

# **EU-SOLAR SE Annual Report 31 December 2025**

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## 1. Management summary

### 1.1. Business performance in 2025

Under the Solar Energy Plus Programme, several thousand Hungarian residents again took the opportunity in 2025 to submit applications for the installation of small-scale domestic power plants (HMKE). This grant scheme provides an exceptional opportunity for all private individuals who own their own residential property, as well as those who hold a right of usufruct or a lease agreement for the property in question. Under the programme, applicants can apply for a non-repayable grant, which enables them to equip their homes with modern, renewable energy sources, thereby significantly reducing the amount of electricity purchased from the grid.

The grant not only helps to reduce households' utility bills but also plays an important role in environmental protection, as it contributes to the preservation of our natural heritage by reducing greenhouse gas emissions. As a result of the programme, Hungarian families can live in more modern, energy-efficient homes that meet the sustainability requirements of the 21st century.

One of the key objectives of the Solar Energy Plus Programme is to continue encouraging the installation of small-scale domestic power plants, even alongside the gross settlement system for solar panels introduced in January 2024. The primary aim of the current call for proposals is, in line with the logic of gross settlement, to promote the generation and consumption, as well as to support the spread of energy self-sufficiency. Through this, households can gradually move closer to achieving self-sufficiency, thereby reducing their vulnerability to external energy sources.

Beneficiaries of the scheme will also have the opportunity to familiarise themselves with state-of-the-art electricity storage technologies and actively apply them in their day-to-day energy use. The programme is also closely aligned with domestic grid development strategies, as energy generated, stored and consumed locally contributes to the creation of a more balanced and stable electricity grid, which guarantees security of supply and system reliability in the long term.

In the 2024 financial year, EU-SOLAR signed more than 2,300 contracts under the Solar Energy Plus Programme. As part of the programme, and in line with our customer-centric approach, we opted for the bank guarantee-based option, which simplified the application process

for customers, whilst also securing more favourable terms for them. This step contributed significantly to increasing customer satisfaction and the successful implementation of the programme, as we installed – and continue to install – the systems for our customers before they make their own contribution.

In addition to the Solar Energy Plus Programme, some of our customers opted for the VOFP grant scheme, which led our potential cash-paying customers to also decide to participate in the scheme.

## 1.2. Business outlook for 2026

Our company places particular emphasis on expanding its business activities and diversifying its portfolio. Business expansion is planned in both horizontal and vertical directions for the 2026 financial year. As a result, our company is participating in the Home Energy Storage Programme (OETP), which was launched on 15 January 2026, with the online application portal opening on 2 February 2026. The **Home Energy Storage Programme** presents a significant strategic growth opportunity for EU-Solar SE. The state subsidy, with a budget of 100 billion forints, will cause a surge in residential demand for complex energy storage systems. This market upturn directly supports the dynamic growth of the company's sales volume and revenue. The OETP's main target group – households no longer subject to net metering – coincides exactly with the company's existing and potential customer base.

The programme aligns perfectly with the company's long-term objectives and facilitates the expansion of its in-house heat pump and battery product portfolio. The company's extensive nationwide network of sales and service partners provides an immediate competitive advantage and direct market access during installation projects. The company's strong in-house IT development team and ERP system guarantee the seamless handling of large-scale customer demands and administrative tasks. Structured services designed to facilitate pre-registration increase the number of successful tenders and enhance customer retention. Through these successful projects, EU-SOLAR SE can further strengthen its innovative and dominant position in the domestic green energy market. Overall, participation in the OETP results in sustainable profit growth and stable, long-term business operations during the reporting period.

A key strategic priority for the company is to acquire and consolidate a significant market position in the corporate sector. To this end, our company has already concluded numerous contracts with domestic corporate partners, a significant proportion of which relate to investments funded by grant schemes. In the case of contracts linked to CAP tenders, construction work may only commence once the grant documents have been issued.

The **Common Agricultural Policy (CAP)** funding aimed at the green transition opens up a new, capital-intensive B2B market segment for EU-Solar SE within the agricultural sector. Energy efficiency and sustainability improvements in agricultural businesses – particularly agricultural solar panel and storage systems – are generating a surge in demand for the company's industrial-scale services. Non-repayable CAP grants of up to 70 per cent for renewable energy investments significantly reduce customers' payback periods, thereby accelerating the company's sales cycles. The company's stable balance sheet and extensive design and construction capacity enable it to professionally deliver large-scale, complex agricultural projects. This diversification effectively increases the company's market share, whilst offsetting any seasonal or regulatory fluctuations in the residential sector.

Revenue from the corporate division contributes significantly to the company's turnover growth. For solar panel installation companies, expanding into the corporate segment is of outstanding strategic importance, as serving a corporate client base offers numerous long-term benefits. Whilst the residential market primarily consists of smaller-scale, bespoke projects, the scale of investments in the corporate sector is considerably larger, which can lead to significant revenue growth and improved operational efficiency. Larger-scale projects provide the company with the opportunity to optimise its resources, organise its logistics and construction processes more efficiently, and secure more favourable procurement terms.

