

Annual report
BALANCE SHEET
EU-SOLAR Plc.
2024.10.01.-2024.12.31.

Number	Serial	Description	Previous year 2024.09.30.	Modifications	Current year 2024.12.31.
001	A.	NON-CURRENT ASSETS	2 348 619		2 315 941
002	I.	INTANGIBLE ASSETS	59 943		57 165
003		Capitalised cost of foundation and restructuring	0		0
004		Capitalised research and development cost	8 566		6 857
005		Property rights	50 908		49 850
006		Intellectual property	469		458
007		Goodwill	0		0
008		Advances on intellectual property	0		0
009		Revaluation of intangible assets	0		0
010	II.	PROPERTY, PLANT AND EQUIPMENT	2 269 604		2 239 704
011		Land and buildings and related property rights	1 845 959		1 857 272
012		Plant and machinery, vehicles	176 380		165 620
013		Other equipment, fixtures and vehicles	221 264		201 202
014		Livestock	0		0
015		Assets under construction	26 001		13 110
016		Advances on assets under construction	0		2 500
017		Revaluation of property, plant and equipment	0		0
018	III.	NON-CURRENT FINANCIAL INVESTMENTS	19 072		19 072
019		Long-term investments in affiliated parties	19 072		19 072
020		Long-term loan to affiliated parties	0		0
021		Long-term investments to significant parties	0		0
022		Long-term loan to significant parties	0		0
023		Other long-term investments	0		0
024		Long-term loans to other investments	0		0
025		Other long-term loans	0		0
026		Long-term debt securities	0		0
027		Revaluation of financial investments	0		0
028		Fair valuation difference of financial investments	0		0
029	B.	CURRENT ASSETS	7 368 553		8 811 744
030	I.	Inventories	3 565 978		4 774 899
031		Raw materials and consumables	3 173 434		4 180 180
032		Unfinished production and semi-finished products	3 207		3 207
033		Grown, fattened and other livestock	0		0
034		Finished products	0		0
035		Merchandises	0		0
036		Advances on stocks	389 337		591 512
037	II.	RECEIVABLES	2 142 707		2 838 103
038		Receivables from the supply of goods and services (customers)	633 719		1 548 907
039		Receivables from affiliated parties	375 460		236 789
040		Receivables from significant parties	0		0
041		Receivables from other investments	0		0
042		Receivables from bills of exchange	0		0
043		Other receivables	1 133 528		1 052 407
044		Fair valuation difference of receivables	0		0
045		Positive valuation difference of derivative transactions	0		0
046	III.	SECURITIES	170 249		169 249
047		Investments in affiliated parties	0		0
048		Investments in significant ownership parties	0		0
049		Other investments	0		0
050		Treasury shares	0		0
051		Debt securities for trading purposes	170 249		169 249
052		Fair valuation difference of securities	0		0
053	IV.	CASH AND CASH EQUIVALENTS	1 489 619		1 029 493
054		Cash and cheques	1 190		1 350
055		Bank accounts	1 488 429		1 028 143
056	C.	PREPAYMENTS	1 776 756		2 396 900
057		Accrued income	1 724 404		2 346 020
058		Prepaid cost and expenses	52 352		50 880
059		Deferred expenses	0		0
060		TOTAL ASSETS	11 493 928		13 524 585

Pécs, 2025.05.28.

Petre András Balázs
Chairman of the Board
EU-SOLAR SE

061	D.	SHAREHOLDERS' EQUITY	3 007 715	4 807 495
062	I.	SHARE CAPITAL	250 000	250 000
063		Of which: treasury shares at nominal value	0	0
064	II.	REGISTERED BUT UNPAID CAPITAL (-)	0	0
065	III.	SHARE PREMIUM	0	0
066	IV.	RETAINED EARNINGS	-71 408	-94 849
067	V.	TIED-UP RESERVE	3 852 564	3 852 564
068	VI.	VALUATION RESERVE	0	0
069		Valuation reserve from Value Adjustments	0	0
070		Valuation reserve from Fair Value Measurement	0	0
071	VII.	NET INCOME FOR THE PERIOD	-1 023 441	799 780
072	E.	PROVISIONS	28 938	25 723
073		Provisions for expected liabilities	28 938	25 723
074		Provisions for future expenses	0	0
075		Other provisions	0	0
076	F.	LIABILITIES	7 722 291	6 825 904
077	I.	SUBORDINATED LIABILITIES	0	0
078		Subordinated liabilities to affiliated parties	0	0
079		Subordinated liabilities to significant parties	0	0
080		Subordinated liabilities to other investment	0	0
081		Subordinated liabilities to third parties	0	0
082	II.	LONG-TERM LIABILITIES	289 365	375 330
083		Long-term loans	0	0
084		Convertible bonds	0	0
085		Liability from bond issue	0	0
086		Liabilities from capital investment and development loans	0	0
087		Liabilities from other long-term loans	289 365	375 330
088		Long-term liabilities to affiliated parties	0	0
089		Long-term liabilities to significant ownership parties	0	0
090		Long-term liabilities to other investments	0	0
091		Other long-term liabilities	0	0
092	III.	SHORT-TERM LIABILITIES	7 432 926	6 450 574
093		Short-term borrowings	0	0
094		Of which: convertible bonds	0	0
095		Short-term loans	2 058 308	2 055 103
096		Advances from customers	2 842 782	1 468 564
097		Liabilities from the supply of goods and services (supplier)	541 277	1 752 468
098		Bills of exchange	0	0
099		Short-term liabilities to affiliated parties	1 808 715	896 750
100		Short-term liabilities to significant ownership parties	0	0
101		Short-term liabilities to other investments	0	0
102		Other short-term liabilities	181 844	277 689
103		Fair valuation difference of liabilities	0	0
104		Negative valuation difference of derivative transactions	0	0
105	G.	ACCRUALS	734 984	1 865 463
106		Deferred revenues	2 669	2 919
107		Accrued cost and expenses	732 065	1 862 294
108		Other deferred income	250	250
109		TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	11 493 928	13 524 585

Pécs, 2025.05.28.

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Chairman of the Board
EU-SOLAR SE

Annual Report INCOME STATEMENT EU-SOLAR Plc. 2024.10.01.-2024.12.31.					
Number	Serial	Description	Previous year 2024.09.30.	Modifications	Current year 2024.12.31.
01	01.	Net domestic sales revenue	2 560 669		3 083 175
02	02.	Net export sales revenue	833 546		215 694
03	I.	NET SALES REVENUES	3 394 215		3 298 869
04	03.	Changes in own produced inventory	0		0
05	04.	Work performed by the enterprise and capitalised	0		0
06	II.	CAPITALISED OWN PERFORMANCE	0		0
07	III.	OTHER OPERATING INCOME	217 351		308 428
08		of which: reversed impairment	134 164		-64 890
09	05.	Raw material costs	1 081 150		1 197 196
10	06.	Value of services used	1 053 279		557 805
11	07.	Other services	54 634		19 386
12	08.	Cost of goods sold	836 531		185 989
13	09.	Value of services sold (intermediated)	275 464		339 209
14	IV.	MATERIAL EXPENSES	3 301 058		2 299 585
15	10.	Wages and salaries	659 237		277 079
16	11.	Other personnel expenses	21 230		13 424
17	12.	Tax and contributions	108 554		29 909
18	V.	PERSONNEL EXPENSES	789 021		320 412
19	VI.	DEPRECIATION	156 259		49 197
20	VII.	OTHER OPERATING EXPENSES	431 753		145 597
21		of which: impairment	211 642		90 385
22	A.	PROFIT OR LOSS FROM OPERATING ACTIVITIES	-1 066 525		792 506
23	13.	Received (due) dividend	0		0
24		of which: received from related parties	0		0
25	14.	Gain from the sale of investments	0		0
26		of which: received from related parties	0		0
27	15.	Interest and exchange rate gains on financial investments	9 495		0
28		of which: received from related parties	0		0
29	16.	Other received (due) interest and interest-type revenues	14 576		6 712
30		of which: received from related parties	1 468		304
31	17.	Other revenues of financial transactions	149 920		68 520
32		of which: fair valuation difference	0		0
33	VIII.	TOTAL FINANCIAL INCOME	173 991		75 232
34	18.	Exchange rate loss on financial investments	0		0
35		of which: to related parties	0		0
36	19.	Losses on financial investments	0		0
37		of which: to related parties	0		0
38	20.	Interest and interest-type expenses	78 385		34 879
39		of which: to affiliated undertakings	0		0
40	21.	Impairment on investments, securities, bank deposits	0		0
41	22.	Other financial expenses	52 522		5 463
42		of which: fair valuation difference	0		0
43	IX.	TOTAL FINANCIAL EXPENSES	130 907		40 342
44	B.	FINANCIAL PROFIT OR LOSS	43 084		34 890
45	C.	PROFIT BEFORE TAXATION	-1 023 441		827 396
46	X.	TAX PAYABLE	0		27 616
47	D.	PROFIT AFTER TAXATION	-1 023 441		799 780

Pécs, 2025.05.28.

Petre András Balázs
Chairman of the Board
EU-SOLAR SE

**Supplementary Annex
to the
2024 Annual Report
of EU-SOLAR SE**

1. General Information

The predecessor of EU-SOLAR Trading and Service Public Limited Company, EU-SOLAR Ltd., was established on 28 September 2012 with 100% private ownership, and was transformed into a private limited company (Zrt.) through legal succession on 30 September 2016. On 22 April 2022, our company was registered on the BSE Xtend market, resulting in its transformation into a public limited company (Nyrt.). On 30 September 2024, the company underwent another corporate restructuring, and from 1 October 2024, it continued its operations as a European Company (Societas Europaea - SE). The annual report covers the period from 1 October 2024 to 31 December 2024, while the comparative period is the nine-month period ended on 30 September 2024.

Full legal name of the Company:

EU-SOLAR Trading and Services SE Public European Company Limited by Shares

Abbreviated name:

EU-SOLAR SE

Registered seat:

7630 Pécs, Kocsz utca 127.

Operational site:

7630 Pécs, Kocsz utca 110.

Branch locations:

7800 Siklós, parcel number 06/49

7673 Cserkút, parcel number 099/4

The Company's registered share capital prior to its transformation into a public limited company amounted to HUF 20,000,000. This amount was subsequently increased to HUF 100,000,000 through the utilisation of retained earnings. A further capital increase to HUF 250,000,000, also funded from retained earnings, was executed on 21 June 2018.

Type of share: Ordinary share

Share class: Class 1

Serial number range: 1–1000

Shareholders of the company: Energy Investment SE (32065699-2-02) 100%

On 1 February 2023, Energy Investment Plc. acquired, by way of contribution in kind, a business share representing 100% of the share capital of EU-SOLAR Plc. (registered seat: 7630 Pécs, Kocsz u. 127., Company reg. no.: 02-10-060424), with a nominal value of HUF 250,000,000.

Senior Officers with Signing Authority:

The following members of the Company's management are authorised to sign on behalf of the Company:

András Balázs Petre – Chairman of the Board of Directors

Form of representation: individually (sole signatory)

Hortenzia Petréné Kárpáti – Member of the Board of Directors

Form of representation: jointly

Dr. András Petre – Member of the Board of Directors

Form of representation: jointly

The Company is registered with the Court of Registration.

Company registration number: 02-20-000002

Tax identification number: 32635436-2-02

EU VAT number: HU32635436

Statistical number: 32635436-4664-141-02

Legal predecessor: EU-SOLAR Plc.

Company registration number of predecessor company: Cg. 02-10-060424

Tax number of predecessor company: 25734643-2-02

The Company has a Supervisory Board consisting of three members.

Members of the Supervisory Board:

- Mrs. Ibolya Gadóné Tünde Szőke
Address: 7633 Pécs, Kőrösi Csoma Sándor utca 2.
- Tamás József Véghely
Address: 1174 Budapest, Csík utca 3.
- Tamás Rózsás
Address: 2030 Érd, Hanság utca 16.

The audit of the Company is a statutory requirement.

