S.L. (former members of the dependent company)	4,978	923,077
Reciclajes Ecológicos Nagini, S.L., S.L. (former members of the dependent company)	10,567	2,686,531
Prosol Energía, S.L.	34,905	7,458,794
Mass Investment Ark 2021, S.L.	1,085	176,912
Laurion Financial Enterprises, S.A.R.L.	4,732	1,087,033
Global Corporate Finance Opportunities 24, Ltd.	1,000	175,945
Mr Sergio Romero Pla	1,688	274,883
Mr Luis Fernando Romero Garcia	844	137,441
Mr Jose Ignacio Romero Garcia	844	137,441
Mr Guillermo Romero Pla	2,955	481,046
Club RG 14, S.L.	3,799	618,487
TOTAL	**67,397**	**14,157,590**

14.6. Other Information

The shares of the dominant company are traded on BME Growth, a market for small capitalisation companies looking to expand, with tailor-made regulation, designed specifically for them and with costs and processes adapted to their characteristics, maintaining high levels of transparency.

The Market has a group of Registered Advisors to help companies throughout the process, both when joining the Market and later, in the day-to-day, so that they comply with the regulations established by the Market.

15. NON-DOMINANT HOLDINGS

The amount of non-dominant holdings at 31 December 2024 was 4,437,322 (at 31 December 2023 the figure was 3,010,275 euros) corresponding to the amount of the minority shareholders' holdings in the equity of the dependent companies.

The main movement in FY 2024 corresponds to the capital increase in EiDF Generación, S.L. (Note 1.4).

The consolidated income statement shows the result attributed to non-dominant holdings represented by the holding of such minority shareholders in the results of the dependent companies. This amount at 31 December 2024 was 153,187 euros (at 31 December 2023 it was -362,158 euros).

The main figures contributed by non-dominant holdings at 31 December 2024 and 2023 are shown in **Annex III.**

16. RESULTS PER SHARE

16.1. Basic

The basic results per share are calculated by dividing the result of the financial year attributable to the owners of the dominant company by the weighted average number of ordinary shares in circulation during the financial year:

Breakdown	At 31/12/2024	At 31/12/2023 (*)
Results for the year attributed to the dominant company (note 14)	-49,010,871	-44,869,148
Weighted average of shares issued (note 14.1)	63,290,470	56,108,301
Weighted own shares (note 14.4)	-22,947	-18,432
Weighted average ordinary shares in circulations	63,267,523	56,089,869
Basic result per share	**-0.78**	**-0.80**

(*) Restated figures

16.2. Diluted

The diluted results per share are calculated by adjusting the result for the year attributable to the owners of the dominant company and the weighted average of the ordinary shares in circulation by all the dilutive effects inherent in the potential ordinary shares. It has been estimated that, taking into account the convertible participating loans worth 11,041,319 euros (participating loan of Link Securities y Memento Gestión, S.L.) (Note 12.2) the loss per share would be 0.66 euros (at 31 December 2023 the loss per share was 0.72).

17. STOCK

The breakdown of stock is set out in the following chart:

Breakdown	At 31/12/2024	At 31/12/2023 (*)
Merchandise	0	1,977,287
Other provisioning	5,907,605	8,894,604
Impairment of provisioning	-315,046	-25,385
Supplier advances	1,077,486	107,980
TOTAL	**6,670,045**	**10,954,486**

(*) Restated figures

Impairment of stock at 31 December 2024 totalled 289,661 euros (at 31 December 2023 it was 0 euros).

Stock corresponds to elements to be incorporated into the photovoltaic facilities executed by the group.

The group has no firm sales commitments, and no futures agreements involving stock.

At 31 December 2023, the group had firm purchase commitments with suppliers worth 3 million euros.

The group has no stock that appears in assets as a fixed amount.

The group does not capitalise financial expenses.

There are no restrictions on the availability of stock due to guarantees, pledges, bonds or similar reasons.

There are no other substantive circumstances affecting the ownership, availability, or valuation of stocks, such as lawsuits, seizures, ...

The group has taken out insurance policies that guarantee the recovery of the net book value of stock.

18. TAX SITUATION

On 16 December 2024, the members of the Board of Directors of the dominant company approved the decision to adopt the Tax Consolidation Regime for the tax period starting 1 January 2025 and following years, according to the provisions of Chapter VI, Title VII of the Corporation Tax Act (LIS). The company belongs, as dominant company, to the Consolidated Group, which also comprises, as dependent companies, the dependent companies in which EiDF holds a stake of more than 75%.

On 6 February 2025, the Tax Authorities (AEAT) notified the company of the tax group number.

18.1. Consolidation of accounting results and tax base

The Corporation Tax for the financial year is calculated on the basis of the accounting results, obtained by applying the generally accepted accounting principles, which do not necessary match the tax results, understood as the tax base of this tax.

As the group, at 31 December 2024, does not apply the consolidated tax regime, the data set out below are the aggregation of the individual data of the companies comprising the Group.

The reconciliation of the tax results and tax base for corporation tax corresponding to FY 2024 as well as FY 2023 is as follows:

Financial year 2024			
Profit and loss account	Increases	Decreases	TOTAL
Pre-tax accounting result			**-47,951,338**
Permanent differences			
• Originating in the financial year	9,512,806	-611,539	**8,901,267**
• Originating in previous years			
Temporary Differences			
• Originating in results	37,820,309		**27,197,161**
• Originating in previous years		-10,623,148	
Prior tax base			**-11,852,910**
Capitalisation Reserve			
Offset of negative tax bases from previous years			
Tax base financial year 2024			**-16,242,086**

Financial year 2023			
Profit and loss account	Increases	Decreases	TOTAL
Pre-tax accounting result(*)			**-37,024,475**
Permanent differences			
• Originating in the financial year	33,666,160		**33,666,160**
• Originating in previous years			
Temporary Differences			
• Originating in the financial year	5,734,192		**5,734,192**
• Originating in previous years			
Prior tax base			**2,375,877**
Capitalisation Reserve			
Offset of negative tax bases from previous years			
Tax base financial year 2023			**2,375,877**

(*) Restated figures

On 26 July 2024, the dominant company presented its corporation tax for FY 2023, including the differences that arise with respect to that presented in its individual annual accounts for FY 2023. These differences with regard to the consolidated annual accounts correspond largely to:

- Permanent differences, going from 33,666,160 euros (according to consolidated accounts for FY 2023) to 11,342,913 euros (according to corporation tax filed FY 2023).

- Temporary differences, going from 5,734,192 euros (according to consolidated accounts for FY 2023) to 31,434,096 euros, of which 35,820,781 euros correspond to increases in temporary differences and -4,386,685 euros correspond to reductions (according to corporation tax filed FY 2023).

- Therefore, the tax base for FY 2023 goes from 9,722,976 euros to 13,160,589 euros (according to corporation tax filed FY 2023).

The positive permanent differences generated in FY 2024 and in the previous year correspond largely to the permanent differences generated in individual companies. The temporary difference correspond to the temporary differences generated in individual companies and to the reversal of consolidation adjustments regarding the application of margins and the amortisation of assets arising in the consolidation process.

18.2. Reconciliation of the accounting result and the corporation tax expense

The reconciliation of the accounting result and the corporation tax expense is set out in the following chart:

Reconciliation of account result and tax expense/income	FY 2024	FY 2023 (*)
Pre-tax accounting result	-39,101,504	-37,024,475
Share at 25%	-	2,643,463
Others	-9,122	
Impairment (note 18.4)	915,467	0
For correction of previous financial years	0	5,563,368
Total expense/(income) recognised in the profit and loss account.	**906,345**	**8,206,831**

(*) Restated figures

18.3. Breakdown of corporation tax expense

The breakdown of the profit tax expense in the consolidated income statement is set out in the following chart:

Description	FY 2024	FY 2023 (*)
Current tax		
From ongoing operations	35,374	
For correction of previous financial years		5,563,368
Deferred tax		
Impairment (note 18.4)	915,467	0
From ongoing operations	26,252	2,643,463
Total tax expense/(income)	**906,345**	**8,206,831**

(*) Restated figures

The corporation tax expense for FY 2023 for the dominant company was accounted for in FY 2024.

18.4. Deferred tax assets recorded

The breakdown of deferred tax assets is contained in the following charts:

Breakdown 2024	At 31/12/2023 (*)	Additions	Removals	Impairment	At 31/12/2024
Stock impairment	52,332	-	-	-52,332	0
Impairment of credits with related companies	42,485	-	-	-42,485	0
Impairment of trade credits	761,443	-	-	-761,443	0
Non-deductible provisions	35,608	-	-	-35,608	0
Deduction/discount rights pending application	1,005	-	-	-1,005	0
Leases	1,812,190	0	-280,537	0	1,531,653
Accruals/deferrals	22,594	-	-	-22,594	0
TOTAL	**2,727,657**	**0**	**-280,537**	**-915,467**	**1,531,653**

(*) restated amount

At 31 December 2024 an amount of 915,467 euros was impaired (at 31 December 2023 the figure was 0 euros).

Breakdown 2023	At 31/12/2022	Additions	Removals	At 31/12/2023 (*)
Stock impairment	52,332	-	-	52,332
Impairment of credits with related companies	42,485	-	-	42,485
Impairment of trade credits	761,443	-	-	761,443
Non-deductible provisions	35,608	-	-	35,608
Deduction/discount rights pending application	1,005	-	-	1,005
Elimination of intragroup operation margins	7,641,734	-	-7,641,734	0
derivatives	107,682	-	-107,682	0
Leases	600,826	1,242,355	-30,991	1,812,190
Accruals/deferrals	11,213	11,381	-	22,594
TOTAL	**9,254,328**	**1,253,736**	**-7,780,407**	**2,727,657**

(*) restated amount (note 2.5)

In accordance with the principle of prudence, the group only recognises deferred tax assets derived from deductible temporary differences, deductions and other unused tax advantages, to the extent that it is likely that the Company will have future tax profits that allow the application of these assets.

18.5. Deferred tax liabilities recorded

The breakdown of deferred tax liabilities is contained in the following charts:

Breakdown 2024	At 31/12/2023	Additions	Removals	At 31/12/2024
Equalisation reserve	39,495	-	-39,495	0
Leases	1,834,409	0	-223,865	1,610,544
Development	1,747,993	-	-1,747,993	0
Relations with clients	544,166	-	-301,184	242,982
TOTAL	**4,166,063**	**0**	**-2,312,537**	**1,853,526**

Breakdown 2023	At 31/12/2022	Additions	Removals	At 31/12/2023
Equalisation reserve	20,555	18,940	-	39.495
Leases	583,416	1,333,714	-82,721	1.834.409
derivatives	141,015	-	-141,015	0
Development	2,112,105	-	-364,112	1.747.993
Relations with clients	598,583	-	-54,417	544.166
TOTAL	**3,455,674**	**1,352,654**	**-642,265**	**4,166,063**

18.6. Tax credit for losses to be offset recognised by the group

In FY 2024 and 2023, the group companies have not activated their negative tax bases.

The companies that make up the group pay tax, in FY 2024 and the previous year, under the individual regime and can offset the outstanding negative tax bases against positive income from the following tax periods up to 70% of the tax base prior to the application of the capitalisation reserve and its offset, according to the net turnover amounts in the previous period. However, in any event, each company can offset negative tax bases in the tax period up to the amount of one million euros.

18.7. Current balances with the Public Administrations

The amount of current tax liabilities is 177,386 euros (at 31 December the amount of current tax liabilities was 1,555,502 euros).

The amount of other credits with the Public Administrations, at 31 December 2024 was 1,911,145 euros (at 31 December 2023 it was 1,825,509 euros).

The amount of other debts with the Public Administrations, at 31 December 2024 was 1,472,239 euros (at 31 December 2023 it was 616,255 euros).

18.8. Financial years pending verification and inspection actions

As established by current legislation, taxes cannot be considered permanently settled until the declarations filed have been inspected by the tax authorities or the four-year statute of limitations has elapsed.

At closing FY 2024, the group's last four years are eligible for tax inspection in relation to all applicable taxes.

The following group companies are subject to tax actions:

- On 2 April 2024, the AEAT notified Área de Producción Solar, S.L. that it was initiating verification actions in relation to the following items and periods:
  - Corporation Tax for 2021 and 2022.
  - Value added tax, Q2 2021 to Q4 2022.
  - Withholding/payment on account of labour/professional/economic activities earnings Q2 2021 to Q4 2022.
  - Withholding/payment on account of capital gains Q2 2021 to Q4 2022.
- On 5 April 2024, the AEAT notified Pinar PVSun, S.L. that it was initiating verification actions in relation to the following items and periods:
  - Corporation Tax for 2022.
  - Value added tax, Q2 2022 to Q4 2022.
  - Withholding/payment on account of labour/professional/economic activities earnings Q2 2022 to Q4 2022.
  - Withholding/payment on account of capital gains Q2 2022 to Q4 2022.
- On 15 May 2024, the AEAT notified the dominant company that it was initiating verification actions in relation to the following items and periods:
  - Corporation Tax for 2021 and 2022.
  - Value added tax for the period between January 2021 and December 2023.

- Withholding/payment on account of labour/professional/economic activities earnings January 2021 to December 2022.
- Withholding/payment on account of capital gains Q1 2021 to Q4 2022.