Furthermore, corporate clients typically provide longer-term, stable business relationships, during which they require not only one-off construction work but also regular maintenance, development and even further expansions. This more predictable and plannable revenue structure can contribute significantly to the business's financial stability and growth. Moreover, commitment to sustainability and environmentally conscious operations is becoming increasingly important in the corporate sector, so the use of renewable energy sources can also be a matter of prestige for companies. This trend generates sustained demand for

solar panel systems and creates opportunities for installation companies to become long-term partners.

Securing corporate references further strengthens a company's market position and credibility, as each successfully completed major project can serve as a strong professional endorsement for future clients. The experience and references gained in the corporate sector can pave the way for new business opportunities, whether in other industries or at an international level. Serving a corporate client base also contributes to the diversification of the client portfolio, which reduces the risks arising from potential fluctuations in the residential market. Corporate partners are often more open to innovative technological solutions, thus providing the contractor with opportunities to introduce new technologies, develop professionally and gain a competitive edge over rivals.

Overall, therefore, expanding into the corporate sector can not only lead to business growth and stability, but can also contribute to enhancing the company's professional prestige, strengthening its capacity for innovation, and ensuring its long-term, sustainable operation.

## 2. Introduction to EU-SOLAR SE

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

The company's main area of activity and strategic objective is the installation, operation and servicing of residential solar panel systems, heat pumps, hybrid systems, electric battery systems, electric vehicle chargers and small-scale power stations. All of these activities are carried out in accordance with the highest quality standards, whilst taking environmental considerations into account to the greatest extent possible.

However, the Company's activities are far more complex and comprehensive than this. EU-SOLAR offers a comprehensive service package covering all aspects of photovoltaic and heat pump systems, including administration, project management, installation and training, which ensures the long-term, optimal operation of the systems through continuous monitoring and maintenance. The company is committed to customer satisfaction, which is why every aspect of its services is tailored to individual needs.

EU-SOLAR was founded in 2012 and was subsequently incorporated as a private limited company in 2016, followed by a successful listing on the Budapest Stock Exchange in 2022. PwC has been carrying out the Company's audit work for a decade now, since 2015

, which serves as a guarantee of the company's transparency and reliability. Accounting processes are carried out using the SAP system, ensuring accurate and up-to-date financial information.

The Company supports the continuity of customer acquisition through a nationwide sales network, extensive marketing activities, and a modern, in-house developed customer relationship management system (ERP system). The nationwide network of sales and service partners is undergoing continuous growth and development, ensuring direct and personalised contact between customers and the Company.

The Company has a strong in-house team of IT developers and support staff, as well as a substantial IT infrastructure, which effectively supports sales, installation and customer service functions. Customer management takes place within an integrated ERP system, where up-to-date information on current business processes is available. Prospective and potential business partners are offered contactless contract signing and invoicing, which, thanks to the use of modern technology, provides a fast and convenient solution.

The Company sources the solar panel systems it installs and distributes, as well as its own in-house designed heat pump systems, from its overseas partners with whom it maintains strategic supplier relationships. The Company's largest suppliers are the Chinese firms Shenzhen Growatt New Energy Co. Ltd. and Fantastic Co. Ltd., for which it also acts as the exclusive domestic representative, ensuring the high quality and competitive pricing of the products.

Since 2017, the Company has held an adult education licence (E-001625/2017/B001), and from 2020 onwards as a registered adult education provider under number B/2020/000031, the main aim of which is to provide training and further training for its own employees and subcontractors, as well as to impart professional knowledge to specialists in the sector in its capacity as a market player. As a result of these activities, a high standard and quality of services is ensured.

The Company is headquartered in Pécs; the Pécs headquarters handles the Company's customer service, sales, support, client tender and finance management functions, which provides a significant competitive advantage. It is well known that Pécs is one of Hungary's largest university cities, with around 40,000 students, making access to a fresh, skilled workforce exceptionally favourable for the Company. Furthermore, the proximity to the southern border is also advantageous for the Company's growth, enabling regional expansion.

In the past, EU-SOLAR's activities were concentrated exclusively within Hungary; however, in 2016, the Company began its international expansion and established its first subsidiary in Croatia (Cro Energija D.O.O.), in 2021, a second subsidiary was established in Romania (EU-Solar System Romania S.R.L.), and in 2023,

our third subsidiary in Ukraine (EU-Solar Ukraine LLC) commenced operations. The Company holds a 100% stake in each of these companies.

The Company's inverter manufacturing partner offers a full range of products, from 0.75 kW to 1.25 MW. Over the past decades, Growatt has introduced top-quality products that have demonstrated outstanding operational reliability; these are currently regarded as leading the inverter market not only in terms of efficiency but also in terms of warranty conditions and built-in, advanced overvoltage and overcurrent protection. Growatt is the world leader in the residential market segment.