Auditor of the company: PricewaterhouseCoopers Könyvvizsgáló Ltd.
Company registration number: 01-09-063022
Tax number: 10256161-2-44
Head office: 1055 Budapest, Bajcsy-Zsilinszky út 78.
Chamber registration number: 001464

Statutory Auditor:

Name: Péter Biczó

Chamber Registration Number: 004957

Auditor's Remuneration:

The fee for statutory audit services in 2024 amounts to HUF 12,150,000 + VAT.

Person Responsible for Accounting Services:

Patricia Bosnyákné Molnár

Registration number: 186538

Principal Activity of the Company:

NACE code 4669'08 – Wholesale trade services of other machinery and equipment not elsewhere classified

Main areas of activity of the company:

- Electrical installation
- Engineering activities, technical consultancy
- Wholesale services of other machinery and equipment n.e.c.

The Company's primary activity is the installation of solar panel systems. In addition, it engages in the wholesale trade of other machinery and equipment not elsewhere classified (n.e.c.), which includes the sale of electric vehicle charging stations, solar panels, and related components. The Company also operates an installation training institute and a dedicated training centre.

2. Accounting Policies

The Company applies a comprehensive accounting policy framework, within which the following internal regulations have been established:

- Valuation Policy
- Inventory Management Policy
- Cash and Treasury Management Policy
- Cost Accounting Regulations

The Company prepares its annual financial statements in accordance with Article 9 of Act C of 2000 on Accounting.

The Company prepares its balance sheet in Format A and applies the total cost method for the preparation of its profit and loss account.

In accordance with the applicable provisions and principles of the Accounting Act, the Company's accounting policies are defined as follows:

Investments are capitalised on the date they are brought into use. At the time of capitalisation, the Company's financial manager determines the expected useful life, residual value, and depreciation rate of the asset, which are then recorded in the individual asset register.

The cost of intangible assets and tangible fixed assets (either acquisition or production cost), reduced by the residual value at the end of their useful life, is expensed through depreciation over the period in which the asset is expected to be used.

Depreciation Rates Applied:

- Real estate: 2% per annum (useful life: up to 50 years)
- Vehicles: 20% per annum (useful life: up to 5 years)

- Machinery and equipment: 14.5% per annum (useful life: over 7 years)
- IT and computer equipment: 33% per annum (useful life: over 3 years)

The annual depreciation charge is determined based on the expected use of each individual asset, its estimated useful life, physical wear and tear, and technological obsolescence, as well as the specific circumstances of the Company's operations.

Depreciation is applied from the date the asset is brought into use for its intended purpose, i.e., from the date of commissioning. The commissioning process must be documented in a verifiable and credible manner.

The capitalised value of completed experimental development and completed start-up redesign is amortised over a period of five years. Goodwill is also amortised over five years

No depreciation is recognised on the cost (acquisition) value of land (except land used for mining or hazardous waste storage), forests, works of art, archaeological finds, and assets not yet commissioned.

Both planned and unplanned depreciation are recorded in the general ledger at the year-end closing. The amounts are determined based on the data recorded in the individual asset registers.

Fixed assets with an acquisition or production value of less than HUF 200,000 are fully depreciated at the time they are brought into use.

In accordance with Article 53 (1) of Act C of 2000 on Accounting, impairment (extraordinary depreciation) must be recognised on intangible and tangible assets if any of the following conditions are met:

- the carrying amount of an intangible or tangible asset (including investments) is consistently and significantly higher than its market value;
- the value of the intangible or tangible asset (including investments) has suffered permanent impairment due to a change in the Company's business activities, or the asset has become redundant, damaged, destroyed, or lost;
- the enforceability of the related property right is restricted or no longer exists due to contractual modification;
- the activity resulting from completed experimental development is restricted, terminated, or rendered ineffective;
- the carrying amount of goodwill or the capitalised value of a business combination consistently and significantly exceeds its market value (determined based on expected returns), due to changes in circumstances that affect future economic benefits.

According to the Accounting Act, an error is considered material if the aggregate amount of the errors and the impact of those errors—identified during the year of detection through various audits—exceeds the threshold defined in the Company's accounting policy for a given financial year, assessed separately for each affected year, regardless of the year in which the error originated.

An error is always considered material if the aggregate amount of the errors and their effects—whether increasing or decreasing profit, loss, or equity—identified in the year of detection, regardless of the year of origin, exceeds 2% of the total balance sheet amount of the audited financial year. If 2% of the total balance sheet amount is less than HUF 1 million, then HUF 1 million is applied as the materiality threshold.

An error is not considered material if its amount remains below this threshold.

Items of exceptional size or nature include the above-mentioned errors and any expenses that are not directly related to the Company's core activities.

Information is considered material to the financial statements if its omission or misstatement could, within reasonable limits, influence the economic decisions of users taken on the basis of those financial statements (materiality principle).

Throughout the year, the Company maintains detailed records of the quantity and value of purchased materials and goods. At the end of the year, unused materials and goods are subject to physical inventory in the final month. Inventory is accounted for using the FIFO method.

Impairment is recognised on inventories with an expected realisation period of more than one year, based on the assumption that only 8% of products impaired in 2023 were sold in 2024. The value of such long-term inventories has increased significantly, resulting in a higher impairment charge compared to the previous year.

This increase is primarily attributable to the general market slowdown, slower sales caused by the tendering environment, and a shift in technology following the discontinuation of net metering. As the market moves toward battery-based systems, the turnover of inventories related to legacy technologies has declined substantially. A reduction in inventory levels is expected in the coming months.

The Company assessed impairment for heat pump inventories on an item-by-item basis, in line with the principle of prudence. The assessment considered changes in market prices, product marketability, and expected realisable value. Additionally, the turnover rate of inventory was analysed, and justified impairment was recognised for slower-moving heat pumps affected by potential obsolescence.

This specific valuation approach ensures that inventories reported in the balance sheet reflect their fair and reliable value in accordance with the Accounting Act and the Company's accounting policy.

The Company maintains detailed analytical records of its fixed assets. Advances received from customers and advances paid to suppliers are tracked in the general ledger on a current account basis, with a breakdown by individual customer and supplier accounts.

Impairment has been recognised on trade receivables based on their ageing and actual recovery rates observed in 2024. A provision of 22% has been applied to receivables outstanding between 91 and 180 days, while a 50% impairment rate has been applied to receivables overdue by more than 180 days.

Assets and liabilities denominated in foreign currencies are translated into Hungarian forints (HUF) using the official exchange rate published by the Central Bank of Hungary (Magyar Nemzeti Bank).

In accordance with the Accounting Act, grant income received to offset specific costs or expenses may be recognised as deferred income if the entity can demonstrate that it will meet the conditions attached to the grant and it is probable that the grant will be received. Accordingly, recognition of such grant income is no longer dependent on actual financial settlement or reconciliation with the granting authority. Once the

conditions for the grant are fulfilled, the related amount is recognised as other income in the profit and loss statement.

In addition to grants received to offset costs and expenses, the other main category of government assistance is development aid. Unlike cost-related grants, under the current Accounting Act, the recognition of development grants remains subject to actual financial settlement, i.e. much stricter conditions apply. Development grants are recognised as deferred income and are released to the profit and loss account on a pro rata temporis basis, in line with the depreciation of the related assets.

The amendment to Act C of 2000 on Accounting (hereinafter: the Act) introduced new accounting rules for project-based activities. As of 2020, project-based accounting became permissible, and the Company intended to apply this method; however, the accounting treatment was not yet adjusted accordingly. In contrast to the planned project-based approach, revenue in previous years was recognised upon delivery of the solar PV system.

Due to the significant increase in the volume of orders during the reporting period, project-based accounting has become necessary, as it provides a more accurate and realistic presentation of the Company's operations.

The Company has identified the following project milestones for the installation of solar PV systems:

Implementation stages:

Status	Percentage of the related contract value accounted for	Description
Licensing	1%	<p>The first stage of the overall deployment process is divided into two administrative work phases:</p> <ul style="list-style-type: none"> • Grant Claim Submission Process • Grid Connection Documentation Process <p>During these phases, the Company verifies the existence, completeness, and clarity of the documents and photographs submitted by the applicant. Based on this data, the appropriate work phase form required by the territorially competent Distribution License Provider is selected and completed in accordance with their specifications. Once finalised, the documentation is uploaded to the provider's system and simultaneously recorded in both the Company's internal system and the client's portal.</p>

Available from	50%	<p>Following the previous phase, the technical verification of the proposed system and its components is initiated. This verification includes the type, quantity, and placement of the selected components. The process also involves assessing the electrical connection capacity of the property, the technical condition of the metering point, and the protection devices.</p> <p>In the case of technically uncertain or complex systems, an on-site inspection may be conducted to support the assessment. In addition to the above, the review also evaluates conditions for material handling, installation feasibility, and the estimated time required for installation.</p> <p>If the audit reveals any issues or obstacles, further technical investigations and corrective actions must be identified. The results of these assessments may influence the final system configuration and the overall installation cost. In such cases, a delta cost calculation is performed, and the initial quotation is revised if necessary.</p> <p>Once these steps are completed, material availability is checked. If all required components are confirmed to be available, the investigation phase is closed and the system is cleared for delivery and installation. For NPP subsidy cases, we verify whether the client possesses a grant certificate, if so we set the status to “ready for delivery”.</p>
Retrieved from	60%	<p>The authorised system is assigned to a transport schedule by the logistics service provider in coordination with the customer. As a result, a transport task with a specified date is created, and the warehouse prepares the materials previously allocated to the corresponding freight code.</p> <p>On the scheduled transport date, the carrier collects the goods, delivers them, and hands them over to the customer in a documented and verifiable manner. From this point onward, the inventory is recorded as stock delivered and stored at an external location, inseparably linked to the underlying transaction.</p>

Installed at	99%	<p>After delivery, the contractor assumes control of the work area at the agreed time and proceeds with the on-site installation of the system. The installation is carried out in accordance with all applicable legal, professional, and internal company standards. This phase includes the complete assembly of the solar PV system, its integration into the property's electrical network, and the setup of system monitoring.</p> <p>Upon completion of the installation, the system is formally handed over.</p> <p>The initial technical inspection of the electrical installation is conducted in line with the relevant regulatory requirements. The inspection must be performed by an authorised contractor and documented in an official inspection report.</p> <p>The project manager is responsible for overseeing the installation and the electrical inspection. They review and approve the submitted documentation or request corrections if necessary. Once the documentation is validated and the system is deemed compliant, it is considered ready for commissioning and eligible for reporting to the utility provider.</p>
Ready to report	100%	<p>The readiness of the installed and inspected system is reported to the competent Distribution License Provider by completing and submitting the designated form. Once the submission is accepted, the customer is authorised to begin electricity production and feed energy into the grid.</p>

In connection with the corporate transformation, an accounting closing was carried out as of 30 September. The Company prepares general ledger statements as of 30 June, as well as for the annual accounts dated 30 September and 31 December.

Balance sheet date: 15.03.2025.

The reporting currency is HUF, Hungarian Forint.

The company's annual accounts are also published on the EU-SOLAR website.

www.eu-solar.hu

3. Development of the company's assets and financial situation

Name of indicator	Indicator value	
	Previous year (%) (01.01.2024 - 30.09.2024)	Current year (%) (01.10.2024 - 31.12.2024)
Ratio of Invested Assets (Fixed assets/total assets)	20,43	17,12
Current Assets atio (Current assets/total assets)	64,11	65,15
Capital Adequacy Ratio (Equity/total liabilities)	26,17	35,55
Proportion of External Funding (Commitment/total resources)	67,19	50,47
Liquidity Ratio (Liabilities/Fixed assets)	95,42	129,09
Profitability Relative to Revenue (Profit before tax/revenue)	-30,15	25,08
Return on Assets (ROA) (Profit before tax/total assets)	-8,90	6,12
Return on Equity (ROE) (Profit before tax/equity)	-34,03	17,21
Debt-to-Equity Ratio (Liabilities/equity)	256,75	141,98

Profitability indicators have been calculated using profit before tax as the basis of comparison. The deterioration in profitability is attributable to a significant decline in profit before tax, combined with increases in both turnover and equity.