In these actions, the general scope will be understood to include the verification of all bases or quotas pending offset or deductions pending application, where the right to verify has not expired according to the terms of article 66 bis.2 of the General Tax Act (LGT). The maximum term of the inspection activities will be 27 months, pursuant to section 1.b).1 of article 150 LGT. At the date the consolidated annual accounts were drawn up, the inspection is at the document delivery stage meaning that potential tax adjustments have been identified.

The members of the Board of Directors of the dominant company consider that the assessments of the taxes in question were properly prepared, meaning that, even in the event of discrepancies in the regulatory interpretation of the tax treatment of the operations, any resulting liabilities, should they materialise, would not have a major impact on the consolidated annual accounts.

The above notwithstanding, for tax periods starting as of 1 January 2025, the Corporation Tax Act (*Ley 27/2014 del Impuesto de Sociedades*) establishes the Administration's right to verify or investigate deductions and negative tax bases pending offset which will expire within 10 years as of the day after the date on which the term established for presenting the corresponding declaration or self-assessment corresponding to the tax period in which the offset or application right was generated, ends.

19. INCOME AND EXPENDITURE

19.1. Income

The breakdown of the income figure is set out in the following chart:

Business Area	At 31/12/2024	At 31/12/2023
Generation and self-consumption	20,323,424	26,035,568
Marketing	118,508,933	164,101,464
TOTAL	**138,832,357**	**190,137,032**

A percentage of sales (around 2% of sales) is produced in Portugal and the rest corresponds to sales in Spain.

19.2. Provisioning

The breakdown of provisioning is set out in the following chart:

Description	At 31/12/2024	At 31/12/2023
Consumption of goods (marketing companies)	95,565,865	134,878,482
Purchase of raw materials and other provisioning	10,081,771	27,386,479
Work carried out by other companies	3,323,601	8,863,950
Impairment of raw materials and other provisioning	289,661	5,369
TOTAL	**109,260,897**	**171,134,280**

19.3. Staff expenses

The breakdown of personnel expenses is set out in the following chart:

Description	At 31/12/2024	At 31/12/2023
Wages and salaries	6,425,728	6,267,499
Severance	330,947	962,021
Employer's Social Security	1,646,311	1,778,736
Other social charges	80,120	157,162
TOTAL	**8,483,106**	**9,165,418**

There are no pension plans associated with workers.

20. PROVISIONS AND CONTINGENCIES

20.1. Provisions

The amount of **long-term provisions**, at 31 December 2024 was 2,873,250 euros (at 31 December 2023 it was 4,414,926 euros). The amount for FY 2023 has been restated in accordance with note 2.5 due to the recording of a provision for the amount of 4,000,000 euros based on the best risk estimation made by the members of the Board of Directors of the dominant company, due to the various claims from previous financial years that it is understood comply with the definition and the criteria of accounting recognition of a provision contained in the current regulatory framework, even where the group has appealed.

The breakdown of long-term provisions is supplied below:

- Provision for other liabilities with third parties worth 2,673,250 euros (at 31 December 2023 the amount was 4,214,926 euros (restated amount) due to different client claims derived from contractual obligations existing between the group and them, and that are understood to meet the definition and criteria for recognition in the accounts as a provision.

  During FY 2024, the group underwent seizures for an amount of 1,901,925 euros, an amount that reduced the provision recorded, made payments worth 1,456,000 euros and recorded the funding of provisions for 616,249 euros.

- Provision for taxes for the amount of 200,000 euros (at 31 December 2023 for the same amount).

The amount of **short-term provisions** at 31 December 2024 was 874,368 euros (at 31 December 2023, the amount was 2,188,450 euros), with the following breakdown:

- Provision derived from the termination of a construction contract for a photovoltaic facility for a third party, due to non-payment of the milestones established in the agreement by the third party, for an amount of 874,638 euros (at 31 December 2023 for the same amount).

- Provision for labour claims, was 0 euros at 31 December 2024 (at 31 December 2023 the figure was 912,500 euros).

- Tax provision for an amount of 400,000 euros, related to group company On Demand Facilities, S.L. (note 28), reclassified 2024 as non-current assets held for sale.

20.2. Contingencies

Various claims have been filed against third parties in relation to the development of photovoltaic solar facilities in different dependent companies:

- Claim filed by the dominant company before the CNMC and REE in relation to the dismissal of conflicts regarding electricity network access due to the expiry of access and connection permits for photovoltaic solar facilities under development, developed for group company Rojalinda SUN, S.L.

- Claim filed by group company Altair Ecosolar, S.L. before the CNMC and REE in relation to the dismissal of conflicts regarding electricity network access due to the expiry of access and connection permits for photovoltaic solar facilities under development. This procedure has led to the impairment of non-current assets worth 6,628 thousand euros in FY 2024.

- Claims filed by the dominant company against the Directorate General for Energy and Mines of the Valencia Region in relation to the dismissals of appeals filed by the dominant company against decisions cancelling permits for the development of photovoltaic solar facilities developed by Balansiya SUN, S.L.

- Claim filed by the dominant company against the Directorate General for Energy and Mines of the Valencia Region in relation to the dismissals of appeals filed by the dominant company against decisions cancelling permits for the development of photovoltaic solar facilities developed by Balansiya SUN, S.L.

Moreover, group company Lured Potencia, S.L. has received a claim from third parties in relation to the dismissal of an appeal filed by the third parties against a decision granting permits for the development of photovoltaic solar facilities. No contingent liability is assigned for this claim.

The members of the Board of Directors of the dominant company consider that no contingent liabilities need to be assigned for these claims, although the value of the intangible assets have been impaired, specifically of group company Altair Ecosolar, S.L. for an amount of 6,627,734 euros as it was considered unlikely that it would be recovered (note 6).

21. ENVIRONMENTAL INFORMATION

In FY 2024 and 2023, the group has not incurred significant expense in environmental matters, nor has it made environmental investments.

The members of the Board of Directors of the dominant company consider that no environmental contingencies will arise.

The dominant company has implemented an Environmental Management System pursuant to the requirements of the ISO 14001 standard certified by AENOR that shows its commitment to the environment by means of the efficient and rational use of the resources in the day-to-day operations of the dominant company.

22. GUARANTEES WITH THIRD PARTIES AND OTHER CONTINGENT LIABILITIES

At 31 December 2024, the dominant company had granted guarantees to different bodies worth 55,177 thousand euros (77,943 thousand euros at 31 December 2023). These guarantees are taken out with financial institutions and insurers in order to ensure fulfilment of client's obligations during the installation/construction process of the photovoltaic facilities.

Guarantee facility, at 31 December 2024, for dependent company On Demand Facilities, S.L. worth 200,000 euros, with 100,000 euros of which having been drawn. These guarantees are considered held for sale (note 28).

In FY 2024, the group has guarantees with financial institutions worth 4,907 thousand euros (at 31 December 2023, the amount was 5.8 million euros). In addition, at 31 December 2023, the dominant company had guarantees worth 419 thousand euros derived from the import certificates signed on a contested basis

The dominant company is the guarantor under a bank guarantee signed with a financial institution, on 25 October 2021, for 425,000 euros, as security for the obligations of dependent company On Demand Facilities, S.L. vis-à-vis the Iberian Energy Market Operator (OMIE) and which have been deposited with that body (note 28).

23. SUBSIDIES, DONATIONS AND BEQUESTS

The amount and characteristics of the subsidies received that appear in the consolidated statement of financial position, as well as their inclusion in the consolidated income statement, are set out in the following chart:

Description		Initial amount	Charged to results	Tax effect	Final amount
AGADER (Galician Rural Development Agency) (1)	FY 2024	139,125	1,500	375	138,000
	FY 2023	140,250	1,500	375	139,125

(1) Subsidy received in 2017 for the construction of a warehouse, for the dominant company, in the Barro Industrial Estate, for the amount of 200,000 euros (note 7.2).

The group has not received operating subsidies.

The group does not receive donations or bequests.

24. SUBSEQUENT EVENTS

The most relevant subsequent events after **FY 2024** at the date these consolidated annual accounts are drawn up, are:

- On 27 March, the Extraordinary General Meeting of Shareholders of the dominant company was held at which it was decided to authorise the sale of On Demand Facilities, S.L.

  In accordance with the content of note 28 and as established in the agreement, the company has received the transfer on the same day and on 1 April 2025 the direct payment of 2,000,000 euros was made to Iberian Direct Lending (thus reducing EiDF's outstanding debt as included in other short-term financial liabilities).

- On 28 March 2025, the dominant company received a loan of 2,000,000 euros from Laurion Financial Enterprises, SARL (a company that is a shareholder of the dominant company) maturing in one month and with an interest rate of Euribor+2%.

- At the date these consolidated annual accounts are drawn up, the dominant company has acquired quota shares in different companies for the amount of 3,120,000 euros, with the following breakdown:

  - Gestión de Proyectos Fotovoltaicos Deusto, S.L. (for an amount of 1,202,500 euros), on 22 January 2025, sale and purchase of 100% of the quota shares for 1,443,000 euros. This company is executing projects for the development of electricity generation facilities using photovoltaic technology, PSFV Helios Erasvmro with a capacity of 6.5MWp; PSFV Helios Naveros with a capacity of 6.5 MWp; PSFV Helios Parla with a capacity of 4.55MWp and SFV Helios Pinto with a capacity of 6.5 MWp.

- Gestión de Proyectos Fotovoltaicos Bolueta, S.L. (for an amount of 1,267,500 euros), on 22 January 2025, sale and purchase of 100% of the quota shares for 1,521,000 euros. This company is executing projects for the development of electricity generation facilities using photovoltaic technology, PSFV Helios Elmazo with a capacity of 5.85MWp; PSFV Helios Tajapies with a capacity of 6.5 MWp; PSFV Helios Daganzo with a capacity of 6.5MWp and PSFV Helios Algete with a capacity of 6.5 MWp.

- Gestión de Proyectos Fotovoltaicos Viena, S.L. (for an amount of 650,000 euros), on 22 January 2025, sale and purchase of 100% of the quota shares for 780,000 euros. This company is implementing projects for the development of electricity generation plants using photovoltaic technology, namely PSFV El Llano and PSFV Prado Bajo each with an installed capacity of 6.5 MWp.

At the date these consolidated annual accounts are drawn up, the value of the holdings includes the amount of the milestones reached to date, as well as the amount corresponding to the milestones reach, with regard to the project developer until Ready-to-Build status is attained.

- As mentioned in note 18, on 16 December 2024, the members of the Board of Directors of the dominant company approved the decision to adopt the Tax Consolidation Regime for the tax period starting 1 January 2025 and following years, according to the provisions of Chapter VI, Title VII of the Corporation Tax Act (LIS). The company belongs, as dominant company, to the Consolidated Group, which also comprises, as dependent companies, the dependent companies in which EiDF holds a stake of more than 75%.

On 6 February 2025, the Tax Authorities (AEAT) notified the company of the tax group number.

As of FY 2025, each company in the group will quantify the tax that corresponded under the individual declaration regime, corrected according to the tax consolidation regime. Moreover, the deductions and discounts applied in the consolidated tax assessment will in any event be calculated by the company that, in accordance with the tax regulations, obtains the earnings or performs the activity necessary to be able to apply the deduction or discount.

All the information on events subsequent to **FY 2023** up to the date the consolidated annual accounts were drawn up at 31 December 2023, is provided in note 31 of those consolidated annual accounts.

As of the date these consolidated annual accounts are drawn up, there are no subsequent events that reveal circumstances that already existed at closing but that did not entail, according to their nature, the inclusion of an adjustment to the figures contained in these consolidated annual accounts.

There are no subsequent events that occurred after the closing of these consolidated annual accounts affecting the application of the going-concern principle.

25. RELATED-PARTY TRANSACTIONS

25.1. Related-party transactions

Breakdown of outstanding balances of related-party transactions

i. **Short-term loans to related companies**, for an amount of 246,135 euros (at 31 December 2023, the amount was 671,063 euros) (note 11.1).

ii. **Associated company clients** for the amount of 4,124,928 euros (at 31 December 2023 the figure was 5,113,093 euros).

Group/associated company	Client balance at 31/12/2024	Client balance at 31/12/2023
Kakuru Investment, S.L. and dependent companies	4,124,928	5,113,093
TOTAL	**4,124,928**	**5,113,093**

iii. **Other financial liabilities with the associated company** Kakuru Invest, S.L. (Note 11.2) for 206,962 euros at 31 December 2024 (at 31 December 2023 the figure was 0 euros).

iv. **Long-term debts with group and associated company** at 31 December 2024, for an amount of 0 euros (at 31 December 2023 the figure was 3,000,000 euros). This corresponded to a debt of 3,000,000 euros with an asset guarantee (self-consumption solar facilities) (note 11.2).

v. **Other short-term financial liabilities with related companies** Prosol Energía, S.L. and Memento Gestión, S.L. (Shareholders of EiDF), as well as the debt with related parties as financial support as a result of the purchase of dependent company Reciclajes Ecológicos Nagini, S.L.. Are set out in note 11.2 of this consolidated report.

Volume of related-party transactions

Related-party transactions are carried out at market prices.