The Company also operates its own small-scale power plant and holds licences for aggregator services, energy trading and the operation of vehicle charging stations.

EU-SOLAR attaches particular importance to ensuring that an environmentally conscious and energy-efficient approach is fully reflected not only in the services it provides to its customers but also in the company's day-to-day operations. In line with this commitment, the company has introduced several quality assurance systems, and has obtained ISO 9001 Quality Management, ISO 14001 Environmental Management and ISO 50001 Energy Management System certifications, which serve to demonstrate its commitment to sustainable operations.

The company's financial reliability and stability are also underpinned by its results in the Bisnode rating system: in 2017 it was awarded an 'AA' rating, followed by the highest possible rating, 'AAA', in 2020.

EU-SOLAR's professional recognition is also marked by numerous prestigious awards, including the Business Ethics Award won in 2020, as well as the Business Superbrands award, which it has now received for several consecutive years since 2021 (2021, 2022, 2023, 2024, 2025).

One of the keys to quality and reliability is that our staff are well-trained and committed to our Company's objectives and mission statement. Proof of the success of our efforts in this regard is the 'Loved Workplace' award, which we have won for several years since 2019, and our 'Family-Friendly Workplace' certification.

### 3. Company information

Type of shares:	ordinary shares
Nominal value of shares:	250,000 HUF
Share numbers:	1–1,000

The company's executive officers authorised to sign on its behalf:

András Balázs Petre	Chairman of the Board
	Method of representation:
independently Hortenzia Petréné Kárpáti	Member of the Board
	Method of representation: jointly
Dr András Petre	Member of the Board
	Method of representation: joint

Registered office of the company: 7630 Pécs, Kocsz u  
127. The company's business premises: 7630 Pécs,  
Kocsz u 110.

The company's branches: 7800 Siklós, plot no. 06/49. (Small power station)  
7636 Cserkút, plot no. 099/4 (Logistics centre)

#### The company's subsidiaries:

**Cro Energija D.O.O.** (registered office: Beli Manastir, Kralja Tomislava 3, HR – Croatia, company registration number: HR92691248934)

The Company's shareholding: 100%.

**EU-Solar System Romania S.R.L.** (registered office: Municipiul Oradea, Strada VASILE ALECSANDRI, No. 3, Ap. 12, Judet Bihor, unique identifier: 45357454)

The Company's shareholding: 100%.

**EU-Solar Ukraine LLC** (registered office: Ukraine, 03039 Kyiv, 119 Valeriya Lobanovskyi Avenue, Office 3)

The Company's shareholding: 100%.

#### 4. Listing

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

EU-SOLAR's planned stock market listing in 2022 was preceded by thorough and well-considered preparations in 2021. With this objective in mind, the Company actively participated in numerous initiatives within the Budapest Stock Exchange's (BÉT) range of services designed to support the stock market listings of medium-sized companies.

In 2021, EU-SOLAR Hungary joined the ELITE Programme, an international corporate development training scheme established by the BSE, through which the company's management acquired the corporate governance and strategic planning knowledge essential for operating as a publicly listed company. The one-year programme, designed to prepare the company for listing, was delivered by experts from PwC.

In parallel with the training, the Company was also featured in the publication 'BÉT50 – The Success Stories of Fifty Hungarian Companies', which highlights dynamically growing medium-sized Hungarian companies, thereby raising wider awareness of its activities and achievements.

Following its listing on the stock exchange, the Board of Directors became the Company's representative and executive body.

The Chairman of the Board of Directors is elected by the General Meeting from among the members of the Board. The Chairman of the Board of Directors is András Balázs Petre. The Chairman of the Board of Directors and Board member Hortenzia Petréné Kárpáti are also shareholders of the Company, which demonstrates their commitment to the company.

The terms of office of the Board members are for a fixed period, until 30 September 2030, ensuring continuity in long-term strategic management.

Following its listing on the stock exchange, the Company has established a Supervisory Board, which is responsible for overseeing the proper conduct of the company's operations and ensuring that shareholders' interests are safeguarded. The Supervisory Board consists of three members, who are elected by the General Meeting. The Supervisory Board elects its Chair from among its own members.

Tamás Rózsás holds the office of Chair of the Supervisory Board, whilst the terms of office of the other members are for a fixed period, ending on 30 September 2030.

Members of the Supervisory Board (name, address):	Tamás Rózsás	16 Hanság Street, Érd 2030
	Dr Péter Hausmann	10B József Street, Pécs 7621
	Tamás József Véghely	3 Csík Street, 1174 Budapest

With effect from 1 October 2024, EU-SOLAR Nyrt. was converted from a public limited company (Nyrt.) into a public European company (SE), a move which enables the company to conduct its international and cross-border activities within a unified European legal framework. The aims of the conversion include, amongst other things, financing the company's international business activities more efficiently, strengthening its presence in foreign markets, and attracting international

capital investors. The advantages of the European Company (SE) structure contribute significantly to the company's long-term competitiveness. This uniform legal form enables the company to operate seamlessly across several EU Member States with simplified administration, without having to adapt to differing national laws. Through a broader presence on capital markets and the listing of its shares on EU stock exchanges, the company can more easily access global capital market resources, thereby securing the liquidity required for further growth. Furthermore, the high prestige associated with the SE form enhances the company's appeal to international business partners and investors, whilst enabling the establishment of a flexible organisational structure, for example through the adoption of a single-tier or two-tier governance system.