As of the reporting date, current assets represent **65.15%** of total assets, consisting of the following components:

- **Cash and cash equivalents:** 11.68%
- **Inventories:** 54.19%
- **Securities:** 1.92%
- **Receivables:** 32.21%

Equity accounts for **35.55%** of total resources.

No extraordinary economic events occurred at the Company during the reporting period. The financial position of the Company remains stable.

The following affiliated companies of the owner of EU-SOLAR SE maintained business relations with the Company during the reporting period:

- **Solar-Finance Ltd.** – Financial advisory services.
- **Energiaválasztó Ltd.** – Energy certification and marketing services.
In 2024, the Company performed marketing activities in the amount of HUF 158,826,087 + VAT.
These activities included the placement, management, and optimisation of advertisements on Google Ireland Limited and Meta Platforms Ireland Limited, aimed at increasing website traffic and converting visitors into qualified leads and contracted customers.
- **Gluon Ltd.** – Business management consultancy.
Additionally provided car rental services amounting to HUF 65,056,113 + VAT.
- **Sbcape Ltd.** – Business management consultancy.
- **Energy Investment SE** – Asset management company.

EU-SOLAR Plc holds a 100% ownership stake in the following companies:

1. **Cro Energija d.o.o.**
Registered address: Šetalište Petra Preradovića 7, 31000 Osijek, Croatia
Share capital: HRK 20,000
2. **EU-SOLAR SYSTEM Romania S.R.L.**
Registered address: Strada Vasile Alecsandri 3, Oradea, Romania
Share capital: RON 25,000
3. **EU-Solar Ukraine LLC**
Registered address: 119 Lobanovskyi Valeriya Avenue, Office 3, 03039 Kyiv, Ukraine
Share capital: UAH 195,953
4. **Quantum Power Insurance Agency Ltd.**
Registered address: 7630 Pécs, Kokszt utca 127, Hungary
Share capital: HUF 5,000,000

Company 80% owned by EU-SOLAR SE:

1. **Hydrogenius Innovation Plc**
Registered address: 7630 Pécs, Kokszt utca 127, Hungary
Share capital: HUF 5,000,000

4. Additions to the balance sheet

4.1 Invested assets

4.1.1 Intangible assets

Changes in the Value of Assets in Accordance with the Accounting Act
Figures presented in thousand HUF (eFt)

Asset Category	Gross Opening (30.09.2024)	Gross Increase	Reclassification ±	Gross Decrease	Gross Closing (31.12.2024)
Intangible Assets (total)	216,563	2,604	0	0	219,167
– Pilot Development (pre-2019)	39,675	0	0	0	39,675
– Rights in Rem	84,821	2,604	0	0	87,425
– Intellectual Property Products	92,068	0	0	0	92,068

Asset Category	Opening Depreciation (30.09.2024)	Depreciation Increase	Reclassification ±	Depreciation Decrease	Closing Depreciation (31.12.2024)
Intangible Assets (total)	156,621	5,382	0	0	162,003
– Pilot Development (pre-2019)	31,109	1,709	0	0	32,818
– Rights in Rem	33,913	3,662	0	0	37,575
– Intellectual Property Products	91,599	11	0	0	91,610

Asset Category	Opening Net Value	Net Increase / Decrease	Reclassification ±	Net Decrease	Closing Net Value
Intangible Assets (total)	59,943	-2,778	0	0	57,165
– Pilot Development (pre-2019)	8,566	-1,709	0	0	6,857

– Rights in Rem	50,908	-1,058	0	0	49,850
– Intellectual Property Products	469	-11	0	0	458

4.1.2 Fixed assets

Changes in the Value of Assets in Accordance with the Accounting Act
Amounts in EUR million

Asset Category	Gross Opening (30.09.2024)	Increase	Reclassification \pm	Decrease	Gross Closing (31.12.2024)
Properties	1,995,111	23,938	0	0	2,019,049
– Tents	173,317	0	0	0	173,317
– Buildings	1,649,416	23,938	0	0	1,673,354
– Other Buildings	172,378	0	0	0	172,378
Technical Equipment, Installations, Vehicles	269,286	8,100	0	8,100	269,286
Other Equipment, Installations, Vehicles	587,921	364	0	0	588,285
Investments	26,001	22,115	0	35,006	13,110
Advance Payments for Investments	0	2,500	0	0	2,500
Total	2,878,319	57,017	0	43,106	2,892,230

Asset Category	Opening Depreciation (30.09.2024)	Depreciation Increase	Reclassification on ±	Depreciation Decrease	Closing Depreciation (31.12.2024)
Properties	149,152	12,625	0	0	161,777
– Buildings	83,854	7,098	0	0	90,952
– Other Buildings	65,298	5,527	0	0	70,825
Technical Equipment, Installations, Vehicles	92,906	10,764	0	4	103,666
Other Equipment, Installations, Vehicles	366,657	20,426	0	0	387,083
Total / Summary	608,715	43,815	0	4	652,526

Asset Category	Opening Net Value (30.09.2024)	Net Increase / Decrease	Reclassification on ±	Net Decrease	Closing Net Value (31.12.2024)
Properties	1.845.959	11.313	0	0	1.857.272
– Tents	173.317	0	0	0	173.317
– Buildings	1.565.562	16.840	0	0	1.582.402
– Other Buildings	107.080	-5.527	0	0	101.553
Technical Equipment, Installations, Vehicles	176.380	-2.664	0	8.096	165.620

Other Equipment, Installations, Vehicles	221.264	-20.062	0	0	201.202
Investments	26.001	22.115	0	35.006	13.110
Advance Payments for Investments	0	2.500	0	0	2.500
Total / Summary	2.269.604	13.202	0	43.102	2.239.704

The Company did not recognise any impairment losses during the financial year. No depreciation exceeding the planned depreciation was accounted for. The Company does not possess any tangible fixed assets directly related to environmental protection.

4.1.3 Financial Investments

Change in the Value of Financial Investments
Amounts in EUR million

Title	Previous Year (30.09.2024)	Increase	Decrease	Current Year (31.12.2024)
Permanent Holding in an Affiliated Enterprise	19,072	0	0	19,072
– Quantum Power Insurance Agency Ltd.	12,292	0	0	12,292
– Cro Energija d.o.o.	855	0	0	855
– EU-Solar Ukraine	1,925	0	0	1,925
– HydroGenius Innovation Zrt.	4,000	0	0	4,000

Long-term Significant Ownership Interest	0	0	0	0
Other Long-term Investments	0	0	0	0
Total	19,072	0	0	19,072

Foreign Subsidiaries 100% Owned by EU-SOLAR Plc

The following foreign companies are wholly owned (100%) by EU-SOLAR Plc:

1. Cro Energija d.o.o.

Registered address: Šetalište Petra Preradovića 7, 31000 Osijek, Croatia

Date of incorporation: 06.06.2016

Share capital: HRK 20,000

Shareholders' equity as of 31.12.2023: EUR 198,372

Profit after tax (2023): EUR 6,022.54

2. EU-Solar System Romania S.R.L.

Registered address: Str. Vasile Alecsandri 3, Oradea, Romania

Date of incorporation: 15.12.2021

Share capital: RON 25,000

Shareholders' equity as of 31.12.2023: RON 55,740

Profit after tax (2023): RON 47,204

3. EU-Solar Ukraine LLC

Registered address: 119 Lobanovskyi Valeriya Avenue, Office 3, 03039 Kyiv, Ukraine

Date of incorporation: 13.09.2023

Registered capital: UAH 195,953

Shareholders' equity as of 31.12.2023: UAH 21,500

Profit after tax (2023): UAH -172,900

All three subsidiaries commenced operations in 2023, supporting EU-SOLAR Plc's strategic expansion into international markets.

4.2 Current assets

4.2.1 Presentation of Inventories

Title	Previous Year (30.09.2024)	Current Year (31.12.2024)
Work in Progress	3,207	3,207
Goods at Purchase Price	0	0

Raw Materials	2,892,711	3,099,287
Stocks Held by Customers	512,760	1,358,359
Impairment of Inventories	-232,037	-277,466
Advances on Inventories	389,337	591,512
Total	3,565,978	4,774,899

Our inventory primarily consists of inverters, heat pumps, and solar panels purchased from China.

Inventory impairment movement table
(Amounts in thousand HUF)

Title	Opening Balance (30.09.2024)	Impairment Recorded	Impairment Reversed	Closing Balance (31.12.2024)
Impairment of Inventories	232,037	73,453	28,024	277,466

The increase in inventory impairment is attributable to changes in the market environment and sales dynamics. Actual sales in the affected product category fell short of previous expectations due to a combination of factors, including shifts in demand, market corrections, and broader industry trends. The divergence between the initial assumptions used in the procurement process and the actual market performance warranted a revaluation of inventory.

The recognised impairment reflects a prudent approach aimed at aligning the book value of inventories with their current realisable value under evolving market conditions.

4.2.2 Presentation of Receivables

Amounts in thousand HUF

Receivables	Previous Year (30.09.2024)	Current Year (31.12.2024)
Customer Receivables	633,719	1,548,907
Receivables from Related Parties	375,460	236,789
Other Receivables	1,133,528	1,052,407
Total	2,142,707	2,838,103

The original recorded value of trade receivables amounts to HUF 1,637,207 thousand, against which an impairment loss of HUF 88,300 thousand has been recognised. The Company applied an impairment rate of 50% for receivables overdue by more than 181 days, and 22% for those overdue between 90 and 180 days.

In 2024, an impairment loss of HUF 16,932 thousand was recognised, while impairment reversals totalled HUF 36,866 thousand.

Receivables from affiliated companies in 2024 include the following items:

- Loan receivable from Quantum Power Insurance Agency Ltd.: HUF 2,975 thousand
- Loan receivable from Cro Energija d.o.o.: HUF 115,235 thousand
- Loan receivable from EU-Solar System Romania S.R.L.: HUF 57,190 thousand
- Loan receivable from Energy Investment SE.: HUF 7,608 thousand
- Trade receivable from EU-Solar Ukraine LLC: HUF 53,781 thousand

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current Year (31.12.2024)
VAT on Advances Received from Customers	586,612	294,664
Other Receivables from Service Inventory	144,980	144,980
Advances Granted	144,129	256,944
Supplier Overpayments	98,446	56,372
Other Receivables	159,361	299,447
Total	1,133,528	1,052,407

4.2.3 Presentation of Securities

Securities	Previous Year (30.09.2024)	Current Year (31.12.2024)
Securities Held for Trading Purposes	170,249	169,249
Total	170,249	169,249

4.2.4 Presentation of financial assets

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current Year (31.12.2024)
Cash and Cheques	1,190	1,350
Bank Deposits	1,488,429	1,028,143
Total	1,489,429	1,029,493

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current Year (31.12.2024)
Cash in Bank Account	1,476,442	1,016,156
Securities Account	11,987	11,987
Total	1,488,429	1,028,143

Since 2021, the Company has held a deferred VAT payment authorisation, backed by a customs guarantee of HUF 17,000 thousand provided by OTP Bank.

4.3 Presentation of accruals and deferrals

An accrual has been recognised for costs invoiced in the fourth quarter of 2024 that relate to the first three quarters of the year, in connection with grants received in 2023. In line with the Company's accounting policy and the application of project-based accounting, revenue and costs have been accrued on a percentage-of-completion basis.

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current Year (31.12.2024)
Project-Based Adjustment – Accrued Income	1,719,537	2,340,849

Interest on Loans to Affiliated Enterprises / Funds	4,514	4,818
Grant Received – GINOP-414-19-2020-01787	353	353
Total	1,724,404	2,346,020

The Company recognises accrued revenue for goods and services delivered to customers by the balance sheet date that have been partially settled but not yet invoiced in full. As of 30 September 2024, this amounted to HUF 2,340,849 thousand.