The breakdown of related-party transactions is provided in the following chart:

Group/associated company	Sales income at 31/12/2024	Sales income at 31/12/2023
Tornalti Solar, S.L. (generation segment) (associated company)	27,640	724,631
TOTAL	**27,640**	**724,631**

The amount of financial expenses with Kakuru Invest, S.L. totals 5,417 euros

The breakdown of related-party transactions is provided in the following chart:

Group/associated company	Sales income at 31/12/2024
Al Andalus S.L. (generation segment)	6,488
Aragon Pvsun S.L.U. (generation segment)	7,146
Calzada Oropesa Solar S.L. (generation segment)	300,211
Cat Pvsun, S.L. (generation segment)	418,093
Clm Pv S.L. (generation segment)	672
Eidf Cyl Generacion (generation segment)	241,081
Elogia Arabayona, S.L. (generation segment)	38,721
Elogia Babilafuente S.L. (generation segment)	36,695
Morsayas Pv S.L (generation segment)	95,158
Proyecto Solvolt Uno S.L. (generation segment)	974
Skottsberg Solar Energy, S.L. (generation segment)	940,442
TOTAL	**2,085,681**

25.2. Management Body Remuneration

In accordance with the resolution of the Extraordinary General Meeting of 22 January 2024 of the dominant company, the remuneration of the members of the Board of Directors of the dominant company is set at:

- ✓ Chairman 150,000 euros fixed/year and 230,000 euros variable/year.
- ✓ Vice Chairman 24,000 euros/year
- ✓ CEO 140,000 euros fixed/year and 140,000 euros variable/year.
- ✓ Director 24,000 euros/year
- ✓ Chair of Audit Committee 18,000 euros/year
- ✓ Audit Committee Members 13,500 euros/year
- ✓ Chair of Appointments and Remuneration Committee 12,000 euros/year
- ✓ Appointments and Remuneration Committee Members 9,000 euros/year

In FY 2024, the remuneration of the members of the Board of Directors of the dominant company for their function as directors totalled 1,381,419 euros (including indemnification of the former Chairman of the Board of Directors) and for other functions was 75,000 euros. In FY 2023, the remuneration of the members of the Board of Directors of the dominant company for their function as directors totalled 205,000 euros and for other functions was 100,000 euros.

At 31 December 2024, the Group does not have senior executive personnel contracts. In FY 2023, remuneration of senior executive personnel totalled 295 thousand euros and 900 thousand euros was provisioned as severance.

The Group has an insurance policy that covers Directors and Senior Executives Liability, with an annual indemnification limit of 5,000,000 euros, together with a special excess limit for each non-executive director and a maximum amount to be paid by all non-executive directors per insurance period.

The amount of the insurance premium is not significant for this consolidated report.

25.3. Participation of members of the Management Body in other companies

In accordance with the terms of Act 31/2014, of 3 December, amending the Spanish Companies Act to improve corporate governance, the members of the Board of Directors of the dominant company state that they perform their duties in accordance with the duty of loyalty established in article 227 of said Act and neither they nor any related persons are in a conflict of interest situation with the dominant company or any of the companies belonging to the Group.

25.4. Group of companies

As mentioned in note 18 of this report, the company has opted for the Tax Consolidation Regime for the tax period starting 1 January 2025 and following years, in accordance with the Corporation Tax Act, Chapter VI of Title VII. The company belongs, as dominant company, to the Consolidated Group, which also comprises, as dependent companies, those companies in which EiDF holds a stake of more than 75%.

26. OTHER INFORMATION

26.1. Average employment in the financial year

The average number of persons employed at closing is set out in the following chart:

Area	Dept	Average staff FY 2024		Average staff FY 2023	
		Women	Men	Women	Men
Business Area	Customer Service	3	0	3	0
	Sales	1	9	2	9
	Generation	3	5	10	8
	Logistics	2	7	2	7
	Maintenance	1	16	1	12
	Self-consumption	7	31	4	43
	PRL	3	0	2	1
	Subsidies	0	1	1	1
Marketing and communication		1	0	1	0
Corporate	Accounts	5	1	6	2
	Legal	2	2	3	1
	HR	0	0	1	0
Marketers		52	38	3	7
TOTAL		**80**	**110**	**39**	**91**

At closing, the number of persons employed is 185, of which 80 are women and 105 are men, with the difference with respect to the average of the financial year in the self-consumption department (at 31 December 2023 there were 125 employees, of which 38 were women, and 87 men).

In FY 2024 and the previous year the group did not hire anyone with a disability of 33% or more.

The Board of Directors of the dominant company is made up of 9 persons, of which 3 are women and 6 are men (at 31 December 2023 it comprised 7 people, 1 woman and the rest men).

26.2. Securities listed for trading on a regulated market of the European Union

As mentioned in note 14.6 of this consolidated report, the shares of the dominant company are traded on BME Growth, a market for small capitalisation companies looking to expand, with tailor-made regulation, designed specifically for them and with costs and processes adapted to their characteristics, maintaining high levels of transparency.

The Market has a group of Registered Advisors to help companies throughout the process, both when joining the Market and later, in the day-to-day, so that they comply with the regulations established by the Market.

26.3. Auditors' remuneration

These consolidated annual accounts will be audited by PricewaterhouseCoopers Auditores, S.L. And their remuneration totalled 199 thousand euros for the year (245 thousand euros the previous year). During FY 2024, 67 thousand euros were invoiced in additional fees for the 2023 audit, not included in the above amounts.

The fees for the review of consolidated interim financial information at 30 June 2024 were 100 thousand euros (at 30 June 2023 the amount was 150 thousand euros).

Likewise, during FY 2024, fees for other services totalled 10,000 euros.

26.4. Company agreements

There are no company agreements that do not appear in the consolidated statement of financial position or in relation to which information has not been provided in this consolidated report.

27. SEGMENTED INFORMATION

As mentioned in note 3.32, the group has established the existence of two operating segments in relation to which the members of the Board of Directors of the dominant company monitor the main indicators and perform decision-making for the allocation of resources and other decisions of a strategic nature for the group.

The segmented financial information of the group, broken down by operating segments for the consolidated income statement is set out in the following chart:

FY 2024	Generation and self-consumption	Marketing	TOTAL
Turnover	20,323,424	118,508,933	138,832,357
Work carried out by the group	1,155,844	-	1,155,844
Total revenues	**21,479,268**	**118,508,933**	**139,988,201**
Depreciation	-697,182	-2,952,845	-3,650,027
Impairment	-9,848,581	-7,678,856	-17,527,437
Other operating expenses (&)	-23,590,591	-113,976,450	-137,567,041
Operating result	**-12,657,086**	**-6,099,218**	**-18,756,304**

(&) corresponds to provisioning, personnel expenses and other operating expenses.

FY 2023 (*)	Generation and self-consumption	Marketing	TOTAL
Turnover	29,453,309	160,683,723	190,137,032
Work carried out for assets	18,258,550	-	18,258,550
Total revenues	**47,711,859**	**160,683,723**	**208,395,582**
Depreciation	-984,588	-1,903,274	-2,887,862
Impairment	-9,741,660	59	-9,741,601
Other operating expenses (&)	-65,414,234	-150,417,524	-215,831,758
Operating result	**-28,428,623**	**8,362,984**	**-20,065,639**

(*) Restated figures

(&) corresponds to provisioning, personnel expenses and other operating expenses.

Likewise, the reconciliation of assets by segments of the consolidated statement of financial position is set out in the following chart:

Segment	At 31/12/2024	At 31/12/2023(*)
Generation and self-consumption	107,628,586	81,770,003
Marketing ($)	34,578,009	79,477,196
TOTAL ASSETS	**142,206,595**	**161,247,199**

(*) Restated figures

($) Non-current assets held for sale worth 46,717,951 euros corresponding to On Demand Facilities, S.L. and Energía Libre Comercializadora, S.L. (note 28).

28. NON-CURRENT ASSETS HELD FOR SALE

The breakdown of non-current assets held for sale corresponds to:

- <u>FY 2024</u>

<u>Sub-group On Demand Facilities, S.L.</u>

On 28 November 2024, the dominant company signed an agreement to sell 100% of the quota shares of group company On Demand Facilities, S.L. (meaning that the transaction includes Energía Libre Comercializadora, S.L., 100% owned by On Demand Facilities, S.L.) to Memento Gestión, S.L. (a shareholder of EiDF), for the amount of 21,000,000 euros, determined using an independent expert's valuation. This was subject, as a condition precedent, to obtaining authorisation from the General Meeting of EiDF, with the deadline for meeting this condition precedent being 30 December 2024, which could be extended by the seller for an additional term of fifteen days, after which it could only be extended by an agreement between the parties.

On 8 January 2025, a novation of the above agreement was signed, extending the deadline to 28 February 2025.

On 26 February 2025, the deadline of the sale and purchase agreement was changed to 31 March 2025.

On 27 March 2025, the General Meeting of Shareholders of EiDF granted its approval, meaning that the condition precedent established in the agreement was met. This sale and purchase was executed as a public deed on 31 March 2025.

As a result of all of the above, the sale option of sub-group On Demand Facilities, S.L. meets all the requirements established by IFRS 5, at 31 December 2024, as the sale is considered highly likely and it is estimated it will take place within less than a year.

This asset is reclassified for a net amount of 16,976 thousand euros, being the lower of the following values:

- Net value of the consolidated assets and liabilities of the company for an amount of 28,246,179 euros.
- Net fair value of sales costs, as mentioned above, the figure of 21,000,000 euros has been set. There are associated liabilities for the amount of 4,023,877 euros.

Derived from the difference in value, losses were recognised due to impairment of goodwill of 7,573,811 euros (the previous value of goodwill amounted to 12,125,377 euros). The consolidated statement of financial position recognises an amount of non-current assets held for sale worth 45,717,951 euros and liabilities linked to assets held for sale worth 28,741,827 euros.

As established in the agreement, the price will be paid by Memento Gestión, S.L. (a shareholder of EiDF) as follows:

- At closing (10 business days after the date on which the condition precedent has been fulfilled) 7,125,736 euros will be paid in cash, as follows:
    - Transfer of 1,000,000 euros.

- Direct payment of 2,000,000 euros to Iberian Direct Lending.
- Assumption of the debt with the ODF Group (On Demand Facilities, S.L and Energía Libre Comercializadora, S.L.).

- The deferred amount of 13,874,264 euros will be paid as follows:
    - Payment of 10,000,000 euros to Iberian Direct Lending.
    - Transfer of 3,874,264 euros within 90 days of closing.

The breakdown of assets and liabilities held for sale is set out in the following chart:

Breakdown assets/liabilities held for sale	Amount
Intangible fixed assets	10,521,719
Tangible fixed assets	197,202
Other non-current assets	1,596,441
Stock	2,410,819
Trade debtors and other receivables	20,891,667
Other current assets	10,100,103
TOTAL ASSETS	**45,717,951**
Long-term debts	4,127,683
Other long-term liabilities	1,832,881
Short-term debts	7,710,605
Trade creditors and other accounts payable	12,929,379
Other current liabilities	2,141,279
Total Liabilities	**28,741,827**

There are no discontinued operations in the consolidated income statement as the business that it is envisaged will be sold forms part of the marketing segment (electricity distribution) and is not therefore a separate segment that meets the requirements to be dealt with as a discontinued operation.

Sale of photovoltaic facilities

At 31 December 2023, as broken down below, the group presented as non-current assets held for sale tangible fixed assets associated with photovoltaic facilities worth 7,448 thousand euros, in the course of FY 2024 the dominant company has concluded the sale agreement initiated in FY 2023, for the sale of photovoltaic assets worth 8,812 thousand euros, this agreement includes both the transfer of assets in their current situation and the finalisation of construction thereof, for a total amount of 13,431 thousand euros, with this operation not contributing a significant result for the Group.

Sale of land

The dominant company has a non-binding offer for the rural property known as “Villegas” in the municipal district of Los Barrios wroth 1,000,000 euros, which is reclassified from tangible fixed assets to non-current assets held for sale (note 7) as the dominant company intends to sell it in FY 2025.

This asset is reclassified for an amount of 1,000,000 euros, being the lower of the following values:

- Net value of the property worth 3,222,100 euros.
- Net fair value of sales costs for an amount of 1,000,000 euros, leading to the recording of impairment for 2,222,100 euros.

- FY 2023

In FY 2023, the dominant company, as a result of having been delisted and derived from its access restrictions to the capital and financing markets, has changed its business model, going from the construction of self-consumption installations with PPA for operation of the same, to the construction of self-consumption installations for sale.

In this regard, in August 2023, the group signed an agreement to sell PPA assets to Finlight. Group management has continued with an active plan for the sale of self-consumption facilities with PPA for the rest of the year, having been in talks during 2023 with several potential clients, leading to the signing of letters of intent in the early months of 2024.

The full amount classed as non-current assets held for sale, worth 7,448,094 euros, corresponds to technical facilities and permits whose sale is highly likely. Moreover, the liabilities associated with the assets classed as held for sale total 770,933 euros.

ANNEXES

The following clarifications are made in relation to the annexes that follow:

- ✓ **Reason for consolidation**

a) The investee is controlled, consolidated by the global integration method.

b) Existence of significant influence or joint control, consolidated by means of the participation method.

- ✓ **Activity**

1. Construction, installation, operation and maintenance of all kinds of solar energy facilities.
2. Provision and performance of activities, work and services related to the promotion, development and execution of projects for the use and operation of renewable energies.
3. Production, generation, discharge and sale of energy, photovoltaic energy in particular.
4. Construction and management of solar energy production facilities and the transport, distribution and marketing of the same.
5. Development of internal systems.
6. Development of projects and services related to efficiency and self-consumption.