## 5. The Company's vision and mission

The Company's vision is defined by its ambition to take a leading position in the Central and Eastern European renewable energy sector by being at the forefront of the transition from fossil fuels to renewable energy sources. It sees its mission as helping households and businesses to reduce their energy costs and dependence, as well as minimising their ecological footprint, through innovative, environmentally conscious and pioneering solutions.

As a provider of comprehensive solutions, the Company strives not only to give its customers a competitive edge, but also to empower them to become self-sufficient, whilst encouraging them to play an active role in creating a sustainable, healthy future for our planet and for future generations.

## 6. The role of state support

In recent years, a number of grant schemes and preferential loan schemes have become available to both the general public and the SME sector, aimed at financing the installation of solar panel systems.

From 2021, the Home Renovation Grant (OFT), announced by the government, became available to families, providing a 50 per cent non-repayable state grant to, amongst others, families planning to install solar panel systems.

From the second half of 2021, the government announced a further grant scheme for the general public, which now offered a 100 per cent non-repayable state grant for solar panel investments for

low-income households (Support for Residential Solar Panel Systems and the Electrification of Heating Systems Combined with Solar Panel Systems – HET).

The Solar Energy Plus Programme, launched on 15 January 2024, offers a further opportunity for private individuals who own their own residential property, or who hold a right of usufruct or a lease agreement, to equip their residential buildings with renewable energy sources using non-repayable funding. Under the programme, the Company has been able to conclude more than 2,000 customer contracts.

According to the Company's forecast, the Rural Home Renovation Programme, due to come into force in spring 2025, could contribute significantly to the expansion of its contract portfolio. The new programme is expected to generate a substantial increase in demand among the population living in rural areas, for whom the subsidy schemes will make it possible to modernise their homes to improve energy efficiency, with particular emphasis on the use of renewable energy sources. The market upturn driven by the programme may not only lead to an expansion of the company's contract portfolio but may also contribute to the sustainable development of rural regions, improved energy efficiency and a reduction in carbon dioxide emissions. On this basis, the Company regards the Rural Home Renovation Programme as an opportunity of strategic importance, which could have a positive impact on its business activities and market position in the long term.

The Home Energy Storage Programme (OETP) call for applications was announced on 15 January 2026, and the online application portal went live on 2 February 2026 offering residential customers a non-repayable grant of 2,500.00 Ft towards energy storage systems, the expansion of existing solar panel systems, and the replacement of batteries and inverters.

To date, more than 11,000 customers have chosen EU-Solar SE as their contractor under this scheme.

Under the Common Agricultural Policy (CAP) strategic plan, Hungary is managing a budget of 5,377 billion forints, according to information from the Government Tender Portal. Under the CAP, business grants support the modernisation of food industry and processing plants, agricultural investments and sustainable rural development. Hungary's CAP Strategic Plan, running until 2027, operates with a huge budget. Significant sums from this fund are allocated to businesses, including solar panel companies.

Basic CAP investments (e.g. farm development) generally receive 50% funding, but the proportion allocated to renewable energy and energy efficiency can reach up to **70%** in the form of **non-repayable grants**; as a result, our Corporate division provides

comprehensive information on the opportunities offered by the grant scheme.

## 7. Employment policy

The organisation's headcount is stagnating: the company employs a small number of manual workers and, to a greater extent, staff engaged in intellectual work. In its employment policy, EU-SOLAR strives to retain loyal colleagues with a positive attitude. Should a particular role be made redundant, the Company endeavours to offer new positions to the affected employees. The Company thinks and operates with a forward-looking approach, striving for equal treatment of employees and professional diversity. The Company rejects discrimination of any kind. Opportunities for continuous professional development are provided for colleagues who are open to this.

## 8. Research and Experimental Development

The Company holds a registered industrial innovation in the field of e-mobility, which is a tangible result of its innovation activities. This intellectual property not only strengthens the company's technological competitiveness but also contributes to the development of the electromobility sector, promoting the widespread adoption of sustainable transport solutions.

The Company is committed to the continuous development of its digital infrastructure; to this end, it allocates significant financial resources each year to the modernisation and expansion of its back-end systems. These developments include the optimisation of the company's IT architecture, data management and customer relationship systems, as well as the digitisation of its services. The modernisation of back-end systems enables the secure and efficient processing of large volumes of data, the scalability of services, and the continuous improvement of the user experience.

These efforts by the Company not only increase the efficiency of internal operations but also contribute to market adaptability, the maintenance of innovation potential, and the strengthening of long-term competitiveness within the dynamically developing e-mobility sector.