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current Year (31.12.2024)
Motorway Toll	76	84
Bank Charges	18	18
Rental Fee	41,793	31,214
Insurance	8,838	18,035
Domain and Server Hosting	874	904
Advertising and Trade Journals	717	589
Training Fee	36	36
Water Charges	0	0
Total	52,352	50,880

4.4 Equity valuation

Amounts in thousand HUF

Title	Share Capital	Capital Reserve	Retained Earnings	Tied Reserve	Profit After Tax	Total Equity
09.30.2024	250,000	0	-71,408	3,852,564	-1,023,441	3,007,715
Transfer of Profit After Tax to Retained Earnings	0	0	-1,023,441	0	1,023,441	0
Dividend from Profit and Loss Reserve	0	0	1,000,000	0	0	1,000,000
Profit or Loss as of 31.12.2024	0	0	0	0	799,780	799,780
31.12.2024	250,000	0	-94,849	3,852,564	799,780	4,807,495

As the sole shareholder of EU-SOLAR Plc, Energy Investment Plc. adopted Resolution No. 31.V./2024, under which EU-SOLAR SE was instructed to pay HUF 1,800,000,000 from its free retained earnings, along with the profit after tax of the previous financial year, to Energy Investment SE in the form of dividends. However, the full dividend amount was not available for distribution, as a prior-period error reduced the underlying retained earnings. After the balance sheet date but before the dividend was paid, a portion of the dividend, amounting to HUF 1,000,000,000, was waived. This change has been appropriately reflected in the financial statements.

4.5. Presentation of Provisions

The Company has undertaken to provide all customers (including those with ongoing projects not yet completed), who were awarded solar PV systems under the tender procedure and who originally appointed EU-SOLAR as their contractor at the time of application, with a free three-year “Remote Monitoring” service and maintenance package.

To cover the expected future costs related to this obligation, the Company recognised a provision of HUF 38,584 thousand as of 31 December 2023. The pro rata portion of the provision released amounted to HUF 9,646 thousand as of 30 September 2024 and HUF 3,215 thousand as of 31 December 2024.

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4.6. Statement of liabilities

4.6.1 Presentation of liabilities from previous periods

The Company did not recognise any accrued liabilities in its accounts for the 2024 financial year.

4.6.2 Long-term liabilities

Long-term liabilities consist entirely of other long-term borrowings.

Title	Year of Originati on	Credit line	Interest rate %	Outstand ing Debt	Due <1 Year	Due 1–5 Years	Due >5 Years
MBH Bank Plc. H-EKKV1/045 755/2017/33 7285/001	2017	149,168	0	82,566	11,459	71,107	0
Fuse	Mortgage and guarantee						
MBH Bank Plc. H-EKTG2/075 503/2020/33 7285/001	2020	299,999	0	49,971	49,971	0	0
Fuse	Bail, surety						
Fuse	Mortgage and guarantee						
OTP overdraft facility	2024	250,000	5	236,132	236,132	0	0
Fuse	Mortgage and guarantee						
OTP investment loan	2020	269,000	1,5	162,800	28,320	134,480	0
Fuse	Mortgage and guarantee						
CIB Investment loan SK.	2021	1,000,000	0,5	208,964	162,162	46,802	0
Fuse	Mortgage						

OTP NHP Go for it	2024	1,500,000	Bubor+1,5	1,500,000	1,500,000	0	0
Fuse	Mortgage and security account						
OTP Current assets loan (KAVOSZ)	2024	190,000	5	190,000	67,059	122,941	
Fuse	Mortgage						
Total				2,430,433	2,055,103	375,330	0

The Company's long-term liabilities include the non-current portion of the investment loan from Magyar Bankholding (HUF 71,107 thousand), the OTP Bank investment loan (HUF 134,480 thousand), and the CIB NHP working capital loan (HUF 46,802 thousand), OTP current assets loan (KAVOSZ) (HUF 122,941 thousand)

In 2018, the Company obtained a loan from MFB Bank through Budapest Bank under the programme aimed at enhancing the competitiveness of micro, small, and medium-sized enterprises, for the construction of the Siklós small-scale power plant. The loan matures on 15 May 2032. The credit line amounts to HUF 149,168 thousand, and the facility bears no interest. The loan is secured by a mortgage on the property located at parcel number 06/49 in Siklós and a personal guarantee provided by Mr. András Balázs Petre. The portion due within one year amounts to HUF 11,459 thousand.

In 2020, the Company obtained a loan aimed at the technological modernization of micro-, small-, and medium-sized enterprises for working capital financing from MFB Bank, through the intermediation of MKB Bank. The loan matures on 15 July 2025. The total credit facility amounts to HUF 299,999 thousand. No interest is payable on the loan. The collateral includes a pledge on the receivables of the payment account and a personal surety provided by András Balázs Petre. The portion of the loan due within one year amounts to HUF 49,971 thousand.

In 2020, the Company obtained an investment loan of HUF 269,000 thousand from OTP Bank Plc. for the purchase of the property located at 7630 Pécs, Kocsz utca 110. From this loan facility, HUF 227,003 thousand was utilized. The maturity date of the loan is 30 September 2030. The interest rate was 1.0% until 31 December 2021, and 1.5% from 1 January 2022 onwards, with no handling fees. The loan was disbursed with a guarantee provided by Garantiqua and a personal surety by András Balázs Petre. In addition, a mortgage was registered on the property by the bank. The portion of the loan due within one year amounts to HUF 28,320 thousand.

In addition, the Company has taken out a Széchenyi overdraft facility from OTP Bank Plc. in the amount of HUF 250,000 thousand, maturing on 15 April 2025. The amount due within one year is HUF 226,131 thousand. The facility is backed by a payment guarantee from Garantiqua Hitelgarancia Zrt. and a personal guarantee from Mr. András Balázs Petre. The interest rate is 0.1% per annum.

In 2024, the Company obtained an NHP Hajrá loan from OTP Bank Plc. in the amount of HUF 1,500,000 thousand. The interest rate is BUBOR + 1.5%. The loan is secured by inventory and customer stock. The entire amount is due within one year.

Through the intermediation of CIB Bank Ltd., the Company applied for a HUF 1,000,000 thousand loan facility under the Széchenyi Restart Investment Loan Program for real estate investment purposes. The loan matures on 16 December 2027 and bears an annual interest rate of 0.5%. The loan is secured by a mortgage on real estate, as well as suretyship provided by Garantiqua Credit Guarantee Ltd. and András Balázs Petre. From the facility, HUF 370,156 thousand has been drawn. The portion of the loan due within one year amounts to HUF 162,162 thousand..

In December 2024, the Company received the Széchenyi Liquidity Loan through OTP Bank Plc., offered under the KAVOSZ program as a preferential loan scheme with an annual interest rate of 5%. The loan was used for working capital financing. The loan matures on 29 October 2027. As collateral, the loan is secured by the entire current and future inventory of movable assets recorded under general ledger account 143, including office and administrative equipment and furnishings. The portion of the loan due within one year amounts to HUF 67,059 thousand.

4.6.3 Presentation of current liabilities

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current Year (31.12.2024)
Short-Term Loans	2,058,308	2,055,103
Advances Received from Customers	2,842,782	1,468,564
Trade Payables (Suppliers)	541,277	1,752,468
Short-Term Liabilities to Related Parties	1,808,715	896,750
Other Current Liabilities	181,844	277,689
Total	7,432,926	6,450,574

As of the reporting date of 30 September 2024, the balance of customer advances showed a further increase, primarily attributable to the stimulating effect of the Napenergia Plusz Program (NPP). As a result of this subsidy scheme, the number of orders for solar panel systems rose significantly, leading to an expansion of the financially pre-financed project portfolio.

By the reporting date of 31 December 2024, however, the balance of customer advances showed a decrease, as several projects reached their final implementation phase in the last quarter of the year, and the related final invoicing was completed.

The Company settles its trade payables in a timely manner in all cases.

In 2024, the following amounts were recorded under liabilities to related parties:

- **Energy Investment SE** – Dividend payment obligation: HUF 800,000 thousand; Trade payables: HUF 26,670 thousand
- **Cro Energija d.o.o.** – Trade payables: HUF 7,004 thousand
- **Quantum Power Insurance Agency Ltd.** – Trade payables: HUF 4,000 thousand
- **Hydrogenius Innovation Plc.** – Trade payables: HUF 635 thousand
- **EU-Solar System Romania S.R.L** – Trade payables: HUF 56,516 thousand
- **EU-Solar Ukraine LLC** – Short-term liability to subsidiary: HUF 1,925 thousand

Other current liabilities

Amounts in thousand HUF

Other current liabilities	Previous Year (30.09.2024)	Current Year (31.12.2024)
General sales tax	98,834	163,271
Income clearing account	51,294	45,787
Other liabilities	31,716	68,631
Total	181,844	277,689

4.7 Accruals and deferred income

Amounts in thousand HUF

Description	Previous year (30.09.2024)	Current year (31.12.2024)
Deferred income (passive accruals of revenues)	2,669	2,919
Accrued expenses and costs (passive accruals of expenses)	732,065	1,862,294
Deferred revenues	250	250
Total	734,984	1,865,463

Due to the project-based accounting, accruals have been created on the basis of the degree of completion accounting according to the accounting policy.

Amounts in thousand HUF

Accrued expenses and charges	Previous Year (30.09.2024)	Current Year (31.12.2024)
Subcontractor	4,628	15,269
Operating costs of foreign subsidiaries	245,294	118,316
Project-based accounting	482,143	1,728,709
All in all	732,065	1,862,294

5. Evaluation of the Profit and Loss Account

The Company prepared its income statement using the total cost method. Revenues show a significant increase compared to the results of the comparative period. While the corporate transformation carried out in 2024 distorts comparability to some extent, the growth in revenues is primarily attributable to the delayed ramp-up of the Solar Plus Program, which postponed the fulfillment of the expected order volumes. As a result, a substantial portion of the revenues forecasted for 2024 was realized in the last quarter of the year.

5.1 Distribution of revenues

5.1.1 Net turnover from sales

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current Year (31.12.2024)
Net turnover from sales	2,560,669	3,083,175
Net turnover from export sales	833,546	215,694
All in all	3,394,215	3,298,869

In 2024, the Company's wholesale activity generated revenue of HUF 233,367 thousand, while turnover from retail operations amounted to HUF 3,065,502 thousand.

Breakdown of export sales:

Amounts in thousand HUF

Country by export sales revenue	Previous Year (30.09.2024)		Current year (31.12.2024)	
	Product	Service	Product	Service
Sales within the European Union	698,335	7,451	200,795	13,201
Croatia	173,434	0	57,281	0
Romania	255,489	0	93,704	0
Netherlands	0	7,451	0	13,201
Slovakia	233,854	0	33,121	0
Lithuania	510	0	0	0

Slovenia	35,048	0	16,689	0
Sales outside the European Union	127,760	0	127,760	0
Serbia	0	0	1,216	0
Kosovo	790	0	33	0
Ukraine	126,970	0	0	0
Moldova	0	0	0	0
Bosnia and Herzegovina	0	0	0	0
China	0	0	0	0
Singapore	0	0	0	449
Total	826,095	7,451	202,044	13,650

The breakdown of our import purchases:

Amounts in thousand HUF

Import purchases	Previous Year (30.09.2024)		Current year (31.12.2024)	
	Product	Service	Product	Service
Sourcing within the European Union	5,338,210	229,459	1,217,385	3,228
Sourcing outside the European Union	13,955	30,229	6,852	6,675
Total	5,352,165	259,688	1,224,237	9,903

5.1.2 Breakdown of other revenue

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current year (31.12.2024).
Gain on disposal of intangible and tangible assets	1,162	154
Compensation received	255	3,891
Ex gratia payments	816	80
Use of provisions	29,160	3,215
Reversal of inventory impairment	113,066	28,024
Reversal of impairment on receivables	21,097	36,866
Government grants and subsidies	509	70
Cost of goods sold (carrying amount of inventories)	46,583	0
Retrospective discount	0	80,342
Subsequently Reclaimed Environmental Product Fee	0	155,758
Other income	4,703	89
All in all	217,351	308,428

The Company had no other income from a captive in 2024.