Group Companies FY 2024	Registered Office	% legal holding	% accounting holding	Holding owner	Activity	Reason for consolidation	Auditor	Investment in company NE	Non-current assets	Current assets	TOTAL ASSETS	Net equity	Non-current liabilities	Current liabilities	TOTAL NE AND LIABILITIES	Net turnover	Operating profit	Profit for the year
ALTAIR ECOSOLAR, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	3	a		6,630,000	5,308,677	278	5,308,955	-175,403	5,308,650	175,709	5,308,955	0	-264	-172,486
AREA DE PRODUCCION SOLAR, S.L.U	P.I. Outeda-Barro (36692 Barro - Pontevedra)	51%	51%	EiDF	4	a		1,904,448	39,423	185,235	224,658	2,585,044	-2,315,099	-45,287	224,658	574,140	-36,650	24,151
AROSA PVSUN, S.L	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		274,000	689,303	42,696	731,999	-366,695	336,009	762,685	731,999	129,957	-22,110	-35,589
BALANSIYA SUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	EiDF	1	a		619,009	1,478,377	4,779	1,483,157	933,558	518,633	30,966	1,483,157	0	-7	-29,911
BALBOA PPASUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		1,858,547	3,962	1,549,870	1,553,832	-1,049,743	1,267,622	1,335,954	1,553,832	2,312,381	-1,749,319	-1,922,844
BARCINO PVSUN S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		3,000	0	2,537	2,537	2,523	0	14	2,537	0	-24	-33
CENPROSOL ENERGIA, S.L.U	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	EiDF	4	a		1,623,827	2,999,889	4,130	3,004,018	3,002,171	0	1,847	3,004,018	0	-28	-116
DRIVE YOUR FUTURE, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	2	a		439,600	121,928	1,447	123,375	111,786	0	11,589	123,375	0	12,297	9,023
EDF SOLAR O&M, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		216,498	12,321	192,335	204,655	-221,192	0	425,848	204,655	97,470	-462,173	-431,473
EIDF ACTIVOS FOTOVOLTAICOS S.L.U.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	3	a		3,000	0	1,737,354	1,737,354	-166,603	51,116	1,852,841	1,737,354	6,371	-26,358	-78,479
EIDF AUTOCONSUMO, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	86%	86%	EiDF	1	a		4,387,433	451	260,030	260,481	4,402,160	-4,050,104	-91,575	260,481	122,656	82,440	174,642
EiDF CATALUNYA, S.L.	C/Doctor Trueta, nº 183 - Pt 0 (08005 Barcelona)	100%	100%	EiDF	1	a		3,097	42,915	46,280	89,195	-248,382	0	337,577	89,195	-2,807	-51,352	-64,939
EIDF CYL SLU	C/Viticultura 7 (47610 Zaratán - Valladolid)	70%	70%	EiDF	1	a		3,000	118,547	107,878	226,425	-510,029	0	736,455	226,425	0	-45,184	-76,405
EIDF MADRID, S.L.	P.I. San José de Valderas, Calle Yunque nº7 (28918 Leganés-Madrid)	100%	100%	EiDF	1	a		3,000	19,102	54,100	73,202	-194,290	0	267,492	73,202	28,935	-98,828	-104,547
EIDF GENERACION, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		2,127,661	1,217	1,355,576	1,356,792	-32,829	1,352,327	37,294	1,356,792	0	-930	-37,290
EIDF GENERACION 2, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		3,000	3,126,908	2,205	3,129,112	-165,567	3,126,457	168,222	3,129,112	0	-60	-168,132
EXTREM PPA PVSUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		1,079,705	1,372,414	292,941	1,665,355	403,116	-446,788	1,709,027	1,665,355	1,071,083	-157,743	-196,124
KM0 FLIX 1, S.L.U.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	2	a		8,000	779,591	5,654	785,245	-57,763	705,778	137,230	785,245	0	-14,634	-53,723
LAR PPASUN 2, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		5,750	142	118	260	174	5,240	-5,155	260	0	0	-83
LAR PPASUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		447,112	517,256	250	517,506	365,180	-1,341,612	1,493,938	517,506	0	-9,200	-59,843
LEVANTE PPA SUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	EiDF	1	a		900,497	2,130,355	513	2,130,868	1,110,473	901,958	118,437	2,130,868	0	5	-21,466
LURED POTENCIA S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		5,962,656	1,467,656	11,888	1,479,544	926,002	500,000	53,542	1,479,544	0	-11,989	-26,716
MORERAS PV, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	EiDF	2	a		421,900	213,333	257	213,590	189,750	0	23,840	213,590	0	-42	1,043
NORTE I PPA SUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	51%	51%	EiDF	1	a		1,160,101	6,697	508,020	514,717	1,679,049	-1,540,897	376,565	514,717	514,666	455,977	388,591
OLIVE PVSUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		40,196	10,159	165,955	176,114	-88,460	-179,634	444,208	176,114	30,033	-11,897	-20,550
PARAMO PVSUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	EiDF	2	a		45,930	610,900	5,576	616,476	227,692	370,548	18,236	616,476	0	17,123	1,081
PARQUE SOLAR INVESTMENT, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	4	a		14,450	2,019,853	26,700	2,046,553	-71,625	1,867,408	250,769	2,046,553	29,129	-38,204	-69,840
PINAR PVSUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		3,000	5,070,453	2,734	5,073,187	-269,750	5,070,006	272,931	5,073,187	0	258	-272,332
PROSOL ENERGIA COMERCIALIZADORA, S.L.U.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	3	a		120,661	60,914	462	61,376	-48,753	0	110,130	61,376	0	-44,682	-49,582
RECICLAJES ECOLOGICOS NAGINI, S.L.	C/Forn de Vidre, 8 - BJ, Vilanova i la Geltru (08800 Barcelona)	100%	100%	EiDF	2	a	PwC	3,773,339	755,962	11,316,343	12,072,305	3,171,555	60,017	8,840,732	12,072,305	32,012,159	1,408,089	998,914
RENOVABLES EL BERCIAL, S.L.U.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	3	a		106,758	566,175	164	566,339	97,509	455,112	13,718	566,339	0	421	-11,975
ROJALINDA SUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		3,000	6,918,687	2,792	6,921,479	-369,407	6,918,275	372,611	6,921,479	0	-200	-372,089

Group Companies FY 2024	Registered Office	% legal holding	% accounting holding	Holding owner	Activity	Reason for consolidation	Auditor	Investment in company NE	Non-current assets	Current assets	TOTAL ASSETS	Net equity	Non-current liabilities	Current liabilities	TOTAL NE AND LIABILITIES	Net turnover	Operating profit	Profit for the year
SAFERAY ONTINYENT, S.L.U.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	EiDF	3	a		275,071	702,708	5,488	708,197	-3,209	589,529	121,877	708,197	0	-10,815	-49,964
SIBEL PV, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		170,509	2,169,835	35,106	2,204,941	765,600	0	1,439,341	2,204,941	51,479	27,020	-112,397
SOCIEDAD DE EXPLOTACIÓN FOTOVOLTAICO BERLÍN, S.L.U	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		2,291,250	1,397,932	7,097	1,405,029	298,354	1,015,663	91,012	1,405,029	0	26,814	-16,948
SOCIEDAD DE EXPLOTACIÓN FOTOVOLAICA MI S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	2	a		2,783,750	1,397,458	46,366	1,443,824	788,140	364,905	290,780	1,443,824	0	22,386	-18,196
SOCIEDAD DE EXPLOTACIÓN FOTOVOLTAICA LAMDA, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	EiDF	1	a		840,129	2,268,846	26,980	2,295,826	1,040,234	1,068,181	187,411	2,295,826	0	-17,217	-53,310
TORAL SUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	1	a		473,979	16,789	751,870	768,660	-1,398,546	1,953,808	213,397	768,660	0	2,104	-92,912
VALENCIA PV SUN I, S.L.U.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	100%	100%	EiDF	3	a		33,000	3,270,261	10,034	3,280,295	-270,290	2,919,234	631,352	3,280,295	0	-51,156	-216,354
VEGA LYRA PROMOCIONES FOTOVOLTAICAS, S.L.	Calle Rioja 25, 1B (41000 Sevilla)	100%	100%	EiDF				12,330,972	0	317,965	317,965	-9,041	0	327,006	317,965	0	-10,854	-10,854
VILANOVA PVSUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	EiDF	1	a		3,000	1,930,896	109,568	2,040,464	1,037,821	952,022	50,620	2,040,464	0	-132	-49,695
								53,393,834			**68,815,863**				**68,815,863**	**36,977,652**	**-817,117**	**-3,299,753**

Annex I. Group companies

Group Companies FY 2023	Registered Office	% legal holding	% accounting holding	Holding owner	Activity	Reason for consolidation	Auditor
EIDF Catalunya, S.L.	Calle Dr. Trueta, 183 - Barcelona, Spain	100%	100%	EiDF, S.A	1	a	
EIDF Castilla y León, S.L.	Calle Viticultura 7, Zaratan (Valladolid), Spain	70%	70%	EiDF, S.A	1	a	
Renovables El Bercial S.l.	Pohg Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	3	a	
EIDF Castilla La Mancha S.l.	Av. Miguel de Cervantes. 124 Tarancón. Cuenca, Spain	100%	100%	EiDF, S.A	1	a	
Central de Electrificación Solar-1, S.L.	Camino de Monte Covelo nº 15, Poyo - Pontevedra, Spain	100%	100%	EiDF, S.A	2	a	
EIDF Activos Fotovollaicos, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	3	a	
EDF Eléctrica de Galicia, S.L	Polig Ou\eda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	3	a	
EiDF CYL Generación, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
PV Riasun, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Valencia PVSun 1, S . L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	3	a	
Parque Solar Investment, S.L.	C/ Amos de Escalante nº 2 - Santander, Espana	100%	100%	EiDF, S.A	4	a	
Solarbru Energía, S.L.	Calle aviación 31, planta 1ra - Sevilla, Spain	100%	100%	EiDF, S.A	4	a	
Zona Solar Investment, S.L.	C/ Amos de Escalante nº 2 - Santander, Spain	100%	100%	EiDF, S.A	4	a	
Berilo Logística, S.L.	Calle aviación 31, planta 1ra - Sevilla. Spain	100%	100%	EiDF, S.A	2	a	
Dickson Solar Energy, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	3	a	
KMO Flix 1, S.L.	Pohg Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	2	a	
Prosol Energía Comercializadora, S.L.	Polig Outeda - Curro (Barro - Pontevedra) . Spain	100%	100%	EiDF, S.A	3	a	
Intaf PP AS UN , S .L	Po lig Outeda - Curro (Barro - Pontevedra) . Spain	100%	100%	EiDF, S.A	1	a	
EIDF O&M, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	3	a	
Pinar P VSUN, S .L	Po lig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Rojalinda Sun. S.L	Po lig Outeda - Curro (Barro - Pontevedra) . Spain	100%	100%	EiDF, S.A	1	a	
Drive Your Future. S.L	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	2	a	
Altaír Ecosolar, S.L.	C/ Rioja nº 25- Sevilla, Spain	100%	100%	EiDF, S.A	3	a	
Sociedad de Explotación Fotovoltaíca Zeta, S.L	Po lig Outeda - Curro (Barro - Pontevedra). Spain	100%	100%	EiDF, S.A	1	a	
Norte I PPASU N, S.L.	Po lig Outeda - Curro (Barro - Pontevedra), Spain	51%	100%	EiDF, S.A	1	a	
Nagini Reciclajes Ecológicos S.L.	Vilanova i la Gellrú - Barcelona, Spain	100%	100%	EiDF, S.A	2	a	PwC
ODF Gestión de Negocios de Energía, S.L.	Av. Diego Martinez Barrio Nº 10 - Sevilla, Spain	100%	100%	EiDF, S.A	6	a	
ODF Ingeniería y Proyectos para la Eficiencia, S.L.	Av. Diego Martinez Barrio Nº 10 - Sevilla, Spain	100%	100%	EiDF, S.A	5	a	
On Demand Facilities, S.L. (ODF)	Av. Diego Martinez Barrio Nº 10 - Sevilla, Spain	100%	100%	EiDF, S.A	3	a	PwC
Energía Libre Comercializadora, S.L.	Av. Diego Martinez Barrio Nº 10 - Sevilla, Spain	100%	100%	ODF	3	a	PwC
ASAL de Energía. S.L.	Av. Diego Martinez Barrio Nº 10 - Sevilla, Spain	100%	100%	ODF	3	a	