## 9. Environmental Protection

The Company attaches particular importance to ensuring that an environmentally conscious and energy-efficient approach is reflected not only in the services provided to customers but also in the company's

is fully reflected in its day-to-day operations. This strategic commitment is also evident in a number of specific measures and developments.

A significant proportion of the company's vehicle fleet consists of electric vehicles, the use of which contributes to reducing direct emissions and promoting the uptake of sustainable transport solutions. The company has been operating an electric charging station since 2017, making the infrastructure for environmentally friendly mobility available not only to its own vehicle fleet but also to partners and customers.

EU-SOLAR has been operating on a carbon-neutral basis since 2020, which it achieves through the continuous monitoring of the company's carbon dioxide emissions and through offsetting measures designed to neutralise these emissions. The solar farm operated in Siklós also contributes to achieving carbon neutrality; it generates electricity from renewable energy sources, thereby reducing the company's ecological footprint.

When selecting office equipment, the Company prioritised energy efficiency and sustainable manufacturing technology; consequently, low-energy, environmentally friendly technologies were favoured when equipping its premises.

The company's commitment to sustainability is also evidenced by the ESG (Environmental, Social, Governance) certification it received in 2023, which comprehensively assesses compliance with environmental, social and corporate governance criteria. However, the company has not yet produced a standalone sustainability report. In future, however, we have set ourselves the goal of providing regular and transparent information on our sustainability performance to our partners, customers and other stakeholders, thereby further strengthening transparency and accountability.

Taken together, these measures ensure that the Company's operations exemplify environmentally conscious and energy-efficient corporate behaviour, thereby contributing to the achievement of sustainable development goals.

## 10. Key risks

### **Changes to government subsidies for residential solar panel purchases**

During the 2025 financial year, the residential segment continued to account for a significant proportion of the Company's turnover: the overwhelming majority of its customer base consisted of private individuals who had entered into contracts for the installation or expansion of small-scale, roof-mounted solar panel systems

. However, the demand side of this market is heavily regulation-driven: investment decisions are primarily driven by available – typically non-repayable – government grants and interest-subsidised loan schemes. Price elasticity of household demand is particularly high, meaning that any negative change in the volume, eligibility criteria or disbursement schedule of subsidies could lead to a disproportionate decline in the number of solar panel installations.

Consequently, the suspension, delay or administrative tightening of subsidy payments could have an adverse effect on the Company's financial performance through several channels.

In light of the above, the Company aims to reduce revenue volatility by mitigating its regulatory exposure, improve its risk-adjusted return, and remain on a sustainable long-term growth trajectory within the rapidly changing environment of the energy transition.

### **Connectability of residential solar panel systems to the public electricity grid**

The grid connectivity of the solar panel systems distributed by the Company depends on the requirements set by grid operators and, primarily, by the Hungarian Electricity Transmission System Operator Ltd. (hereinafter: MAVIR). The tightening of grid connection requirements, or the introduction of new regulations necessitating more costly installation, may lead to a decline in demand for solar panel systems, including those distributed by the Company. Furthermore, in the event of significant changes to the requirements regarding the size and other technical parameters of systems to be installed or that can be installed, the solar panels and other components purchased by the Company may not comply with the new, amended requirements and, as a result, may become unsaleable.

To address this, the Company is participating in several 'pilot' schemes, which aim to provide solutions to the issue of grid load by regulating and actively managing the energy generated.

### **Risks arising from customer default or insolvency**

The vast majority of the company's customers are in the residential segment. These households make their purchases from the company largely to support the use of renewable energy

or by state subsidies – funded by the European Union and the Hungarian government – provided to the public for the installation of solar panels. However, the disbursement of state subsidies is fundamentally determined by the availability of EU and budgetary funds. Consequently, disbursement may not take place in accordance with the schedule set out in the customer contract concluded with the Company, but at a later date, once the EU and budgetary funds have been received by the funding body. As the funds come from the same source, delays in the disbursement of grants usually affect not just individual customer contracts, but a significant number of contracts at the same time. In line with the Company's current practice, and in the interests of customer satisfaction and business continuity, it has carried out projects awarded under residential tenders even in cases where the refinancing of the grant amount was potentially in doubt.

### **Risks relating to the procurement of raw materials**

The Company's procurement processes typically take place through multi-tiered supply chains, as a result of which the Company is exposed not only to the performance risks of its direct partners but also to those of their suppliers. Raw materials are predominantly sourced from imports, a significant proportion of which originate from the People's Republic of China. In light of the current geopolitical situation, any potential expansion of sanctions or trade restrictions could significantly increase the Company's exposure to risks relating to its supply of raw materials.

### **Changes in exchange rates**

The Company's turnover is predominantly realised in forint; consequently, on the revenue side, cash flows are generated primarily in the domestic currency. At the same time, the Company's operations rely heavily on imports, as a result of which approximately half of its material-related expenses are incurred in foreign currencies – primarily in euros and US dollars.