5.2 Breakdown of costs

5.2.1 Development of material costs

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current year (31.12.2024)
Material costs	1,081,150	1,197,196
Services requested	1,053,279	557,805
Other services	54,634	19,386
Acquisition value of goods sold	836,531	185,989
Value of services sold (intermediated)	275,464	339,209
Material expenditure	3,301,058	2,299,585

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current year (31.12.2024)
Material costs	1,081,150	1,197,196
Raw material	1,054,048	1,188,824
Utility charges	7,270	3,944
Fuel	13,441	3,328
Stationery, office supplies, journals	1,023	29
Costs of assets expiring within one year	4,347	15

Cleaning agents, other substances	1,021	1,056
Cost of services used	1,053,279	557,805
Transport, haulage	53,448	42,435
Parking, car services	2,067	407
Garbage collection	237	79
Other services used	29,617	5,079
Rental, hire, leasing charges	86,686	29,324
Maintenance costs	20,208	14,810
Postage	631	280
Telephone costs, internet	7,486	2,078
Education, training costs	5,858	1,138
Accounting, lawyer, other office services	138,369	68,048
Subcontracting fee	367,925	254,415
Occupation health service	733	70
Translation	554	0
Online, Internet services	97,359	46,786
Professional advice	9,244	6,115
Operating costs of foreign subsidiaries	180,147	38,724
Other services	52,711	48,086

Cost of other services	54,634	19,386
Administrative fees, service charges, duties and taxes	1,916	1,979
Financial, investment service fees	30,722	15,112
Insurance premium	21,995	2,295
Acquisition value of goods sold	836,531	185,989
Services sold (supplied)	275,464	339,209

Material costs increased relative to revenue during the reporting period, primarily due to the higher project volume. In parallel, the costs of purchased and other services decreased significantly, indicating improved operational efficiency. The rise in the cost of sold (intermediated) services can be attributed to the intensified installation activities realized in the fourth quarter of 2024.

5.2.2 Evolution of personnel costs

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current year (31.12.2024)
Rental costs	659,237	277,079
Other payments of a personal nature	21,230	13,424
Contributions	108,554	29,909
All in all	789,021	320,412

Development of staff-related expenditure						
	Rental costs		Personal nature other payments		Rent tax	
	30.09.2024	31.12.2024	30.09.2024	31.12.2024	30.09.2024	31.12.2024
Intellectual	634,645	203,873	19,608	5,826	94,985	26,730
Physical	21,785	6,141	1,622	308	2,256	2,013
Other	2,807	67,065	0	7,290	11,313	1,166
Total	659,237	277,079	21,230	13,424	108,554	29,909

Statistical evolution of the number of staff		
Designation (persons)	Previous year (persons) (30.09.2024)	Current year (persons) (31.12.2024.)
Intellectual	90	69
Physical	4	6
Total	94	75

In 2024, wage costs paid to employees amounted to HUF 277,079 thousand. Other personnel-related payments totalled HUF 13,424 thousand. Employer contributions paid on behalf of employees amounted to HUF 29.909 thousand.

An income payment of HUF 9,000 thousand was made to the owner and Chairman of the Board of Directors. Employer contributions related to the Chairman's remuneration amounted to HUF 1,170thousand.

5.2.3 Evolution of Depreciation

Amounts in thousand HUF

Title	Previous year (30.09.2024)	Current year (31.12.2024)
Depreciation of intangible assets	18,258	5,382
Depreciation of real estate	37,513	12,625
Depreciation of machinery, equipment and fittings	100,488	31,190
Összesen	156,259	49,197

5.2.4 Evolution of other expenses

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current year (31.12.2024)
Interest on late payments	1,687	2,922
Non-business costs	13,926	4,161
Self-inspection supplement	9,927	0
Grants awarded	5,206	1,104
Kötbér	12,383	4,768
Compensation	715	3,923
Impairment of stocks	162,211	73,453
Impairment of receivables	49,430	16,932
Other taxes	24,561	5,269
Local taxes	23,714	30,928

Stocks withdrawn from stock	127,986	0
Other expenses	7	0
Provisions	0	2,137
Total	431,753	145,597

The result from operating (business) activities amounted to a loss of HUF 792,506 thousand.

5.3 Result of financial operations

5.3.1 Financial income

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current year (31.12.2024)
Income from financial assets invested	9,495	0
Other interest received	14,576	6,712
Other revenue from financial operations	149,920	68,520
Total	173,991	75,232

Other income from financial operations includes exchange gains on forward foreign exchange contracts.

5.3.1 Financial expenses

Amounts in thousand HUF

Title	Previous Year (30.09.2024)	Current year (31.12.2024)
Interest payable	78,385	34,879
Expenditure on financial fixed assets	0	0

Other charges for financial operations	52,522	5,463
Total	130,907	40,342

As most suppliers issue their invoices in foreign currency, the impact of exchange rate differences on settlements was determined by prevailing market conditions. During the financial year, exchange rates remained relatively stable, and the resulting exchange rate differences were less significant than in the previous year.

As of the reporting date, the Company had no open hedge positions.

The result of financial operations had a positive impact of HUF 34,890 thousand on the Company's profit, primarily due to recognised exchange rate gains and interest income.

The Company's profit before tax amounts to HUF 827,396 thousand.

Tax liability amounts to HUF 27,616 thousand

Corporate tax calculation:

The rules governing the transformation, merger, and division of companies are set out in Act V of 2013 on the Civil Code (hereinafter: the "Civil Code"). Pursuant to Section 3:39 (1) of the Civil Code, in the event of a transformation of a legal person into another form of legal entity, the transforming legal entity ceases to exist, and its rights and obligations are transferred to the legal successor entity as part of a general legal succession.

According to Section 6 (3e), paragraph 3 of Act LXXXI of 1996 on Corporate Tax and Dividend Tax, the legal successor of a member of a corporate tax group will continue to be part of the group tax entity, provided that it meets all conditions for group membership at the time of transformation. In other words, in the case of succession, the successor automatically becomes a member of the tax group, assuming it fulfils the necessary requirements.

Based on the above, the group member has no outstanding corporate tax return obligations arising from the transformation.

EU-Solar SE's profit after tax for the year of 2024 amounts to HUF 799,780 thousand.

6. Events after the balance sheet date

Our Company continuously strives to expand its business activities and diversify its portfolio. In this context, it actively monitors the opportunities offered by the RRF Home Renovation Program (RRF-REP-10.13.1-24), which has a funding framework of HUF 108 billion. A number of preparatory steps have already been taken in relation to the program, laying the groundwork for future sales processes.

The introduction of new, simplified application conditions is having a significant impact on the market, to which our Company is responding by planning the development of its sales network accordingly. When making development and business decisions, particular emphasis is placed on considering changes in the market environment, thereby ensuring sustainable and efficient operations.

According to the regulation published in the *Magyar Közlöny* on 11 March 2025, the Rural Home Renovation Program has been extended to include pensioners, making them eligible to apply for solar panel subsidies. As a result, retired property owners have become one of the Company's key target groups, to whom we offer comprehensive support throughout the entire application process.

Our services include grant consultancy, on-site assessments, system design, and installation. We place particular emphasis on providing pensioner applicants with solutions that are simple, transparent, and financially sustainable.

In the fourth quarter of 2024, further progress was made in the corporate sector, resulting in the conclusion of new contracts with domestic corporate partners. A significant portion of these contracts relate to investments supported by funding under the Common Agricultural Policy (CAP).

However, implementation works associated with the CAP grant can only commence after the issuance of the grant certificates. Therefore, the fulfilment of these contracts is expected to begin in the third quarter of 2025.

As of 1 October 2024, our Company was transformed from a public limited company (Nyrt.) into a European Company (Societas Europaea – SE). During the transformation process, the administrative procedure carried out by the International Development and Funding Coordination Agency (NFFKÜ) took longer than expected, which affected the scheduling of financial disbursements.

As a result, the disbursement of the amounts approved under the Solar Plus Program (NPP) only began in the second half of November 2024. In response, our Company adjusted its financing and project scheduling processes to ensure the uninterrupted implementation of the affected investments.

7. Cash flow statement

Amounts in thousand HUF

Title	Previous year (30.09.2024)	Current year (31.12.2024)
Change in cash from operating activities (Operating Cash Flow)	1,699,019	-574,958
Profit before tax	-1,023,441	827,396
– of which: revaluation of cash	-10,487	-48,437
Adjustments to profit before tax	-10,487	-48,437
Adjusted profit before tax	-1,033,928	778,959
Depreciation and amortisation	156,259	49,197
Impairment / Reversal of impairment	77,478	25,495
Provisioning and utilisation difference	-29,160	-3,215
Gain on disposal of fixed assets	-2,616	-154
Change in trade payables	-481,550	1,211,191
Change in other current liabilities	2,519,618	-1,190,338
Change in accrued liabilities	-346,252	1,130,479

Change in trade receivables	914,844	-895,254
Change in current assets (excluding trade receivables and cash)	1,331,275	-1,033,558
Change in accrued income and prepaid expenses	363,051	-620,144
Taxes paid / payable	0	-27,616
Dividends paid / payable	-1,800,000	0
Net cash flow from investing activities	-11,714	-16,365
Purchase of fixed assets	-21,928	-24,615
Sale of fixed assets	10,214	8,250
Repayment / cancellation / redemption of long-term loans and deposits	0	0
Disbursement of long-term loans and deposits	0	0
Dividends received, proceeds from equity holdings	0	0
Net cash flow from financing activities	-795,748	82,760
Proceeds from share issuance / capital increases	0	0
Proceeds from issuance of bonds or debt securities	0	0

Proceeds from loans and borrowings	1,517,965	190,000
Grants received	0	0
Capital injections (equity raising)	0	0
Repayment of bonds and debt securities	0	0
Loan and credit repayments	-2,313,713	-107,240
Disbursement of funds	0	0
Change in liabilities to founders and other long-term liabilities	0	0
Net change in cash and cash equivalents	861,557	-508,563
Revaluation of foreign currency cash balances	10,487	48,437
Change in cash and cash equivalents per balance sheet	872,044	-460,126

8. Other information

No hazardous waste is generated in the course of the Company's activities.

In 2023, the National Tax and Customs Administration conducted a comprehensive audit of the Company covering the 2021 fiscal year.

Under applicable tax regulations, the tax authority may examine the Company's books and records and impose additional taxes or penalties within six years following the end of the relevant tax year. As of the date of this report, the Company's management is not aware of any circumstances that would give rise to a material tax liability in this regard.

The management of EU-SOLAR Plc. is of the opinion that the Company's liquidity position and overall financial stability are secure and its operations remain sustainable for the foreseeable future.

Pécs, 2025.05.28.

András Balázs Petre
President of the Board of Directors of
EU-Solar SE

EU-SOLAR SE Annual Report

31.12.2024

Table of contents

1. Executive summary

1.1. Business Performance for Q4 2024.

1.2 Outlook for FY 2025

2. About the Company

3. Company Overview

4. Public listing

5. Vision and Mission

6. The role of state support

7. Employment policy

8. Research and development (R&D)

9. Environmental Responsibility

10. Principal Risks and Uncertainties

11. Risk management mechanisms

12. Financial results

12.1. The Company's assets and liabilities

12.2. Efficiency of the Company

1. Executive summary

1.1. Business Performance for Q4 2024

As part of the Napenergia Plusz Program, thousands of Hungarian residents took the opportunity in 2024 to apply for the installation of household-size small-scale power plants (HMKE). This grant scheme provides an exceptional opportunity for private individuals who own residential property, as well as for those holding usufruct rights or lease agreements on such properties.

The program offers non-repayable financial support, enabling applicants to equip their homes with modern, renewable energy systems, thereby significantly reducing the amount of electricity drawn from the grid.

The subsidy not only helps reduce the utility costs of households but also plays an important role in environmental protection. By lowering greenhouse gas emissions, it contributes to the preservation of our natural heritage.

As a result of the program, Hungarian families can live in more modern, energy-efficient homes that meet the sustainability standards of the 21st century.

One of the key objectives of the Napenergia Plusz Program is to continue encouraging the installation of household-size small-scale power plants, even under the gross metering system introduced in January 2024.

The primary aim of the current grant scheme is to promote household-level electricity generation and consumption in line with the principles of gross metering, and to support the spread of energy self-sufficiency. Through this, households can gradually move closer to achieving energy autonomy, thereby reducing their dependence on external energy sources.