Group Companies FY 2023	Registered Office	% legal holding	% accounting holding	Holding owner	Activity	Reason for consolidation	Auditor
Steel PPASUN S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Sport PPASUN S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
EIDF Autoconsumo S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
EiDF Generación 2, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Lar PPASUN 2, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Arosa PV Sun, S.l.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
EDF Solar O&M , S.l.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Hawk PV, S.l.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Olive PV Sun, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Sibel PV, S.L	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Toral Sun, S.L	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
EiDF Generación, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Neinver PPASUN, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Lar PPASUN, S.L	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Extrem PPA Pvsun, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Balboa PPASUN S.L	Polig Ouleda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Área de Producción Solar, S.L.	C/ Amos de Escalante nº 2 - Santander, Spain	51%	100%	EiDF, S.A	4	a	
Balansiya Sun, S.L.	Polig Ouleda - Curro (Barro - Pontevedra), Spain	75%	75%	EiDF, S.A	1	a	
Cemprosol Energía, S.L..	C/ Amos de Escalante nº 2 - Santander, Spain	75%	75%	EiDF, S.A	4	a	
Levan te PPA Sun, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	75%	75%	EiDF, S.A	1	a	
Moreras PV, S.L.	Plaza de las Cortes# 2 - Madrid, Spain	75%	75%	EiDF, S.A	2	a	
Saferay Ontinyent, S.L.	Calle Andarella # 1, bloque 2 Xirivela Valencia, Spain	75%	75%	EiDF, S.A	3	a	
Sociedad de Explotación Fotovoltaica Lamda , S.L	Polig Outeda - Curro (Barro - Pontevedra) . Spain	75%	75%	EiDF, S.A	2	a	
Paramo PV Sun, S.L (anteriormente Dunas Desarrollos Fotovoltaicos 1, S.L.U)	S.LU.Polig Outeda - Curro (Barro - Pontevedra). Spain	75%	75%	EiDF, S.A	2	a	
Vilanova PVSUN, S.L	Polig Outeda - Curro (Barro - Pontevedra), Spain	75%	75%	EiDF, S.A	1	a	
Energía Alfa Solar PV SUN, S.L.	Polig Outeda - Curro (Barro - Pontevedra) . Spain	100%	100%	EiDF, S.A	1	a	
Energía Beta Solar PV SUN, S.L.	Polig Outeda - Curro (Barro - Pontevedra) . Spain	100%	100%	EiDF, S.A	1	a	
Energía Gamma Solar PV SUN, S.L.	Polig Outeda - Curro (Barro - Pontevedra) . Spain	100%	100%	EiDF, S.A	1	a	
Sociedad de Explotación Fotovoltaica Berti n, S.L. u	Po lig Outeda - Curro (Barro - Pontevedra) , Spain	100%	100%	EiDF, S.A	1	a	
Lured Potencia, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Barcino PVSun, S.L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	

Group Companies FY 2023	Registered Office	% legal holding	% accounting holding	Holding owner	Activity	Reason for consolidation	Auditor
Vilya PVSun , S. L.	Polig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	
Nenya PPASUN. S.L.	Polig Outeda - Curro (Barro - Pontevedra). Spain	100%	100%	EiDF, S.A	1	a	
Narya PPASUN, S.L.	Polig Outeda - Curro (Barro - Pontevedra). Spain	100%	100%	EiDF, S.A	1	a	
Sociedad de Explotación Fotovoltaíca Mi, S.L.u	Po lig Outeda - Curro (Barro - Pontevedra), Spain	100%	100%	EiDF, S.A	1	a	

Annex I. Group companies 2023

Group Companies FY 2024	Registered Office	% legal holding	% accounting holding	Holding owner	Activity	Reason for consolidation	Auditor	Investment in company NE	Net equity (Euros) Capital	Other entries NE	Total Net Equity	Operating profit	Result for the financial year
KAKURU INVEST, S.L.	JOAN D'AUSTRIA (46002 Valencia)	40%		EiDF Generacion	2	b		11,604,215	100,000	54,819,855	54,919,855	-377,204	376,236
KAKURU INVEST, S.L.	JOAN D'AUSTRIA (46002 Valencia)	9%		EiDF	2	b		5,923,926					
TORNALTI SOLAR, S.L.	P.I. da Maciñeira, 32 (27800 Vilalba -Lugo)	40%		EiDF	2	b		2,321,431	1,053,300	1,746,656	2,799,956	-10,915	-34,357
								19,849,572	**1,153,300**	**56,566,511**	**57,719,811**	**-388,119**	**341,879**

Group Companies FY 2023	Registered Office	% legal holding	% legal holding	Holding owner	Activity	Reason for consolidation	Auditor	Investment in company NE	Net equity (Euros) Capital	Other entries NE	Total Net Equity	Operating profit	Result for the financial year
KAKURU INVEST, S.L.	JOAN D'AUSTRIA (46002 Valencia)	40%	40%	EiDF Generacion	2	b		11,604,215	100,000	41,737,298	41,837,298	-48,139	-48,136
KAKURU INVEST, S.L.	JOAN D'AUSTRIA (46002 Valencia)	9%	9%	EiDF	2	b		2,573,631					
TORNALTI SOLAR, S.L.	P.I. da Maciñeira, 32 (27800 Vilalba -Lugo)	40%	40%	EiDF	2	b		2,293,431	1,053,300	1,803,156	2,856,456	-8,265	-22,142
								16,471,277	**1,153,300**	**43,540,454**	**44,693,754**	**-56,404**	**-70,278**

Annex II Associated companies

Group company	Balance at 31/12/23.	Registrations	Retirements	Profit for the period	Other variations	Balance at 31/12/24.
EiDF Autoconsumo, S.L	0	613,821		24,140	-21,969	615,992
Balansiya Sun, S.L.	580			-7,477	240,287	233,390
Cenprosol Energia, S.L.	-56			-29	750,628	750,543
Levante PPASun, S.L.	-56			-5,366	283,040	277,618
Moreras PV, S.L.	50,862			261	-3,685	47,438
Paramo PVSun, S.L.	-70			185	56,723	56,838
Saferay Otinyent, S.L	50,124			-12,491	-38,435	-802
Sociedad de Explotacion Fotovoltaica Lamda, S.L	-180			-15,003	273,566	258,383
Vilanova PVSun, S.L.	580			-12,424	271,299	259,455
EiDF CYL, S.L.	-48,854			-22,922	-81,233	-153,009
Norte I PPASun, S.L.	0			182,762	632,325	815,088
Area de Produccion Solar, S.L.	2,957,347			11,832	-1,702,509	1,266,670
TOTAL	**3,010,275**	**613,821**	**0**	**143,469**	**660,037**	**4,427,603**

Group company	Balance at 31/12/22.	Registrations	Retirements	Profit for the period	Other variations	Balance at 31/12/23.
EiDF Castilla y Leon, S.L.	-48,854					-48,854
Area de Produccion Solar, S.L.	1,747,059	3,715,916		-362,158	-2,143,470	2,957,347
Balansiya Sun, S.L.	580					580
Cenprosol Energia, S.L.	-56					-56
Levante PPASun, S.L.	-56					-56
Moreras PV, S.L.	50,862					50,862
Paramo PVSUn, S.L.	-70					-70
Saferay Otinyent, S.L	50,124					50,124
Sociedad de Explotacion Fotovoltaica Lamda, S.L	-180					-180
Vilanova PVSun, S.L.	580					580
TOTAL	**1,799,987**	**3,715,916**	**0**	**-362,158**	**-2,143,470**	**3,010,275**

Annex III Non-dominant holdings

Group Companies FY 2024	Registered Office	% legal holding	% accounting holding	% non-dominant holding	Non-current assets	Current assets	TOTAL ASSETS	Net equity	Non-current liabilities	Current liabilities	TOTAL NE AND LIABILITIES	Net turnover	Operating profit	Profit for the year
AREA DE PRODUCCION SOLAR, S.L.U	P.I. Outeda-Barro (36692 Barro - Pontevedra)	51%	51%	49%	39,423	185,235	224,658	2,585,044	-2,315,099	-45,287	224,658	574,140	-36,650	24,151
BALANSIYA SUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	25%	1,478,377	4,779	1,483,157	933,558	518,633	30,966	1,483,157	0	-7	-29,911
CENPROSOL ENERGIA, S.L.U	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	25%	2,999,889	4,130	3,004,018	3,002,171	0	1,847	3,004,018	0	-28	-116
EIDF AUTOCONSUMO, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	86%	86%	14%	451	260,030	260,481	4,399,949	-4,049,512	-89,957	260,481	122,656	81,848	172,432
EIDF CYL SLU	C/Viticultura 7 (47610 Zaratán - Valladolid)	70%	70%	30%	118,547	107,878	226,425	-510,029	0	736,455	226,425	0	-45,184	-76,405
LEVANTE PPA SUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	25%	2,130,355	513	2,130,868	1,110,473	901,958	118,437	2,130,868	0	5	-21,466
MORERAS PV, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	25%	213,333	257	213,590	189,750	0	23,840	213,590	0	-42	1,043
NORTE I PPA SUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	51%	51%	49%	6,697	508,020	514,717	1,663,443	-1,534,261	385,536	514,717	514,666	449,341	372,984
PARAMO PVSUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	25%	610,900	5,576	616,476	227,349	370,548	18,578	616,476	0	17,123	739
SAFERAY ONTINYENT, S.L.U.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	25%	702,708	5,488	708,197	-3,209	589,529	121,877	708,197	0	-10,815	-49,964
SOCIEDAD DE EXPLOTACIÓN FOTOVOLTAICA LAMDA, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	25%	2,268,846	26,980	2,295,826	1,040,234	1,068,181	187,411	2,295,826	0	-17,217	-53,310
VILANOVA PVSUN, S.L.	P.I. Outeda-Barro (36692 Barro - Pontevedra)	75%	75%	25%	1,930,896	109,568	2,040,464	1,037,821	952,022	50,620	2,040,464	0	-132	-49,695

ENERGÍA, INNOVACIÓN Y DESARROLLO FOTOVOLTAICO, S.A. AND DEPENDENT COMPANIES

Report on the consolidated annual accounts for the financial year ending 31 December 2024

1. Evolution of the group and future expectations

During FY 2024, the members of the Board of Directors of the dominant company carried out a major review, both of the dependent company and the group companies, with a view to showing a true and fair picture of the same, which gives rise to an amount of more than 38 million euros in losses, according to the following breakdown:

- Restatement of the group's annual accounts for FY 2023, with an effect on the consolidated net equity of -15,881,805 euros, of which -2,971,339 euros correspond to the effect of the restatement of reserves and -12,910,466 euros to the effect of the restatement of the FY 2023 results attributed to the dominant company.

- Recognition of impairment, in FY 2024, both in relation to non-current assets and financial instruments, for an amount of 22,157,479 euros.

At the same time, a series of strategic actions has been executed designed to establish the foundations for a new phase of growth and value creation, by means of:

- **Incorporation of shareholders of standing into the dominant company** with a financial profile and proven investment background providing greater financial strength and stability to the dominant company.

- **Strengthening the structure of the consolidated statement of financial position** derived from the following actions affecting the dominant company:

    - Contribution of capital by new shareholders, for the amount of 15,000,000 euros.

- Approval of the capital increase associated with participating loans convertible into shares (51,852,857 euros recognised as other net equity instruments).

- Classification as other net equity instruments (liability from delivery of shares) linked to Reciclajes Ecológicos Nagini, S.L.. worth 10,567,282 euros.

- Classification as other net equity instruments (liability from delivery of shares) linked to dependent company Vega Lyra Promociones Fotovoltaicas, S.L. worth 4,977,977 euros.

- Repayment of the majority of financial obligations with financial institutions with a significant impact on own funds and solvency ratios.

- **Simplification of the existing businesses** by means of:
  - The winding-up of certain group companies
  - The sale by the dominant company of 100% of the quota shares of On Demand Facilities, S.L.

- **Relevant changes in the organisation of the dominant company**, opting for and independent, professional management model that prioritises meeting the highest standards of governance, transparency and regulatory compliance.

During FY 2023, the dominant company, following the suspension of trading by the CNMV, obtained the support of the main shareholders who strongly supported its continuity, centring the efforts on strengthening its financial position. In this way, the dominant company has worked actively on the structure of its liabilities, debts and their maturity. A policy of maximum prudence was adopted, adjusting those entries that could represent doubts regarding valuation, so that the dominant company, with capitalisation supplied by the main shareholders and the reorganisation of the consolidated statement of financial position, is prepared for a new era of growth with a solid foundation.

Therefore, in late 2023, three lines of action were adopted in relation to the dominant company:

- Shareholder contributions formalised by convertible participating loans, with the intention of capitalising the company.

- Rotation of self-consumption assets with PPA, in order to monetise and generate liquidity.

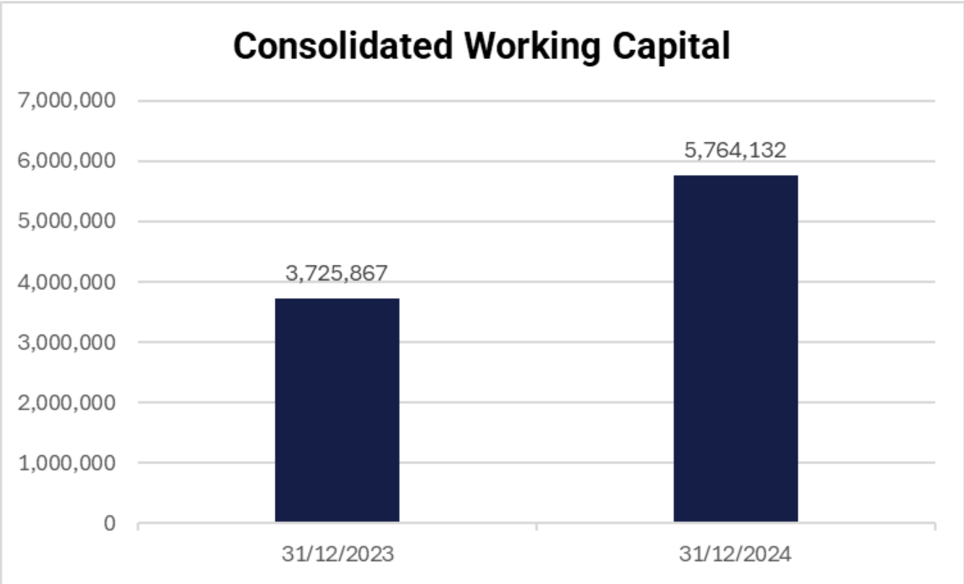
- Agreements with financial partners to develop photovoltaic generation projects, making it possible to accelerate the company's business and generate synergies with group companies devoted to energy marketing.