This foreign-currency-denominated cost structure means that the Company is exposed to significant exchange-rate risk, particularly with regard to exchange-rate fluctuations between the forint and the currencies of its main trading partners (EUR, USD). Changes in the euro/forint and US dollar/forint exchange rates have a direct impact on procurement costs: a depreciation of the forint against these currencies may lead to an increase in the Company's cost base and, consequently, a deterioration in profitability, should it be unable to pass on the additional costs in full to its selling prices.

Exchange rate volatility is therefore one of the key risk factors affecting the Company's financial performance, which also influences the predictability of future profitability. Accordingly, the Company pays particular attention to the continuous monitoring and management of exchange rate risks, as well as to the application of risk management tools aimed at maintaining financial stability.

### **Warranty obligations**

Warranty obligations for the products sold by the Company are primarily undertaken by the manufacturers, secondarily by the distributors, and thirdly by the installers; EU-SOLAR provides 100% support for the administration of these in Hungarian. In certain cases, this takes the form of the Company passing on to its own customers the warranties and guarantees undertaken by subcontractors. The potential cessation of subcontractors' operations prior to the expiry of the warranty or guarantee period poses a risk in relation to the exercise of the warranty and guarantee entitlements transferred by the Company to its own customers, as well as the fulfilment of the resulting obligations.

As the Company imports the solar panels it distributes into Hungary, and thus into the European Economic Area, the Company must also be regarded as the manufacturer of these solar panels for the purposes of product liability rules. Consequently, the Company is also exposed to the risk of claims arising from the product liability incumbent on the manufacturer. Although the Company has a right of recourse against the actual manufacturer of the solar panels in the event of any claims being made, there is no guarantee that it will be able to enforce this right in every case. Furthermore, given the international nature of the matter, enforcing this right of recourse may also entail significant costs.

### **Risk of investigations by the Hungarian Competition Authority**

In an investigation launched by the Hungarian Competition Authority in 2022 following complaints from complainants, the so-called HET "Support for residential solar panel systems and the electrification of heating systems in combination with solar panel systems", and consumers objected to the on-site (technical) survey, the Application Support Package, and the payment of and fees for the additional costs – exceeding the application budget – set out in the contractor's agreement.

On 8 March 2024, the Competition Council of the Hungarian Competition Authority issued a decision in which – without finding either an infringement or the absence thereof – it obliged EU-SOLAR Kereskedelmi és Szolgáltató Nyrt. to establish

; to provide, free of charge for a period of three years, its 'Remote Monitoring' solar panel servicing and maintenance service package to all customers who have been allocated a solar panel system under any tender affected by the competition supervision proceedings (including customers of pending projects yet to be completed), provided that they originally commenced their project with the involvement of EU-SOLAR as the contractor at the time of submitting their tender; shall provide its 'Remote Monitoring' solar panel servicing and maintenance service package free of charge for a period of three years; and to provide a service and maintenance package covering the continuous monitoring of the operational status of domestic-scale small power plants, the repair of the Growatt system via remote monitoring, and a 5% discount on labour costs for any repairs required due to faults not covered by the warranty.

Although the competition authority's proceedings were concluded without a finding of any infringement by the Company, legitimate or unfounded complaints from potential complainants may arise in the future, which could trigger further investigations by the competition authority. The outcomes of any such competition authority investigations may entail significant uncertainties – not least due to their subjective nature – and could consume significant resources of the Company.

Any fine imposed by the competition authority may not exceed ten per cent of the net turnover achieved in the previous financial year. Given that no fine has been imposed on the Company, the risk of such a fine being imposed is extremely low.

## 11. Risk management mechanisms

The Company operates an integrated management system comprising quality management, environmental management and energy management systems in accordance with the ISO 9001, ISO 14001 and ISO 50001 standards. These systems also ensure that environmental risk management is embedded within processes; furthermore, the company is currently working on developing a dedicated, company-wide risk management framework.

Measures aimed at managing risks take the form of control activities built into key processes, which are set out in detail in the Company's process control documents.

The Company operates a dedicated compliance unit, whose primary task is to ensure regulatory compliance and to systematically identify, manage and prevent misconduct within the organisation. The Company has a Code of Ethics, which is available to all employees and provides guidance on the expectations regarding ethical conduct.

In the area of risk management, the Company's senior management carries out risk analysis and risk management tasks as necessary, based on reports from the relevant organisational units, and, where justified, involves the Board of Directors in the decision-making process.