The program also offers beneficiaries the opportunity to become familiar with the latest electricity storage technologies and to actively incorporate them into their daily energy usage.

This initiative is closely aligned with national grid development strategies, as the local generation, storage, and consumption of electricity contribute to the creation of a more balanced and stable power grid. In the long term, this supports supply security and enhances the overall reliability of the energy system.

In February 2024, EU-SOLAR concluded more than 2,300 contracts related to the Napenergia Plusz Program, with this number continuing to grow over the following months. As part of the program and in line with our customer-centric approach, we opted for a bank guarantee-based

solution, which simplified the grant application process for clients while also offering them more favorable terms. This decision significantly contributed to higher customer satisfaction and the successful implementation of the program, as we installed the systems for our clients even before the payment of their own financial contribution.

Following extensive consultations with the bank and the International Development and Funding Coordination Agency (NFFKÜ), the final tripartite agreements were signed, and the first advance payments from NFFKÜ were received by mid-August. This enabled the start of installation works, resulting in the successful deployment of 761 solar panel systems with battery storage in the fourth quarter of 2024.

Compared to the year 2023, when 4,122 installations were completed, the number of installations in 2024 declined significantly, with only 641 systems installed during the first three quarters. However, an additional 761 installations were completed in the fourth quarter alone. This trend contributed to a rise in revenue and operating profit after 30 September 2024, thanks to the year-end ramp-up of the Napenergia Plusz Program.

Overall, it can be stated that in the fourth quarter of 2024, our Company successfully addressed the earlier challenges related to the Napenergia Plusz Program, placing particular emphasis on the expansion of installation capacities. As a result, we were able to increase the number of related installations nearly sixfold compared to the first three quarters of the year, accounting for approximately 25% of the total contracted portfolio.

In addition to the Napenergia Plusz Program, a significant portion of our clients were awaiting the terms of the OFP and VOFP grant schemes. As a consequence, many potential cash buyers also opted to participate in the grant programs.

1.2 Outlook for FY 2025

Our Company places strong emphasis on expanding its business activities and diversifying its portfolio. For the 2025 financial year, business growth is planned both horizontally and vertically. As part of this strategy, we are participating in the RRF Home Renovation Program (RRF-REP-10.13.1-24), which has a total funding allocation of HUF 108 billion. Within the framework of the program, our Company is registered as an official contractor, providing services in the fields of window and door replacement, insulation, and heat pump-based heating and domestic hot water system upgrades.

Several preparatory steps have already been taken in connection with the grant, and the launch of our sales network is expected in the first quarter of 2025, following the introduction of the

newly simplified application conditions. Subsequently, we plan to intensify both our marketing activities and the expansion of our potential customer base.

Based on our current market share, we aim to conclude between 2,000 and 3,000 contracts under the program by 31 December 2025. According to the anticipated number of grant approvals, our plans include the execution of 700 to 1,000 installations within the 2025 calendar year, taking into account the timeline of application assessments and the disbursement of supplier advances.

We expect that the implementation of these grant-funded projects will significantly contribute to the growth of total revenue, further strengthening the diversification of the Company's income base.

In addition to the OFP, the Government has introduced the Rural Home Renovation Program by Government Decree No. 389/2024. (XII. 11.) (hereinafter: the Decree), which provides the opportunity for families living in small settlements to access a one-time, non-repayable grant, thereby supporting the improvement of their housing conditions.

The subsidy, financed from the central budget and disbursed through the Hungarian State Treasury (hereinafter: the Treasury), can be claimed for home renovation purposes, provided the conditions set out in the Decree are met. The application period runs from 1 January 2025 until 30 June 2026, and for individuals receiving the pension types explicitly listed in the Decree, eligibility begins on 26 March 2025.

According to the regulation published in the Magyar Közlöny on 11 March 2025, the Rural Home Renovation Program has been extended to include the retired population, making them eligible to apply for solar panel grants as well.

As a result, retired property owners have become one of our Company's primary target groups, for whom we offer comprehensive support throughout the application process. Our services include grant consultancy, on-site assessments, system design, and full implementation. We place particular emphasis on offering pensioner applicants solutions that are simple, transparent, and financially sustainable.

Securing and strengthening a significant market position in the corporate sector represents a key strategic direction for the Company. To this end, we have already concluded numerous contracts with domestic corporate partners, a substantial portion of which relate to investments financed through grant funding.

In the case of contracts linked to the Common Agricultural Policy (CAP) grant scheme, implementation works may only commence after the issuance of the official grant certificates. As a result, the execution of the currently available contracts is expected to begin in the third quarter of 2025.

Revenue generated from the corporate division contributes significantly to the Company's overall revenue growth. For solar installation companies, expanding into the corporate segment holds outstanding strategic importance, as serving business clients offers a number of long-term benefits.

While the residential market typically consists of smaller-scale, individual projects, investments carried out in the corporate sector are generally of a much larger scale. This can lead to substantial increases in revenue and improvements in operational efficiency.

Larger-scale projects provide the Company with opportunities to optimize its resources, organize logistics and installation processes more effectively, and achieve more favorable procurement conditions.

Moreover, corporate clients typically offer longer-term, stable business relationships, which often go beyond one-time installations to include ongoing maintenance, system upgrades, and potential future expansions. This more predictable and structured revenue model can significantly contribute to the Company's financial stability and growth.

In addition, there is a growing emphasis on sustainability and environmentally conscious operations within the corporate sector. For many companies, the adoption of renewable energy sources has become a matter of prestige, further fueling demand for solar energy systems. This ongoing trend creates sustained market demand and offers implementation companies the opportunity to establish themselves as long-term strategic partners.

Securing corporate references further strengthens the Company's market position and credibility, as each successfully completed large-scale project serves as a strong professional endorsement for future clients. Experience and references gained in the corporate segment may open doors to new business opportunities, whether in other industries or on an international scale.

Serving a corporate customer base also supports the diversification of the client portfolio, reducing risks associated with potential fluctuations in the residential market. Corporate partners tend to be more receptive to innovative technological solutions, providing implementation companies with opportunities to introduce new technologies, foster professional development, and gain competitive advantages.

In summary, expanding into the corporate segment not only supports business growth and financial stability, but also enhances the Company's professional reputation, strengthens its innovation capacity, and contributes to its long-term, sustainable operation.

2. About the Company

EU-SOLAR, listed on the Budapest Stock Exchange, is a recognized player in the regional renewable energy market, committed to building a sustainable future.

The Company's core activity and strategic objective is the installation, operation, and servicing of residential solar systems, heat pumps, hybrid systems, battery storage systems, electric vehicle chargers, and small-scale power plants. All these activities are carried out in full compliance with the highest quality standards and with maximum consideration for environmental sustainability.

At the same time, the Company's activities are significantly more complex and comprehensive. EU-SOLAR offers an integrated service package related to photovoltaic and heat pump systems, encompassing full administrative support, project management, implementation, and training. This end-to-end approach ensures the long-term, optimal performance of systems through continuous monitoring and maintenance.

The Company is deeply committed to customer satisfaction, and every element of its services is tailored to meet individual client needs.

EU-SOLAR was established in 2012 and transformed into a private limited company in 2016, followed by its successful listing on the Budapest Stock Exchange in 2022. The Company's statutory audit has been conducted by PwC since 2015, ensuring a decade-long commitment to transparency and reliability. Accounting processes are managed using the SAP system, which guarantees accurate and up-to-date financial reporting.

The Company supports continuous client acquisition through a nationwide sales network, extensive marketing activities, and a proprietary, modern customer relationship management system integrated within its ERP platform. Its national sales and service partner network is

undergoing ongoing expansion and development, ensuring direct and personalized engagement with clients.

EU-SOLAR also maintains a strong in-house IT development and support team, as well as a robust IT infrastructure that effectively supports sales, installation, and customer service operations. Customer interactions are managed within an integrated ERP system, where real-time information is available on current project statuses. Future and prospective business partners benefit from a fully digital, contactless contracting and invoicing process, offering a fast and convenient solution thanks to the application of modern technologies.

The solar panel systems distributed and installed by the Company, as well as its proprietary heat pump systems, are sourced from foreign partners with whom EU-SOLAR maintains strategic supplier relationships. The Company's largest suppliers are Shenzhen Growatt New Energy Co. Ltd. and Fantastic Co. Ltd. from China, for whom EU-SOLAR serves as the exclusive domestic representative—ensuring high product quality and competitive pricing.

Since 2017, the Company has operated as an accredited adult education provider under license number E-001625/2017/B001, and since 2020, under registration number B/2020/000031. The primary objective of this activity is to provide training and continuing education for its own employees and subcontractors, as well as to serve as a market actor delivering professional knowledge to specialists within the sector.

As a result of this training activity, the high quality and professional standard of the Company's services are consistently ensured.

EU-SOLAR is headquartered in Pécs, Hungary. The Pécs office serves as the Company's central hub for customer service, sales, support, grant advisory, and financing management functions, providing a significant competitive advantage. As one of Hungary's largest university towns, Pécs is home to approximately 40,000 students, offering EU-SOLAR exceptional access to a pool of young, well-educated talent. Additionally, the city's proximity to Hungary's southern border presents strategic benefits for regional expansion.

Initially, EU-SOLAR focused exclusively on the Hungarian market. However, in 2016 the Company embarked on international expansion by establishing its first subsidiary in Croatia (Cro Energija D.O.O.), followed by a second subsidiary in Romania in 2021 (EU-Solar System Romania S.R.L.), and launching operations in Ukraine in 2023 through its third subsidiary (EU-Solar Ukraine LLC). EU-SOLAR holds 100% ownership in each of these companies.

The Company's inverter manufacturing partner, Growatt, offers a full product range from 0.75 kW to 1.25 MW. Over the past decades, Growatt has introduced top-quality products with outstanding operational continuity. Its inverters are industry leaders not only in efficiency, but also in warranty conditions and integrated protections against overvoltage and overcurrent. Growatt is a global market leader in the residential inverter segment.

EU-SOLAR also operates its own small-scale power plant and holds licenses for electricity aggregation, energy trading, and electric vehicle charging infrastructure operation.

Environmental awareness and energy efficiency are central to EU-SOLAR's philosophy—not only in the services provided to clients, but also in the Company's day-to-day operations. Reflecting this commitment, EU-SOLAR has implemented multiple quality assurance systems and holds certifications for ISO 9001 (Quality Management), ISO 14001 (Environmental Management), and ISO 50001 (Energy Management), underscoring its dedication to sustainable operations.

The Company's financial reliability and stability are confirmed by its performance in the Bisnode credit rating system, having achieved an 'AA' rating in 2017 and the highest 'AAA' rating in 2020. EU-SOLAR's professional recognition is evidenced by several prestigious awards, including the Business Ethics Award in 2020, consecutive Business Superbrands honors from 2021 through 2024, and both the Excellent Business Brand and Innovative Brand recognitions from MagyarBrands in 2024.

One of the foundations of EU-SOLAR's quality and reliability is its team of highly skilled and dedicated professionals, who are deeply aligned with the Company's mission and values. This commitment to employee satisfaction is reflected in awards such as the Lovable Workplace recognition received over multiple years starting from 2019, and the Family-Friendly Workplace certification.

3. Company Overview

Type of shares:	Ordinary shares
Face value of shares:	HUF 250,000
Number of shares:	1 to 1,000

The following senior officers of the Company are authorised to sign on its behalf:

András Balázs Petre	Chairman of the Board of Directors
	Signing representation: Independent representation
Hortenzia Petréné Kárpáti	Member of the Board of Directors
	Signing representation: Joint representation
Dr. András Petre	Member of the Board of Directors
	Signing representation: Joint representation

Registered office: 7630 Pécs, Kocsz utca 127.

Operational premises: 7630 Pécs, Kocsz utca 110.