1.1. Most significant entries

The group's most significant entries are analysed below:

✓ Consolidated working capital

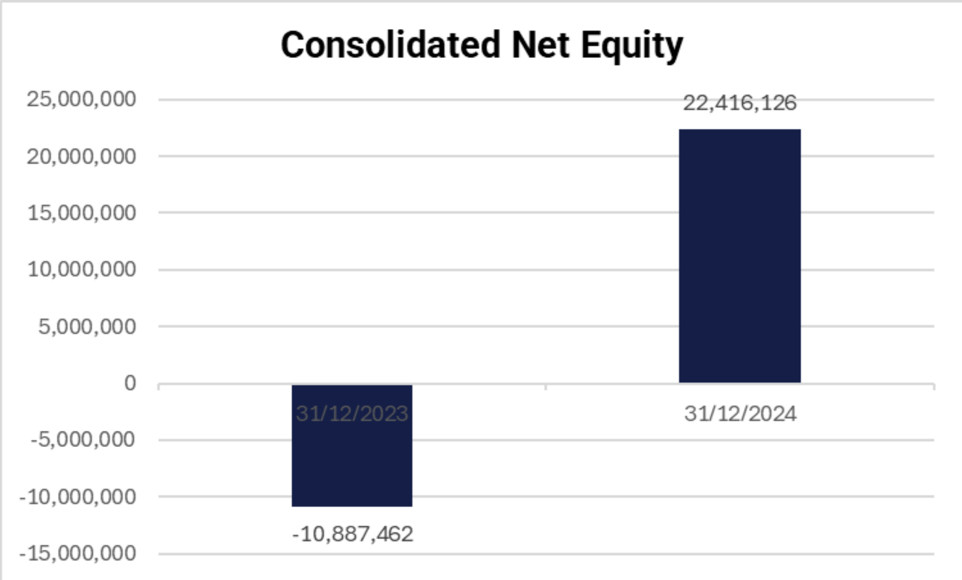
The consolidated working capital is calculated by subtracting current assets minus current liabilities of the group and indicating whether it has liquidity to assume its short-term debts.



(*) Restated 2023 figures

✓ Consolidated net equity

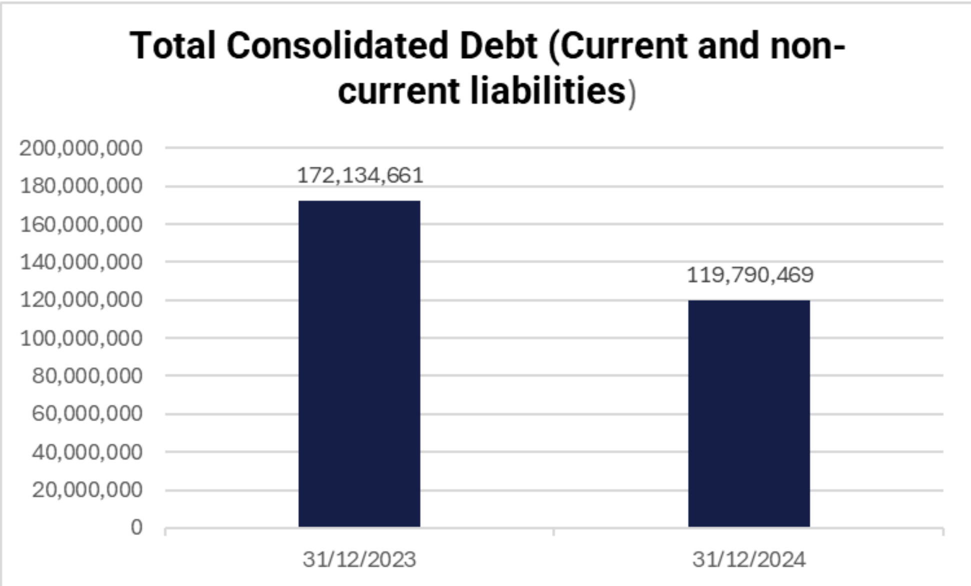
The group is capitalised thanks to contributions from the shareholders of the dominant company.



(*) Restated 2023 figures

✓ Total debt

The total debts of the group have been reduced compared to the previous year.



(*) Restated 2023 figures

- Result

The breakdown of the group's results is set out in the following chart:

Breakdown	31/12/2024	31/12/2023(*)
Operating Profit	-18,756,304	-20,065,639
Financial profit and participation in results of equity-method companies (note 11.1.2; 11.7 and 11.8)	-29,195,034	-16,958,836
Profit tax (note 14.3)	-906,345	-8,206,831
TOTAL CONSOLIDATED RESULTS FOR THE YEAR	**-48.857.683**	**-45.231.306**
Result of the FY attributed to the dominant company	**-49,010,871**	**-44,869,148**

(*) Restated figures

In view of the group's losses, they are due both to losses derived from the business itself and to losses derived from the change in the fair value of financial instruments due to the conversion of debt into shares of the dominant company (note 11.1.2 and 11.8) and impairment of financial instruments (note 11.1.2).

Together with the breach of covenants in certain loans held by the dominant company, like in any other company, these losses could give rise to doubt regarding application of the going-concern principle. Although the dominant company minimises risks by means of:

- Treasury provision. The management of the dominant company has prepared a treasury plan for the coming 12 months which shows the group's ability to honour its payment commitments, based on the following measures:
    - Sale of dependent company On Demand Facilities, S.L. for 21,000,000 euros.
    - Sale of development projects for the amount of 15 million euros.
    - Obtaining external financing worth 20 million euros.

- Obtaining waivers that enable the dominant company to collect certain loans in the long term.

- Increase of the net equity of the dominant company by means of a capital increase and the issue of other equity instruments, described in the course of this consolidated report.

- Positive consolidated Working Capital as described in this point of the report.

- The dominant company has the stated financial support of three of the main shareholders.

- **Strategic vision**

The strategic vision for the group for the 2025-2030 period was approved in the 2025-2030 Strategic Plan, which is based on the following fundamental pillars:

- Vertical integration of existing businesses:
    - EPC
    - Self-consumption
    - Marketing

- Focus on TIR businesses and holding assets, which provide the dominant company with recurrent, visible future cashflows in the medium term.

- Strong commitment to the self-consumption business under the PPA regime.

In order to guarantee compliance, the members of the Board of Directors of the dominant company plan to follow a defined route map that they consider strategic, meaning that no further information is supplied in the consolidated annual accounts, apart from that which the dominant company has to report to the market as inside information.

Despite the negative results, in both FY 2024 and the previous year, the Board of Directors of the dominant company, as mentioned in this note to the consolidated report, have drawn up these consolidated annual accounts assuming that the group's activity will continue on a going-concern basis, considering that there is no major risk of significant changes to the value of the consolidated assets and liabilities or of the continuity of the activity, as it has a treasury plan for the next 12 months that shows the ability to honour the group's payment commitments and, moreover, the group has the manifest support of the main shareholders of the dominant company.

1.2. Environmental, macroeconomic and business risks

From FY 2024 on, the members of the Board of Directors of the dominant company determine the group's main risks and maintain a system of internal monitoring that they consider adequate, carrying out period follow-up thereof.

The risks that may represent a potential threat for achieving the objectives established in the foregoing point are identified:

Environmental risks

This includes the risks derived from climate change (drought, flooding, ...) which may have an impact on the profitability and objectives of the group, as well as the risk of environmental impacts. In this regard, as set out in the risk analysis of the Environment Management System, the main environmental risks for the dominant company are:

- Use of possible pollutant products, assessing and giving priority to those products that are most respectful of the environment and that are manufactured on this premise.
- Excess of packaging material waste, maintaining packaging management with suppliers and looking for alternative uses and improving waste management.
- Using environmentally friendly suppliers.
- Excess waste generated in our work, with constant monitoring of the environmental conduct of all our suppliers.
- Disproportionate consumption of resources, by monitoring the use of resources by the people working in the group.

The opportunities linked to these risks are, among others:

- Reduction of environmental impact.
- Energy cost savings.

Strategic or business risks

This includes those considered a risk in the choice of the business strategy, mentioned in the foregoing point, as well as the reputational risk due to a failure to respect the ethical and integrity principles established in the compliance management system, which can harm the group's reputation.

The opportunities linked to these risks are, among others:

- Implementation and/or development of new businesses.
- Corporate governance.

Macroeconomic risks

This includes those risks derived from the implementation of a new protectionist policy by the United States that could result in:

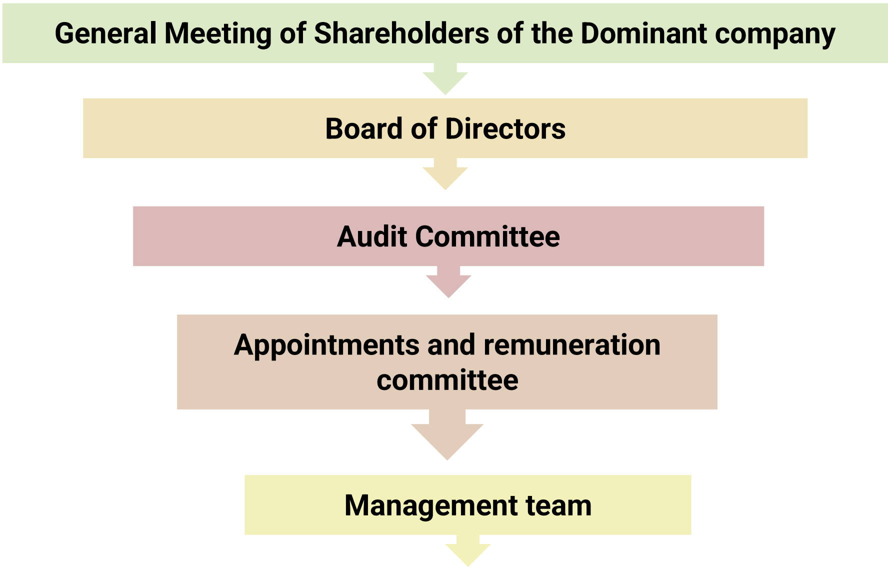
- A tariff war, with rising commercial tension that could harm the group as the main raw material used are modules that are essentially sourced from China.
- Availability of certain goods may be seriously compromised due to the price increase, leading to a breakdown of the global supply chain and restricting access to imported products.

However the risks derived from the geopolitical environment can represent an advantage for the group due to the uncertainty affecting the energy supply, representing an increase in investment in clean energy.

The members of the Board of Directors of the dominant company consider that the risks mentioned above do not currently have a major impact on the group.

1.3. Organisational structure

The corporate governance of the Dominant Company takes the form of:



- ✓ **General Meeting of Shareholders of the dominant company**: maximum decision-making body of the company, in which the shareholders have to opportunity to take an active part in the key decisions of the company. It performs the duties established in the Articles of Association, in the General Meeting Regulations and in the legislation in force.

- ✓ **Board of Directors**: management body of the dominant company whose operation is regulated in article 12 et seq of the Articles of Association. It is responsible for the ongoing supervision of management of the group.

  It is comprised of 9 people:

  - Chairman and independent director: Mr Eduard Romeu Barceló
  - Vice Chairman and proprietary director: Mr Jordi Berini Suñé.
  - CEO: Mr Joan Francesc Geloch Viladegut.
  - Executive director: Mr Sergio Palmero.
  - Proprietary directors: Ms Laura Zendrera Roig; Mr Tiago Moreira Salgado and

Ms Rebeca Alonso Abril.

- Independent directors: Mr Enrique Pérez-Hernández y Ruiz-Falcó and Ms Susana Olcina Guerrero.

✓ **Audit committee**: its functions are set out in article 27 of the Board of Directors Regulations. These duties and the mission of the committee are in line with the recommendations of Technical Guide 3/2017 issued by the CNMV on audit committees of public interest entities. Its core mission is, among others:

- Inform the Board of Directors on the issues raised in areas within its remit.
- Oversee the effectiveness of financial control, risk management systems, including tax, as well as discussing with the auditor the significant weaknesses internal monitoring detected in the course of the audit.
- Oversee the process of preparation and presentation of the mandatory financial information.

It is comprised of 3 people:

- Chairman Mr Eduard Romeu Barceló (Independent).
- Members: Mr Tiago Moreira Salgado (proprietary) Mr Enrique Pérez-Hernández y Ruiz-Falcó (independent).

✓ **Appointments and remuneration committee**: the functions and purpose of this committee are in line with the guidelines in CNMV Technical Guide 1/2019 on appointments and remuneration committees. The duties of this committee include:

- Proposing the remuneration of the company's corporate bodies to the Board of Directors.
- Assessing the Board, Chairman, Committees, CEO and Senior management.

- Presenting to the annual General Meeting a declaration on the remuneration policy of the dominant company's corporate bodies
- in accordance with the regulations and taking into account the applicable recommendations.