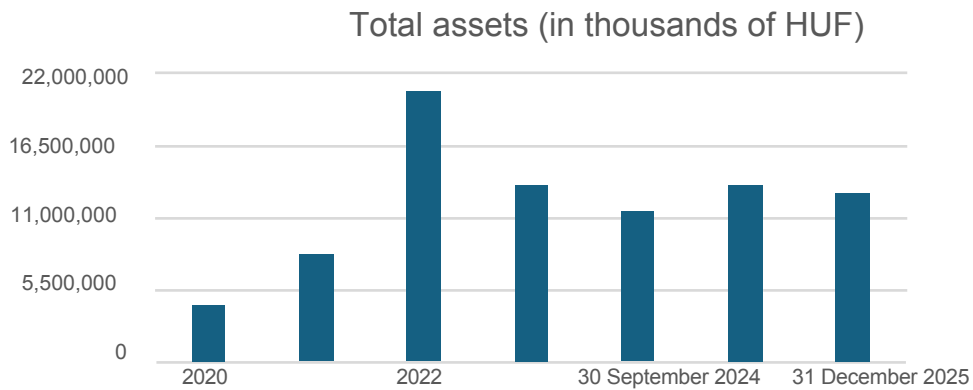
The Company intends to replace the risk management mechanisms, which currently operate within a partly formal framework, with a comprehensive, company-wide risk management framework. The new system will enable risks to be identified, analysed and managed in a structured, system-wide, cyclical and documented manner – within a risk register. In addition, the Company plans to establish an internal audit function; the development and implementation of the necessary policies and methodological frameworks for this are currently underway.

In 2023, the Company voluntarily undertook to review its processes in line with ESG (Environmental, Social, Governance) criteria, thereby demonstrating its commitment to long-term sustainable, transparent and predictable operations.

## 12. Financial results

### 12.1. The Company's financial position

Item	2020	2021	2022	2023	31 December 2024	31 December 2025
Tangible assets (in thousands of HUF)	813,397	1,182,181	1,979,327	2,431,094	2,239,704	3,482,296
Inventories (in e Ft)	853,535	2,652,822	6,055,124	5,130,314	4,774,899	2,842,838
Receivables (in thousands of HUF)	734,061	768,441	2,445,450	2,921,365	2,838,103	3,063,916
<b>Cash and cash equivalents (in thousands of HUF)</b>	<b>1,760,839</b>	<b>3,214,537</b>	<b>7,359,742</b>	<b>617,575</b>	<b>1,029,493</b>	<b>1,225,545</b>
Equity (in thousands of HUF)	1,873,531	3,470,447	6,003,832	5,831,156	4,807,495	4,756,725
Long-term and short-term loans (in thousands of HUF)	1,264,263	2,895,767	2,413,088	3,143,421	2,430,433	3,129,221
Short-term loans (in thousands of HUF)	732,881	580,407	341,622	2,652,618	2,055,103	2,907,546
Suppliers + Advance payments received from customers (in e Ft)	805,968	1,212,803	11,081,026	3,171,616	3,221,032	3,895,358
<b>Total assets (in thousands of HUF)</b>	<b>4,230,913</b>	<b>8,237,277</b>	<b>20,768,761</b>	<b>13,450,461</b>	<b>13,524,585</b>	<b>12,908,552</b>



On the assets side of the Company’s balance sheet, the value of tangible fixed assets showed a significant increase, rising from 813 million forints in 2020 to 3.4 billion forints by 2025. This growth is primarily attributable to the developments and expansions carried out at the central site in Pécs. In 2020, the central office building at 127 Kocsz Street, with a floor area of 690 m<sup>2</sup>, was modernised, and the Company purchased the property at 110 Kocsz Street, with a floor area of 3,200 m<sup>2</sup>, for logistics and office expansion purposes. Renovation of the building at 110 Kocsz Street began in 2021 and is still ongoing at the time of this report. The property portfolio was further expanded in 2022 with the purchase of the warehouse in Cserkút, followed by the acquisition of the property at 55 Rákóczi út, Pécs, in March 2023.

In line with the expansion of business activities, there has been a significant increase in the volume of stock in recent years; however, the value of stock fell dramatically in 2025. During the year, materials management focused on stock optimisation and efficient stock management strategies, with the aim of rationalising the company’s stock structure and minimising capital expenditure.

The Company financed property acquisitions and increases in stock levels through subsidised bank loans. The loan portfolio rose from 1.3 billion forints in 2020 to 3.1 billion forints by 2025.

The Company has operated profitably every year since its establishment in 2012. However, according to the financial statements as at 30 September 2024, a loss was recorded for the first time; whilst this loss was reduced in the 2025 financial year, the Company has not yet returned to profitability. The company’s long-term strategic position and future growth potential enable it to ensure profitable operations.