Branches of the company: 7800 Siklós, cadastral parcel 06/49. (Small power plant)

3530 Miskolc, Rákóczi Ferenc utca 13.

7636 Cserkút cadastral parcel 099/4 (Logistics centre)

Subsidiaries of the Company:

1. Cro Energija D.O.O.

Registered office: Pobjede 155, 31214 Laslovo, Croatia

Company registration number: HR92691248934

Ownership share: 100%

2. EU-Solar System Romania S.R.L.

Headquarters: Municipiul Oradea, Strada Vasile Alecsandri No. 3, Ap. 12, Judet Bihor, Romania

Unique identifier: 45357454

Ownership share: 100%

3. EU-Solar Ukraine LLC

Registered office: 119 Valeriya Lobanovskiy Street, Office 3, 03039 Kyiv, Ukraine

Ownership share: 100%

4. Public listing

The Company was transformed into a public limited company (Nyrt.) on 22 April 2022 and was subsequently listed on the Budapest Stock Exchange (BSE) Xtend market on 9 May 2022.

EU-SOLAR's stock market debut in 2022 was preceded by thorough and well-structured preparation during 2021. In line with this objective, the Company actively participated in several initiatives within the BSE's suite of services aimed at supporting the capital market entry of mid-sized enterprises.

In 2021, EU-SOLAR joined the ELITE Programme in Hungary—a corporate development training programme introduced by the BSE and based on international best practices. Through this programme, the Company's management acquired essential knowledge in corporate governance and strategic planning, vital for operating as a publicly listed entity. The one-year capital market readiness process was supported by the professional advisory team at PwC.

In parallel with this preparation, EU-SOLAR was featured in the publication BÉT50 – Success Stories of Fifty Hungarian Companies, which showcases high-growth domestic companies, thus increasing the Company's visibility and recognition across the wider business community.

Following its listing on the stock exchange, the Company has been governed by a Board of Directors, which serves as its executive and representative body. The Chair of the Board is elected by the General Meeting from among the board members. The current Chair of the Board is András Balázs Petre. Both the Chair and board member Hortenzia Petréné Kárpáti are also shareholders of the Company, demonstrating their strong commitment to EU-SOLAR's mission and long-term success.

The board members are appointed for a fixed term, serving until 30 September 2030, thereby ensuring strategic continuity in the Company's governance.

Following the listing, a Supervisory Board was established at EU-SOLAR to oversee compliance and safeguard shareholder interests. The Supervisory Board consists of three members, appointed by the General Meeting. Its chair is elected from among its members.

Tamás Rózsás currently serves as Chair of the Supervisory Board, and all board members have been appointed for a fixed term until 30 September 2030.

Members of the Supervisory Board (name, address):	Tünde Ibolya Gadóné Szőke	7633 Pécs, Kőrösi Csoma Sándor utca 2. A building, 1st floor door 1/a
	Tamás Rózsás	2030 Érd, Hanság utca 16.

	Tamás József Véghely	1174 Budapest, Csík utca. 3.
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As of 1 October 2024, EU-SOLAR Plc was transformed from a publicly listed Hungarian company (Nyrt.) into a European Public Limited Company (Societas Europaea – SE). This strategic step enables the Company to carry out its international and cross-border operations within a unified European legal framework.

The transformation is intended to enhance the efficiency of financing international business activities, strengthen the Company's presence in foreign markets, and attract international capital investors. The SE legal form offers a range of long-term competitive advantages that are expected to support the Company's sustainable growth.

Operating as an SE allows the Company to conduct business in multiple EU Member States with simplified administration and without the need to adapt to divergent national legal systems. Broader visibility on capital markets and the potential listing of shares on EU stock exchanges provide improved access to global financial resources, thereby securing the liquidity required for continued expansion.

Additionally, the prestige associated with the SE designation increases the Company's appeal among international business partners and institutional investors. The legal framework also provides organisational flexibility, allowing the Company to adopt either a one-tier or two-tier governance structure, supporting efficient and adaptive corporate management.

5. Vision and Mission

The Company's strategic vision is defined by its commitment to leading the transition from fossil fuels to renewable energy sources, with the goal of establishing a market-leading position in the Central and Eastern European renewable energy sector.

EU-SOLAR sees it as its mission to deliver innovative, environmentally conscious, and forward-looking solutions that help households and businesses reduce their energy costs and dependence, while also minimising their ecological footprint.

As a comprehensive solutions provider, the Company aims not only to create competitive advantages for its clients, but also to empower them toward energy self-sufficiency. At the same

time, EU-SOLAR encourages active participation in building a sustainable and healthy future for the planet and for generations to come.

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6. The role of state support

In recent years, a wide range of grant schemes and preferential loan programs have become available to both residential customers and small and medium-sized enterprises (SMEs), aiming to support the financing of solar energy system installations.

Beginning in 2021, the Government introduced the Home Renovation Subsidy (OFT), which provided non-repayable state support covering 50% of the investment costs for families, including those planning to install solar systems.

Later that year, in the second half of 2021, an additional residential grant program was launched, offering 100% non-repayable state funding for solar panel investments targeted at low-income households. This initiative supported not only the installation of photovoltaic systems but also the electrification of heating systems combined with solar technology (Residential Solar System Support and Heating System Electrification Program – HET).

Launched on 15 January 2024, the Solar Plus Program offered a new opportunity for private individuals who own residential property or hold usufruct rights or lease agreements. The program provides non-repayable support to equip homes with renewable energy systems. Within the framework of this program, the Company concluded more than 2,000 customer contracts.

According to the Company's forecasts, the Rural Home Renovation Program, which is expected to come into force in the spring of 2025, will significantly contribute to the expansion of the contract portfolio. The new program is anticipated to generate substantial demand among residents in rural areas, making energy-efficiency upgrades—including the use of renewable energy—accessible through dedicated subsidy schemes.

The market stimulus triggered by this program is expected not only to boost the Company's contractual volume, but also to contribute to the sustainable development of rural regions, improve energy efficiency, and reduce carbon emissions.

In light of these considerations, the Company views the Rural Home Renovation Program as a strategically significant opportunity, with the potential to positively impact its business operations and market position over the long term.

7. Employment Policy

The Company experienced a slight decrease in headcount during the reporting period, affecting both physical labor roles and, to a greater extent, intellectual positions. In terms of employment policy, EU-SOLAR places strong emphasis on retaining loyal employees with a positive attitude.

In cases where certain functions are discontinued, the Company makes every effort to offer alternative positions to affected employees. EU-SOLAR is committed to forward-thinking human resources practices, promoting equal treatment and respecting professional diversity across the organization.

The Company firmly rejects all forms of discrimination and ensures that opportunities for continuous professional development are available to employees who are open to expanding their knowledge and skills.

8. Research and development (R&D)

The Company holds a registered industrial innovation in the field of e-mobility, representing a tangible result of its innovation efforts. This intellectual property not only strengthens the Company's technological competitiveness, but also contributes to the development of the e-mobility sector, promoting the wider adoption of sustainable transportation solutions.

EU-SOLAR is strongly committed to the continuous development of its digital infrastructure. To this end, the Company allocates significant financial resources each year to the modernisation and expansion of its back-end systems. These improvements encompass the optimisation of the Company's IT architecture, data management platforms, customer relationship systems, and the digitalisation of its service offerings.

The modernisation of back-end systems enables the secure and efficient processing of large volumes of data, ensures the scalability of services, and supports the ongoing improvement of the user experience.

These efforts not only increase the efficiency of internal operations but also enhance the Company's agility in adapting to market trends, help sustain its innovation capacity, and reinforce its long-term competitiveness in the rapidly evolving e-mobility segment.

9. Environmental Responsibility

EU-SOLAR places great importance on ensuring that environmental awareness and energy efficiency are not only reflected in the services provided to customers, but are also fully embedded in the Company's day-to-day operations. This strategic commitment is demonstrated through a wide range of concrete measures and developments.

A significant portion of the Company's vehicle fleet consists of electric vehicles, contributing to the reduction of direct emissions and the wider adoption of sustainable transportation solutions. Since 2017, the Company has operated its own electric vehicle charging station, which supports not only its internal fleet but also provides infrastructure access for partners and clients seeking environmentally friendly mobility options.

Since 2020, EU-SOLAR has maintained carbon-neutral operations, achieved through continuous monitoring of its carbon footprint and the implementation of offsetting measures. A key contributor to this effort is the Company's solar power plant in Siklós, which generates renewable electricity and plays an important role in reducing the Company's overall environmental impact.

Energy efficiency and sustainable production methods were key considerations in the selection of the Company's office equipment. The corporate asset base prioritises environmentally friendly technologies with low energy consumption.

In 2023, EU-SOLAR received an official ESG (Environmental, Social, Governance) rating, recognising the Company's compliance with key environmental, social, and corporate governance standards. While a standalone sustainability report has not yet been published, the Company is committed to issuing regular and transparent updates on its sustainability performance in the future, thereby strengthening transparency and accountability toward partners, clients, and stakeholders.

Together, these measures ensure that EU-SOLAR operates in an exemplary manner with respect to environmental responsibility and energy efficiency, actively contributing to the achievement of broader sustainable development goals.

10. Principal Risks and Uncertainties

Changes in Government Subsidies for Residential Solar Installations

In the 2024 financial year, a significant portion of the Company's revenue continued to originate from the residential segment, where the majority of customers were private individuals contracting for the installation or expansion of rooftop small-scale photovoltaic systems. This market is heavily driven by regulation: investment decisions are primarily influenced by the availability of non-repayable government grants and interest-subsidised loan schemes. Residential demand is highly price-sensitive, meaning that any negative change in the amount, eligibility criteria, or disbursement schedule of subsidies may lead to a disproportionately sharp decline in the number of installations. Suspension, delay, or administrative tightening of grant disbursement may adversely affect the Company's financial performance through several channels.

In response, the Company aims to reduce revenue volatility by lowering its regulatory exposure, thereby improving risk-adjusted returns and maintaining a sustainable growth trajectory in a rapidly evolving energy transition environment.

Grid Connectivity of Residential Solar Systems

The ability to connect the Company's solar systems to the public electricity grid depends on the technical requirements set by grid operators, primarily the Hungarian Transmission System Operator (MAVIR). Any tightening of grid connection requirements or the introduction of costlier technical standards may reduce demand for solar systems, including those marketed by the Company.

Significant changes in permitted system size or technical parameters may also render existing stock—purchased under previous standards—non-compliant and, therefore, unsellable.

To mitigate this risk, the Company is actively involved in several pilot programs focused on energy regulation and active power management to provide potential solutions to grid load challenges.

Risks Related to Customer Default or Insolvency

The Company's customer base is predominantly made up of residential households that finance their purchases primarily through state and EU-funded renewable energy subsidies. However, the disbursement of these subsidies depends on the availability of EU and national budgetary funds. As a result, payments often do not follow the timeline of the customer contract but occur later, after the funds have been transferred to the granting authority. Because many contracts rely on the same funding sources, delays typically affect multiple customers simultaneously. In practice, to ensure customer satisfaction and maintain operational continuity, the Company has completed installations even in cases where reimbursement of subsidies remained uncertain.

Raw Material Procurement Risk

The Company's procurement processes rely on multi-tier supply chains, exposing it not only to the risks of its direct suppliers but also to those of their upstream partners. Most raw materials are imported, primarily from the People's Republic of China. Given current geopolitical tensions, any expansion of sanctions or trade restrictions could significantly increase the Company's supply chain risk exposure.

Foreign Exchange Risk

The Company primarily generates revenue in Hungarian forints (HUF), but a significant proportion of its material expenses are denominated in foreign currencies, mainly euros (EUR) and US dollars (USD).

This cost structure exposes the Company to substantial exchange rate risk, particularly regarding fluctuations between the forint and its major trading currencies. A depreciation of the HUF against the EUR or USD directly increases procurement costs and may adversely affect profitability if such cost increases cannot be fully reflected in selling prices.

Currency volatility is, therefore, a key financial risk factor that also impacts the predictability of future performance. Accordingly, the Company places strong emphasis on monitoring and managing exchange rate exposure and applying risk mitigation tools to maintain financial stability.

Warranty Obligations

The products sold by the Company are covered primarily by manufacturers' warranties, and secondarily by distributors and installers. Warranty administration is fully supported by EU-SOLAR in Hungarian. In some cases, warranty rights and obligations assumed by subcontractors are transferred to the Company's customers.