It is comprised of 3 people:

- Chairman Mr Enrique Pérez-Hernández y Ruiz-Falcó (independent).
- Members: Mr Tiago Moreira Salgado (proprietary) Mr Eduard Romeu Barceló (independent)

✓ **Executive committee:** On 14 February 2025, the Board of Directors approved the creation of an executive committee to strengthen and streamline strategic decision-making.

It is comprised (for four years) of:

- Mr Eduard Romeu Barceló.
- Mr Jordi Berini Suñé.
- Mr Tiago Moreira Salgado.
- Mr Joan Gelonch Viladegut.

✓ **Governance**: In line with the new strategic plan approved in December 2024, the new era for EiDF is characterised by excellence in the quality of services and optimisation of operations at all levels. In order to achieve this, management has been strengthened significantly. In early March 2025, two different management hubs were created for the Industrial Self-consumption and Generation lines of business in order to facilitate day-to-day operations:

- Corporate: Managed by María José Herbón. This corporate organisation and control area will carry out the day-to-day operation of management, finance, legal, general services for proper corporate development, processing subsidies, Corporate Social Responsibility actions and Human Resources.

- Commercial: Managed by Guillem Junyent. Divided into 3 departments, customer services, a sales network with activity across the peninsula and islands, with 2 territorial managers and 5 commercial delegates and, finally, this area will also direct the institutional channels. The purpose of this area will be to enhance the self-consumption sales network and its protocols in order to guarantee maximum quality in operations.

- Self-consumption: Managed by Oriol Ventura. This area is structured in 3 departments: a technical office with document technicians, works technicians, bids and tenders, PRL and processing. On the other hand, there will be the works department, with a technical director and that will be responsible for works administration, works managers, installers and subcontractors. Finally, there will be the procurement and logistics department.

- Generation: Managed by Antonio Arcas. It will consist of two areas: on the one hand a technical office responsible for the development of new generation projects, administrative processes and an engineering department with 4 professionals and on the other hand, a works and execution department with works managers, installers and subcontractors.

- Operation and Maintenance: Managed by Sergio Rodríguez. The O&M area will be responsible for monitoring plants and for continuous improvement, planning and operations, after sales service and an operating department with a technical manager, overseeing 11 technicians distributed around the country.

- Marketing and Communication: Managed by Sara Lareo. This area will manage all company communications, internal and external, implement marketing actions in order to optimise the image and reputation of the company and the search for new commercial opportunities. The purpose is to promote the presence, leadership and trust of EiDF in the sector, as well as constructing a transparent line of communication and open to all interested parties (workers, shareholders, clients, suppliers, banks, investors...).

1.4. Management objectives

The dominant company has implemented different methodologies and processes that enable it to develop the activity in an ethical, transparent and sustainable manner, with the following business strengths:

- **Implementation of a quality system under the UNE EN ISO 9001:2015 standard** certified by certifying entity AENOR, in the Corporate Area of the dominant company, to match the one that EiDF already has on a global level. This certificate is the result of continuous work by the company aimed at achieving corporate excellence, in line with the highest national and international standards and the values of trust, quality and a commitment to sustainability.

  EiDF's commitment in terms of quality and best practice also applies internally, as the company, at the date this management report is drawn up, is adapting its RSC policy to the appropriate management of resources and care of the environment.

- **Transparency** through **social responsibility and business ethics**, with the approval in the first half of 2024 of a system for **management of compliance with criminal legislation** (point 9).

- **Sustainability**, by means of the **implementation of an environmental system under standard UNE EN ISO 14001:2015** certified by certifying entity AENOR, underlining our commitment to the environment by means of the efficient and rational use of resources, minimising waste generated and an appropriate manage of the same, the prevention of contamination and promotion of sustainable environmental management. All of this is in line with our commitment to clients and society in general (point 3).

1.5. Future expectations

Taking into account the position of leadership held by EiDF in recent years, as well as the actions undertaken in 2024, the members of the Board of Directors of the dominant company consider that the group is in a privileged position to harness a significant part of the expected future growth in the sector.

In order to do so, the business priorities have been redefined and the new 2025-2030 Strategic Plan which underpins the following essential pillars:

- Vertical integration of existing businesses:
  - EPC
  - Self-consumption
  - Marketing

- Focus on TIR businesses and holding assets, which provide the company with recurrent, visible future cashflows in the medium term.

- Commitment to the self-consumption business under PPA, taking advantage of the situation in the sector and EiDF's position as leader.

The utmost attention will be paid to enhancing strengths such as setting us apart from the competition, which has been a key part of EiDF's success.

- Commercial strength and sales network, supported by regional delegations and a highly professional sales channel, motivated and results-oriented.

- Discipline in costs and investment, based on a model of local/regional subcontractors and control of the EPC process designed to achieve an excellent end product, while at the same time containing cost and maximising efficiencies.

- Strategy focussed on an integrated service for the client that promotes cross-selling and long-term, highly transactional relations.

The definition of the new corporate strategy, together with the main figures of the current portfolio and the 2025-2030 strategic plan published on the corporate website of the dominant company.

In order to guarantee compliance with the 2025-2030 Strategic Plan, the dominant company has taken the following key steps:

- Reopening dialogue with the banks, both national and international entities, with a view to being able to use financial resources to help promote the organic growth of the business.

- Hiring Nomura International PLC as top-level international investment bank in order to explore the different strategic alternatives for obtaining the capital necessary to finance growth, which may potentially materialise in the entry of a new investor; with the ability to undertake the future investments to ensure development of the strategic plan and that could imply a significant change of control.

- Incorporation of an external legal advisor to the Board of Directors of the dominant company in order to enhance transparency and ensure best practice in corporate governance in all decisions taken by the Board of Directors of the dominant company.

- Start of a process of reflection to strengthen certain key business areas, by means of internal promotions and/or hiring qualified profiles from outside the group (point 1.2).

The members of the Board of Directors of the dominant company consider that, with these strategic pillars, a solid portfolio and a clearly defined route map, the group is in an ideal position to consolidate its leadership in the industrial self-consumption sector. The focus on holding assets, vertical integration, profitability and governance will make it possible to achieve the financial and operational targets set, consolidating the group as a market leader in self-consumption in Spain.

2. Events subsequent to closing

The most relevant events subsequent to FY 2024 at the date these consolidated annual accounts are drawn up, are:

- On 27 March, the Extraordinary General Meeting of Shareholders of the dominant company was held at which it was decided to authorise the sale of On Demand Facilities, S.L.

  As established in the agreement, the company has received the transfer on the same day and on 1 April 2025 the direct payment of 2,000,000 euros was made to Iberian Direct Lending (thus reducing EiDF's outstanding debt as included in other short-term financial liabilities).

- On 28 March 2025, the dominant company received a loan of 2,000,000 euros from Laurion Financial Enterprises, SARL (a company that is a shareholder of the dominant company) maturing in one month and with an interest rate of Euribor+2%.

- At the date this consolidated management report is drawn up, the dominant company has acquired quota shares in different companies for the amount of 3,120,000 euros, with the following breakdown:

  - Gestión de Proyectos Fotovoltaicos Deusto, S.L. (for an amount of 1,202,500 euros), on 22 January 2025, sale and purchase of 100% of the quota shares for 1,443,000 euros. This company is executing projects for the development of electricity generation facilities using photovoltaic technology, PSFV Helios Erasvmro with a capacity of 6.5MWp; PSFV Helios Naveros with a capacity of 6.5 MWp; PSFV Helios Parla with a capacity of 4.55MWp and SFV Helios Pinto with a capacity of 6.5 MWp.

  - Gestión de Proyectos Fotovoltaicos Bolueta, S.L. (for an amount of 1,267,500 euros), on 22 January 2025, sale and purchase of 100% of the quota shares for 1,521,000 euros. This company is executing projects for the development of electricity generation facilities using photovoltaic technology, PSFV Helios Elmazo with a capacity of 5.85MWp; PSFV Helios Tajapies with a capacity of 6.5 MWp; PSFV Helios Daganzo with a capacity of 6.5MWp and PSFV Helios Algete with a capacity of 6.5 MWp.

- Gestión de Proyectos Fotovoltaicos Viena, S.L. (for an amount of 650,000 euros), on 22 January 2025, sale and purchase of 100% of the quota shares for 780,000 euros. This company is implementing projects for the development of electricity generation plants using photovoltaic technology, namely PSFV El Llano and PSFV Prado Bajo each with an installed capacity of 6.5 MWp.

At the date this consolidated management report is drawn up, the value of the holdings includes the amount of the milestones reached to date, as well as the amount corresponding to the milestones reach, with regard to the project developer until Ready-to-Build status is attained.

- On 16 December 2024, the members of the Board of Directors of the dominant company approved the decision to adopt the Tax Consolidation Regime for the tax period starting 1 January 2025 and following years, according to the provisions of Chapter VI, Title VII of the Corporation Tax Act (LIS). The company belongs, as dominant company, to the Consolidated Group, which also comprises, as dependent companies, the dependent companies in which EiDF holds a stake of more than 75%.

  On 6 February 2025, the Tax Authorities (AEAT) notified the company of the tax group number.

  As of FY 2025, each company in the group will quantify the tax that corresponded under the individual declaration regime, corrected according to the tax consolidation regime. Moreover, the deductions and discounts applied in the consolidated tax assessment will in any event be calculated by the company that, in accordance with the tax regulations, obtains the earnings or performs the activity necessary to be able to apply the deduction or discount.

All the information on events subsequent to FY 2023 up to the date the consolidated management report was drawn up at 31 December 2023, is provided in note 3 of that consolidated management report.

As of the date this consolidated management report is drawn up, there are no subsequent events that reveal circumstances that already existed on the closing date but that did not entail, according to their nature, the inclusion of an adjustment to the figures contained in the consolidated annual accounts and in this consolidated management report.

There are no subsequent events that occurred after the closing of this consolidated management report affecting the application of the going-concern principle.

3. Environmental Information

In FY 2024 and 2023, the group has not incurred significant expense in environmental matters, nor has it made environmental investments.

The members of the Board of directors of the dominant company consider that no environmental contingencies will arise.

As mentioned in point 1.3 of this management report, the dominant company has implemented an Environmental Management System pursuant to the requirements of the ISO 14001 standard certified by AENOR that shows its commitment to the environment by means of the efficient and rational use of the resources in the day-to-day operations.

The implementation of this system of management implies establishing an environmental policy which encompasses:

- The continuous improvement of environmental performance, providing the information and resources necessary to achieve it.

- Meeting the expectations of stakeholders, collaborating with internal (EiDF workers) and external (suppliers, subcontractors, partners, etc.) stakeholders to ensure an efficient and rational use of resources, minimising the waste generated and adapting waste management, preventing contamination and promoting sustainable environmental management.

- Greater involvement of workers in the work to be performed, so that they are aware of and understand the methods, procedures and policy under the Environment Management System, informing, training and raising awareness of the importance of proper energy management and the impact of our activities not just on environmental performance but on the quality of the processes carried out by EiDF.

- Responsible Environmental Management, reducing consumption of natural resources and promoting energy saving and the circular economy.

- The continuous improvement of our Management System, to improve EiDF's environmental performance and activities.

- Implementing measures and monitoring to ascertain, prevent and improve the environmental impact of the activity.

- Respecting environmental regulations and complying with the undertakings assumed in environmental matters.

After completing the identification and assessment of environmental aspects for 2024, the following most significant aspects are highlighted:

- Paper consumption in the office is directly related to the number of employees hired. The digitisation of processes has reduced this consumption, going from 3.08 packages of paper per employee in FY 2023 to 1.71 packages per employee, meaning that this objective is deemed fulfilled.

- The consumption of electricity is still a significant aspect, although we have gone from a storage self-consumption photovoltaic facility (batteries that store the energy not consumed) to a self-consumption photovoltaic facility. By refurbishing the headquarters in Barro, being able to enjoy a working environment that is in line with industry standards, EiDF is looking at the possibility of making the photovoltaic facility more efficient (using energy storage).

- With regard to indirect environmental aspects (in relation to the execution lifecycle of facilities and the sale of energy), we maintain our commitment to reducing travel of both EiDF staff and of the subcontractors with which we work, as well as of suppliers who supply materials (reduction of atmospheric contamination by transport, as well as reducing excess product packaging, prioritising those that allow us to return packaging in order to minimise waste generated (wood pallets and coils, for example).

Based on the objectives achieved in FY 2024, the following have been defined for FY 2025:

- Continue to significantly reduce paper consumption thanks to the ongoing digitisation of processes, recycling any paper that is used.

- Eliminate the consumption of plastics in the office (even if it is not a major aspect today) by means of measures such as installing water dispensers at EiDF's offices and distributing personalised bottles to all employees.

- Greater involvement of employees so that they are at all times aware of and understand the methods, procedures and policy under the Environment and Quality Management System, giving them the necessary training to ensure they are aware of the importance of proper environmental management and the impact of our activities not just on environmental performance but on the quality of the processes carried out by EiDF.

- EiDF’s participation in environmental and social actions proposed by employees, as well as carrying out environmental actions such as reforesting, cleaning beaches, etc., thus promoting awareness of preservation and caring for the biosphere.

EiDF periodically identifies significant environmental aspects inherent in certified activities from the standpoint of the lifecycle and Eco solar carries out an environmental impact study of them.