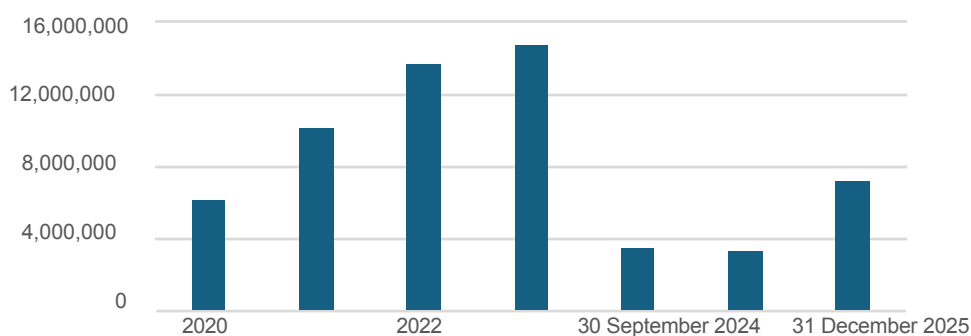
As a result of profitable operations, the Company’s equity has shown significant growth in recent years, rising from 1.9 billion forints in 2020 to 6.5 billion forints by 2023. As at 30 September 2024, equity had fallen to 3.0 billion forints, before rising to 4.8

billion forints, a figure that remained at 4.8 billion forints in 2025. A key factor in the development of equity was the positive result for the fourth quarter of 2024, as well as the waiver of a dividend payment obligation amounting to 1 billion forints, which led to a reduction in the Company's liabilities to its parent company.

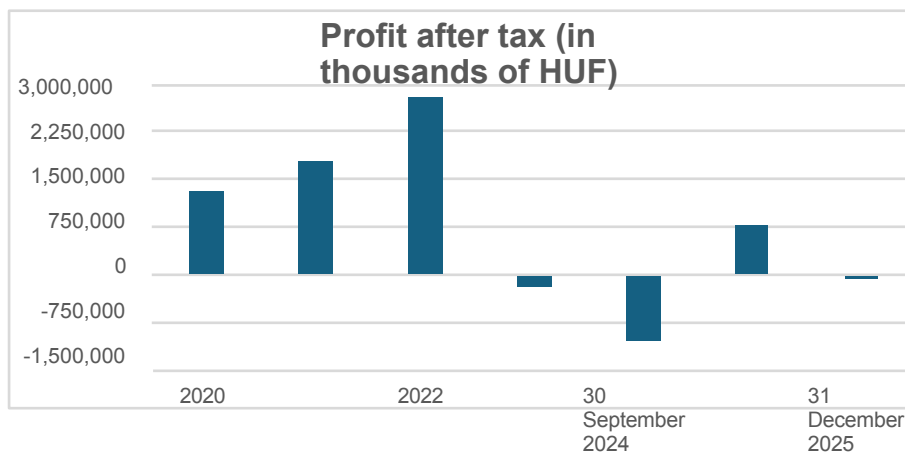
## 12.2. The Company's profitability

Item	2020	2021	2022	2023	30 September 2024	31 December 2024	31 December 2025
<b>Net sales revenue (in thousands of HUF)</b>	<b>6,176,248</b>	<b>10,087,787</b>	<b>13,624,717</b>	<b>14,766,784</b>	<b>3,394,215</b>	<b>3,298,869</b>	<b>7,175,462</b>
Material-related expenses (in e Ft)	4,237,700	6,901,449	10,992,609	12,397,842	3,301,058	2,299,585	5,999,801
Personnel costs (in e Ft)	398,559	570,416	729,987	1,180,776	789,021	320,412	868,459
Profit from operating activities (in thousands of HUF)	1,330,011	1,800,460	1,564,667	788,684	-1,066,525	792,506	-54,686
<b>Profit after tax (in thousands of HUF)</b>	<b>1,319,053</b>	<b>1,773,915</b>	<b>2,794,042</b>	<b>-172,676</b>	<b>-1,023,441</b>	<b>799,780</b>	<b>-50,770</b>

**Net sales revenue (in thousands of HUF)**



**Profit after tax (in thousands of HUF)**



The Company's turnover has shown dynamic growth in recent years: it grew by 115% in 2020, 63% in 2021, 35% in 2022 and 7% in 2023, resulting in turnover exceeding 14.6 billion forints in 2023. Over the past year, a significant decline in turnover has been observed, primarily due to the specific characteristics of the 'Napelem Plusz' tender scheme, as well as operational difficulties arising from constraints in supplier and installer capacities.

The future contract portfolio provided by OETP, together with the dynamic growth of the Corporate division, offers favourable business prospects; the Company therefore believes it has a stable foundation for balanced operations in the coming years. Taking into account the company's long-term strategic position and market opportunities, we expect turnover to return to a growth rate similar to that of previous years in the future.

As the Company is involved in the domestic installation of solar panels and inverters manufactured abroad, and as the installations are carried out by subcontractors, the Company's costs consist predominantly of material-related expenses (cost of materials, services utilised, cost of goods sold, and indirect services sold). Commissions paid to sales staff are recognised under 'services used', whilst payments made to subcontractors are recognised under '(intermediated) services sold'.

The Company's future prospects are favourable overall, as evidenced by its current financial position, its steadily expanding business activities, and its stable and balanced management. The Company's solvency is assured in both the short and long term.

On this basis, the Company's financial and operational stability provides a solid foundation for future growth, the further strengthening of its market position, and long-term, sustainable operations.

Pécs, 25 June 2026

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