The potential insolvency or closure of subcontractors before the end of the warranty period poses a risk to the Company's ability to honour transferred obligations.

As an importer of solar panels into Hungary and the European Economic Area (EEA), the Company is legally regarded as a manufacturer under product liability regulations, thus also bearing the risk of liability for claims. While the Company may seek recourse from the original manufacturer, such recovery is not guaranteed and may incur significant legal and administrative costs, especially due to the international context.

Risk of Investigations by the Hungarian Competition Authority (GVH)

In 2022, the Hungarian Competition Authority launched an investigation in response to complaints concerning the HET Program (Support for Residential Solar Systems and Electrification of Heating). The investigation challenged the accuracy and completeness of the Company's communications, as well as certain elements of the customer experience—such as technical assessments, support package pricing, and cost disclosures in the contractor agreement.

On 8 March 2024, the Authority concluded the procedure without establishing any infringement, but issued a resolution requiring EU-SOLAR to implement internal procedures to prevent potential future breaches. The Company was also required to offer its "Remote Monitoring" maintenance service package free of charge for three years to all affected customers whose projects began with EU-SOLAR as the initial contractor.

Although the case was closed without penalty, future complaints—whether justified or not—may lead to new investigations. These carry significant uncertainty due to their subjective nature and may consume considerable Company resources.

It is worth noting that the maximum potential fine for a competition law breach is 10% of the Company's net turnover in the previous year. However, since no fine was imposed, the likelihood of such a penalty is considered extremely low.

11. Risk management mechanisms

The Company operates an integrated management system that complies with the ISO 9001 (Quality Management), ISO 14001 (Environmental Management), and ISO 50001 (Energy Management) standards. These systems incorporate embedded environmental risk controls into operational processes. In parallel, the Company is developing a dedicated, enterprise-level risk management framework aimed at enhancing governance and operational resilience.

Risk mitigation measures are implemented through control activities integrated into key processes, as documented in the Company's process governance documentation. A dedicated compliance unit is in place to ensure legal and regulatory compliance, systematically identify, address, and prevent internal misconduct, and support the enforcement of ethical business practices.

The Company has adopted a Code of Ethics, which is accessible to all employees and outlines the principles and expectations regarding ethical conduct across the organization.

In the area of risk management, senior management monitors and responds to potential risks based on feedback from relevant departments. Where necessary, the Board of Directors is involved in strategic decision-making related to risk responses.

Currently, the Company operates risk management through partially formal mechanisms. However, these will be replaced with a comprehensive, enterprise-wide risk management framework that will allow for the structured, systematised, cyclical, and documented identification, assessment, and mitigation of risks, maintained in a formal risk register.

In addition, the Company is preparing to establish an internal audit function. The development of the required internal regulations and methodological frameworks is underway, with the goal of supporting transparent and effective oversight across the business.

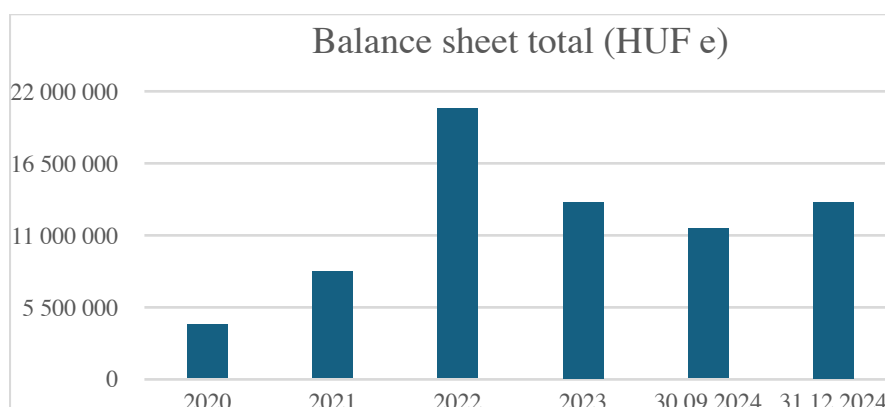
Demonstrating its commitment to sustainable, transparent, and accountable operations, in 2023 the Company voluntarily submitted its processes for review based on Environmental, Social, and Governance (ESG) criteria.

12. Financial results

12.1. The Company's assets and liabilities

Title	2020	2021	2022	2023	30.09.2024	31.12.2024
Fixed assets (HUF thousand)	813.397	1.182.181	1.979.327	2.431.094	2.269.604	2.239.704
Inventories (HUF thousand)	853.535	2.652.822	6.055.124	5.130.314	3.565.978	4.774.899
Receivables (HUF thousand)	734.061	768.441	2.445.450	2.921.365	2.142.707	2.838.103

Cash and cash equivalents (HUF thousand)	1.760.839	3.214.537	7.359.742	617.575	1.489.619	1.029.493
Equity (HUF thousand)	1.873.531	3.470.447	6.003.832	5.831.156	3.007.715	4.807.495
Loans (Long- and Short-term) (HUF thousand)	1.264.263	2.895.767	2.413.088	3.143.421	2.347.673	2.430.433
Short-Term Loans (HUF thousand)	732.881	580.407	341.622	2.652.618	2.058.308	2.055.103
Trade Payables and Customer Advances (HUF thousands)	805.968	1.212.803	11.081.026	3.171.616	3.384.059	3.221.032
Balance Sheet Total (HUF thousands)	4.230.913	8.237.277	20.768.761	13.450.461	11.493.928	13.524.585



Driven by the continuous expansion of its business operations, the Company's total assets have shown significant growth over the past four years, rising from HUF 4.2 billion to HUF 13.5 billion by 31 December 2024.

On the asset side, property, plant and equipment (PPE) increased substantially from HUF 813 million in 2020 to HUF 2.2 billion in 2024. This growth is primarily attributable to the development and expansion of the Company's central site in Pécs. In 2020, the Company modernised its 690 m² headquarters at 127 Kocsz Street and acquired the adjacent 3,200 m² property at 110 Kocsz Street to support logistics and office expansion. Renovation of the latter property commenced in 2021 and is ongoing as of the reporting date. The real estate portfolio was further expanded with

the acquisition of a warehouse in Cserkút in 2022 and the purchase of the property at 55 Rákóczi Street, Pécs in March 2023.

Inventory volumes increased significantly in recent years in line with business expansion; however, the value of inventories declined markedly in 2024. During the year, the Company implemented targeted inventory optimisation and efficient supply chain strategies aimed at rationalising stock structures and minimising capital expenditures.

Real estate acquisitions and inventory expansion were financed primarily through subsidised bank loans. The loan portfolio rose from HUF 1.3 billion in 2020 to HUF 3.1 billion in 2023, before decreasing to HUF 2.4 billion as of 31 December 2024.

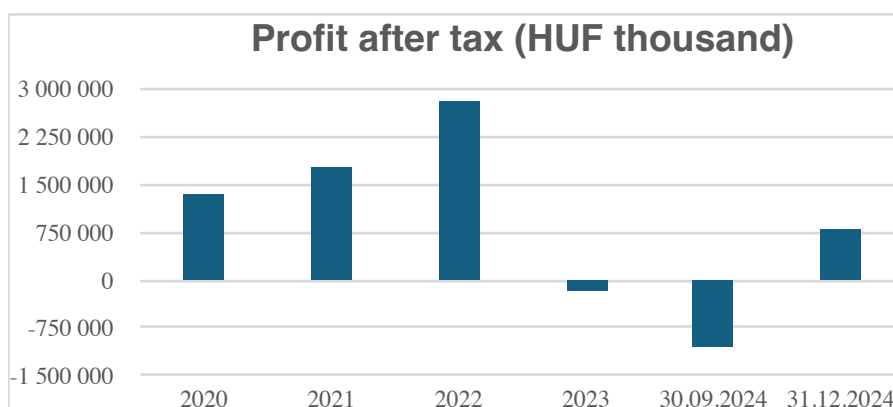
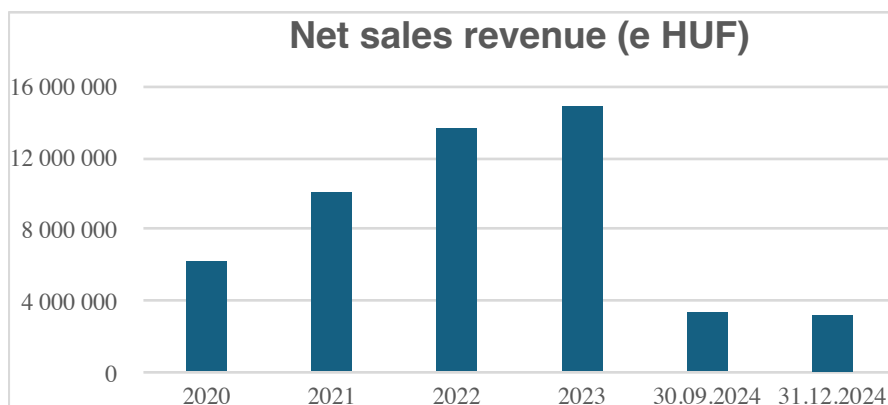
Since its establishment in 2012, the Company has consistently operated profitably. However, based on the financial statements as of 30 September 2024, the Company reported a loss for the first time, attributable to short-term operational challenges and market volatility. Nevertheless, the robust contract portfolio and favourable business outlook provide a solid foundation for a return to profitability in the coming years. The Company's long-term strategic positioning and growth potential support the sustainable restoration of profitability.

The Company's equity has grown significantly over the years as a result of profitable operations, increasing from HUF 1.9 billion in 2020 to HUF 6.5 billion in 2023. As of 30 September 2024, equity decreased to HUF 3.0 billion, before recovering to HUF 4.8 billion by 31 December 2024. The fourth-quarter profit and the cancellation of a HUF 1 billion dividend payment obligation—resulting in a reduction of liabilities to the parent company—were key contributors to this improvement.

12.2. Performance of the Company

Title	2020	2021	2022	2023	30.09.2024	31.12.2024
Net sales revenue (HUF thousand)	6.176.248	10.087.787	13.624.717	14.766.784	3.394.215	3.298.869

Material expenses (HUF thousand)	4.237.700	6.901.449	10.992.609	12.397.842	3.301.058	2.299.585
Personal expenses (HUF thousand)	398.559	570.416	729.987	1.180.776	789.021	320.412
Operating Profit/Loss (HUF thousand)	1.330.011	1.800.460	1.564.667	788.684	-1.066.525	792.506
Profit/Loss after tax (HUF thousand)	1.319.053	1.773.915	2.794.042	-172.676	-1.023.441	799.780



The Company's revenue has shown dynamic growth in recent years: a 115% increase in 2020, 63% in 2021, 35% in 2022, and 7% in 2023, resulting in total revenues exceeding HUF 14.6 billion in 2023. However, the first three quarters of 2024 saw a significant decline in revenue, mainly due to the structural characteristics of the Napenergia Plusz grant programme and

operational difficulties related to supplier and installer capacities. As anticipated, revenue increased substantially in the fourth quarter of 2024. This improvement was driven by two key factors: the implementation schedule of grant-funded projects was predominantly concentrated in the final months of the year, and the easing of capacity constraints enabled a higher number of installations to be completed.

Based on the existing contract portfolio and favourable business outlook, the Company sees a solid foundation for stable operations in the coming years. With its long-term strategic positioning and favourable market opportunities, the Company anticipates a return to growth rates comparable to those of previous years.

As the Company focuses on the domestic installation of solar panels and inverters manufactured abroad, with subcontractors carrying out the installations, the majority of its expenses are recognised as material-type costs. These include raw material costs, purchased services, cost of goods sold (COGS), and resold services. Commissions paid to sales agents are reported under purchased services, while payments to subcontractors are recorded as resold services.

The Company's overall outlook remains positive, supported by its current financial position, steadily expanding operations, and consistent financial management. Liquidity is ensured in both the short and long term.

Taken together, the Company's financial and operational stability provides a strong foundation for future growth, the further strengthening of its market position, and long-term, sustainable business operations.

Pécs, 28 May 2025.

András Balázs Petre
Chairman of the Board of Directors
EU-SOLAR SE