4. Research and development activities

In FY 2024, the dominant company has introduced internal processes for digitisation (using new tools) freeing up employees’ time for relevant tasks that contribute value.

5. Acquisition of own shares

The composition of the portfolio of own shares of the dominant company is set out in the following chart:

31/12/2024			31/12/2023		
Number	Face value	Cost	Number	Face value	Cost
22,947	6.09	83,139	18,432	5.46	100,719

The movement of the balance of own shares held as treasury stock is set out in the following chart:

	Acquisition cost	Average price	Number of shares
Balance at 31/12/22.	**907,072**	**10.74**	**84,446**
Additions	4,844,884	12.16	398,442
Removals	-5,651,237	12.17	-464,456
Balance at 31/12/23.	**100,719**	**5.46**	**18,432**
Additions	2,666,560	6.57	406,105
Removals	-2,684,139	6.68	-401,590
Balance at 31/12/24.	**83,140**	**6.09**	**22,947**

The main operations that have taken place, in FY 2024 and 2023, are due to the sale and purchase of own shares through the liquidity provider.

6. Financial instruments.

Risk management is controlled by the group, which identifies, assesses and hedges the financial risks in line with the policies approved by the members of the Board of Directors of the dominant company which seeks to minimise the same, looking to strike a balance between the possibility of minimising them and the cost derived from potential actions to achieve it.

- Credit risk: it is caused by the possibility of not recovering financial assets for the amount accounted for and by the established deadline. The group has established a procedure using which it carried out all its operations under watchful risk monitoring and assesses the credit quality of clients, taking into account past experience.

  The maximum exposure to credit risk is set out in the following chart:

Description	31/12/2024	31/12/2023
Long-term financial investments	1,017,853	8,067,610
Trade debtors and other receivables	33,144,517	46,923,384
Short-term financial investments	1,300,773	9,420,009
Cash and other equivalent liquid assets	6,157,332	5,322,078
TOTAL	**41,620,475**	**69,733,081**

The group does not have a significant concentration of credit risk, with exposure distributed across a large number of clients.

In general, the group maintains its treasury and equivalent liquid assets in financial institutions with a high credit ranking.

- **Liquidity risk:** caused by the possibility that the group cannot dispose of liquid funds or access them for the amount necessary to meet payment obligations.

Prudent management of liquidity risk implies maintaining sufficient cash and the availability of financing by means of a sufficient amount of credit facilities committed with trusted financial institutions with sufficient capacity to settle positions on the market.

In order to ensure liquidity and to be able to meet all payment commitments arising from its activity, the group has the treasury shown on its consolidated statement of financial position as well as the credit facilities and financing. Contractual maturity of financial liabilities is also included in that note. The financial liabilities of the group do not represent a significant concentration of liquidity risk.

At 31 December 2024, the group has positive working capital of 5,764,132 euros (at 31 December 2023, the positive working capital was 3,725,867 euros).

- **Market risk:** caused by uncertainty about the future evolution of financial markets, both prices and interest rates, with the subsequent possible impact on the group's results and cash flows.

  - **Price risk**: represented by the variations in the margin of the group as a result of the volatility of energy prices and changes in the fair value of certain financial instruments.

    - In the self-consumption and generation branch, the group seeks to reduce exposure to market risk by means of private energy sale and purchase agreements (PPAs) that make it possible to establish the future sale price with third parties for an agreed period, as well as that exposure to possible tariff changes on the market. The production not covered by PPAs is exposed to market changes, at a price that changes by the hour. This production is not representative of the group's total production.

    - For the marketing branch, 90-95% of the portfolio is price-linked, meaning that the group does not assume risks in this regard, as it obtains a fixed margin.

      The group contracts derivatives, in order to fully or partially mitigate the risks in the electricity sale margin for fixed price agreements or for gas purchases due to the oscillation of electricity and gas market prices. The group periodically reviews the risk management objectives and hedging strategy, providing a description of the risk management objective sought, ensuring that the risk margin is within the limits set.

    Meanwhile, the group is exposed to market risk due to the volatility of the market prices of the financial assets and liabilities valued at fair value, that it maintains in its consolidated statement of financial position. The level of risk accepted in the investments made by the group is determined by the investment guidelines established by the Board of Directors, which stipulate, among other things, the kind of assets to be invested in and analyses the proportion of these assets in the total portfolio. Exposure to hedging instruments is not very relevant.

  - <u>Interest rate risk</u> can affect the calculation of the current value of future cashflows to determine fair value, as well as the financial costs due to the financing of commercial operations and loans and credits at a variable rate or that should be renewed. The variability of the interest rate depends both on the European and world economies.

Interest rate risk in the group is manifested by the variation in the financial costs of variable-rate debts, largely Euribor-linked, as a result of interest rate fluctuations.

The financial debt of the group that accrues interest at fixed interest rates at 31 December 2024, represented 6.76% of total financial debt (at 31 December 2023, it represented 44%). From the sensitivity analysis of the interest rate on financial expenses, the need to record higher/lower additional expenditure of 146 thousand euros was manifested, considering the effects of an increase and a decrease of 25 basis points in the interest rate of the loans with a variable interest rate.

7. Securities listed for trading

The shares of the dominant company are traded on BME Growth, a market for small capitalisation companies looking to expand, with tailor-made regulation, designed specifically for them and with costs and processes adapted to their characteristics, maintaining high levels of transparency.

The Market has a group of Registered Advisors to help companies throughout the process, both when joining the Market and later, in the day-to-day, so that they comply with the regulations established by the Market.

8. Social and employment issues

The group is aware that its people are its main asset and has established the following as the main objectives in the management of people:

- Provide stable employment in an optimum working environment.
- Favour the professional development of employees.
- Promote a safe and healthy working environment.

- Promote equality, diversity and a good work-life balance for employees.
- Guarantee human and labour rights

The average number of persons employed at closing is set out in the following chart:

Area	Dept	Average staff FY 2024		Average staff FY 2023	
		Women	Men	Women	Men
Business Area	Customer Service	3	0	3	0
	Sales	1	9	2	9
	Generation	3	5	10	8
	Logistics	2	7	2	7
	Maintenance	1	16	1	12
	Self-consumption	7	31	4	43
	PRL	3	0	2	1
	Subsidies	0	1	1	1
Marketing and communication		1	0	1	0
Corporate	Accounts	5	1	6	2
	Legal	2	2	3	1
	HR	0	0	1	0
Marketers		52	38	3	7
TOTAL		**80**	**110**	**39**	**91**

At closing, the number of persons employed is 185, of which 80 are women and 105 are men, with the difference with respect to the average of the financial year in the self-consumption department (at 31 December 2023 there were 120 employees, of which 38 were women, and 87 men).

The Board of Directors of the dominant company is made up of 9 persons, of which 3 are women and 6 are men (at 31 December 2023 it comprised 7 people, 1 woman and the rest men).

In FY 2024 and the previous year the dominant company did not hire anyone with a disability of 33% or more.

Training is one of the basic objectives in personnel management, as mentioned earlier, favouring the development and motivation of the persons in the group. The dominant company's employees have undergone training to meet the objectives established:

- Training.
- Compliance.
- Equality.
- Environment
- Occupational Risk Prevention

In this sphere, the annual training hours at the dominant company in FY 2024 was 1,049 hours (at 31 December 2023 the figure was 458 hours), with the following breakdown:

Area	Training hours FY 2024		Training hours FY 2023	
	Women	Men	Women	Men
Business Area	99	454	92	360
Marketing	3	0	0	0
Corporate	472	21	0	6
TOTAL	574	475	92	366

The dominant company is working actively to prevent and avoid this kind of situation, which is why it has introduced a **protocol on the prevention of labour and sexual harassment and harassment related to sex**, applicable to situations of labour and sexual harassment and harassment related to sex occurring at work, in relation to work or as a result of it. The dominant company has stated its firm rejection of conduct that could imply labour and sexual harassment and harassment related to sex, declaring its commitment to tackling and preventing this kind of conduct.

This protocol establishes a mechanism that provides an integrated, effective way of acting in the face of any conduct that could constitute labour and sexual harassment and harassment related to sex, establishing preventive, proactive and reactive measures.

With a view to guaranteeing the confidentiality of any claim or complaint of labour and sexual harassment and harassment related to sex, the dominant company has created an internal reporting channel This protocol will be disseminated annually and will remain in force for 4 years as of the date after it is released and disseminated to the company's employees.

9. Good Governance

As indicated in point 1.3, the dominant company has a criminal compliance management system and the main rules of conduct governing how EiDF works are:

- **Ethical code** establishing the principles and values that should inspire and govern the development of activities and relations of the dominant company, as well as the conduct of each of the employees, management, board members, shareholders and suppliers of the company. The objective is to facilitate the development of day-to-day business activities of the dominant company in an ethical, honest environment, in line with the most elemental principles of good faith, as well as full and lasting compliance with the legislation in force.

- **Criminal compliance policy** which formally states the intention to respect the law and the ethical values that define it and that constitute a basic pillar of its activity in doing business. The principle of zero tolerance of any conduct that constitutes an offence or involves criminal risk for the dominant company or its stakeholders is expressly established and stated.

- **Regulatory compliance manual** designed to serve as a measure to prevent the commission of criminal acts by employees, as well as applying to any person natural or legal, who maintains a commercial or similar relationship, and to exercise due control over the business activity.

- **Anti-corruption policy** which establishes the conduct guidelines for any decision-making, both regarding internal relations and relations with third parties involved in the discharge of their duties or professional performance, in order to avoid any kind of conduct that could be considered fraudulent or corrupt. The following situations should be avoided:

- Illegal financing of political parties or political corruption
- Business corruption, in the form of payments or means of a financial or decision-making nature in order to obtain a financial benefit.
- Bribery of a public official
- Influence peddling

Measures in relation to the following are also included:

- Gifts and presents
- Due diligence of relations with third parties
- Conflicts of interest

- **Sponsorship and donations policy** regulating donations and sponsorship so that they are transparent, objective and in line with the corporate principles and values contained in the Ethical Code, so that they are not perceived by third parties as concealed corruption or bribery.

- **Tax compliance and fraud prevention policy** establishing the principles and procedures that should be followed in the dominant company in order to ensure proper tax compliance and prevent any kind of tax fraud, as tax compliance is essential for maintaining the company's integrity and reputation as well as for complying with the applicable tax laws and regulations, maintaining full transparency in the relations of all stakeholders, be they direct or indirect.

- **Supplier policy** which establishes the guidelines for selection, approval and assessment of professionals, maintaining a level of full transparency in relations with suppliers, avoiding possible conflict of interest situations or a lack of impartiality, as well as corrupt practices, bribery... Which may give rise to the commission of offences.

- **Competition policy and protocol** which establishes the duty of employees (management and professionals) to act in line with the ethical principles of loyalty and good faith and avoid any kind of conduct or procedure that is incompatible with fair competition. It also establishes the rules for the prevention and detection of conduct that could infringe competition rules and includes all those situations that, due to their nature, context or persons involved, represent an actual or potential risk of infringement of competition rules.

- **Market abuse prevention policy** which establishes the guidelines and procedures to be followed in order to prevent market abuse and fraud in listed companies. These practices are essential when it comes to maintaining market integrity and protecting the interests of shareholders, professionals and other stakeholders.

- **Social media use policy** which establishes the guidelines for behaviour and use of the different digital communication tools available.

- **Internal Reporting System** which sets out the procedure for making a report, as well as the processing, investigation and resolution of the same, with a view to preventing and detecting any improper, unlawful, criminal or discriminatory conduct, and the protection of whistleblowers and the fight against corruption.

  In order to ensure maximum confidentiality for whistleblowers, as well as of the information and/or documentation reported, it will be filed via the Internal Reporting Channel on the website of the dominant company (https://www.eidfsolar.es/), where reports may or may not be anonymous and extreme security systems guarantee the total confidentiality of the information and data supplied via this channel.

10. Deferral of payments to suppliers in commercial operations

The information in relation to the average period of payment to suppliers in commercial operations is as follows:

Description	FY 2024	FY 2023
Average period of payment to suppliers	34.87 days	23.30 days
Paid transactions ratio	28.23 days	19.70 days
Ratio of outstanding operations	174.98 days	129.60 days
		Amount (Euros)
Total payments made	213,282,850	277,512,333
Total outstanding payments	10,118,568	14,837,394

While during FY 2024 the group exceeded the maximum period of payment for commercial suppliers established by law, the group is making an important effort to remedy this situation.

The breakdown of the information on the monetary volume paid in a period within the limit established by the regulations on late payment, as well as the percentage it represents of the total volume of payments and the number of invoices paid within the limit established by the regulations on late payment, as well as the percentage it represents of the total invoices paid.

Description	FY 2024	FY 2023
Monetary volume paid within	195,264,540 EUR	292,349,727 EUR
Percentage of total payments	89.66%	95%
Number of invoices paid within	111,230	203,977
Percentage of total invoices	30.98%	95%

Board of Directors

The consolidated annual accounts and consolidated management report for the financial year ending 31 December 2024, were drawn up by the Board of Directors of the dominant company at the meeting held for that purpose.

Mr Eduard Romeu Barceló

Mr Jordi Berini Suñé

Mr Julio Sergio Palmero Dutoit

Mr Joan Gelonch Viladegut

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Ms Rebeca Alonso Abril

Ms Laura Zendrera Roig

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