16th DECEMBER 2 0 2 5

Disrupting the energy industry
to change the world for better

Energy Solar Tech, S.A.

Public limited company with capital 80.498,364 euros

c/ José Echegaray, 8. Las Rozas de Madrid – 28232, Madrid, Spain

N.I.F. A-88607841

https://energysolartech.com/

INFORMATION DOCUMENT

EURONEXT GROWTH is a market operated by EURONEXT. Companies admitted to EURONEXT GROWTH are not subject to the same rules as companies in the regulated market. Instead, they are subject to a less extensive set of rules tailored to small growth companies. The risk associated with investing in EURONEXT GROWTH may therefore be higher than investing in a company on the regulated market.

This Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

This Information Document has been prepared under the responsibility of the Issuer and reviewed by the Listing Sponsor. Copy of this Information Document is available free of charge at Energy Solar Tech, S.A. ("Energy Solar Tech") website https://energysolartech.com/

The proposed transaction does not require a visa from the Autorité des Marchés Financiers (AMF). Therefore, this document has not been submitted to the visa of the AMF.

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SECTION 1: COMMON STRUCTURE OF THE ID

PART A: GENERAL INFORMATION

The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when Securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71.

The present Information Document has been drawn up under the responsibility of the Issuer. It has been reviewed by the Listing Sponsor and has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext.

Euronext Growth is a market operated by Euronext. Issuers on Euronext Growth, a multilateral trading facility (MTF), are not subject to the same rules as issuers on a Regulated Market (a main market). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth may therefore be higher than investing in a company on a Regulated Market. Investors should take this into account when making investment decisions.

PART B: INFORMATION ABOUT THE ISSUER

01.

PERSON RESPONSIBLE

1. PERSON RESPONSIBLE

1.1. Identity of the person responsible

Mr. Alberto Hernández Poza, on behalf and representing Energy Solar Tech, S.A. by virtue of the powers expressly granted by the Board of Directors of the Company at its meeting held on June 6, 2023, assumes full responsibility for the content of this Information Document.

1.2. Declaration of the person responsible

Mr. Alberto Hernández Poza, as the person responsible for this Information Document, declares that the information contained herein, to the best of his knowledge and belief after conducting himself with reasonable diligence to ensure its accuracy, is in accordance with reality and does not include relevant omissions that could affect its content.

I declare that, to the best of my knowledge, the information provided in the Information Document is fair and accurate and that, to the best of my knowledge, the Information Document is not subject to any [material] omissions, and that all relevant information is included in the Information Document

Made in Madrid, on November the 7th 2025.

Mr. Alberto Hernández Poza
Chief Executive Officer and Chairman of the Board of Directors

1.3. Expert reports

This Information Document does not contain any report or statement attributed to a person acting in an expert capacity.

1.4. Information sourced from a third party

Certain information contained in this Information Document is derived from studies and statistics from third-party organizations, professional associations, or figures published by competing companies. All these third-party sources are referenced in the Information Document. The Group confirms that it considers these sources reliable, and that the information has been faithfully reproduced. To the best of the Group's knowledge, based on published data or data provided by these sources, no fact has been omitted that would render the reproduced information inaccurate or misleading.

02.

STATUTORY AUDITORS

2. STATUTORY AUDITORS

2.1. Auditors' name and address

Auditor: Auren Auditores S.P., S.L.P. (ROAC No. S0888)

Auditor's address: Av. del General Perón, 38, 28020 Madrid, Spain

Auren Auditores S.P., S.L.P. has acted as the statutory auditor of Energy Solar Tech, S.A. since the Company's incorporation. The firm is registered in the Official Register of Auditors of Accounts (Registro Oficial de Auditores de Cuentas, ROAC) under number S0888.

Auren Auditores S.P., S.L.P. is an independent audit firm authorised to perform statutory audits in Spain and is a member of the Auren international network. The auditor has issued unqualified audit opinions on the consolidated annual accounts of the Company for the financial years ended 31 December 2023 and 31 December 2024, as well as a limited review report for the six-month period ended 30 June 2025. Furthermore, Auren has audited Energy Solar Tech's consolidated annual accounts for the fiscal years ended on December 31, 2022, December 31, 2021, and December 31, 2020. These accounts were formulated by the Company's Board of Directors in accordance with the accounting principles and valuation criteria set forth in (i) Royal Decree 1514/2007, of November 16, approving the General Accounting Plan, (ii) Royal Decree 1159/2010, of September 17, approving the Standards for the Preparation of Consolidated Annual Accounts, and (iii) other current legal provisions in accounting matters.

In conclusion, the Company confirms that there have been no changes to its statutory auditor since incorporation, and further affirms that no circumstances of resignation, removal, or disagreement with the auditor have arisen. In this context, the engagement with Auren was duly extended in December 2024 for an additional three-year term, thereby covering the fiscal years ending on and including 31 December 2027.

Attached as Annexes I and II to this Information Document is a copy of said consolidated Annual Accounts along with the corresponding audit report.

2.2. Information on statutory auditors who have resigned, been dismissed or have not been renewed

Energy Solar Tech does not have auditors who have resigned, been dismissed, or whose contracts have not been renewed.

03

RISK FACTORS

3. RISK FACTORS

The business, activities, and outcomes of Energy Solar Tech are conditioned by both intrinsic factors exclusive to the Company, as described throughout this Information Document, and certain external factors that are common to any company operating within its respective sectors. Therefore, prior to making any investment decisions concerning Energy Solar Tech shares, shareholders or potential investors should carefully consider, among other aspects, the risk factors detailed in this section and the publicly available information of the Company at any given time. Should any of the risks described materialize, the business, results, prospects, and financial and equity position of the Company could be adversely and significantly affected. Additionally, it should be noted that these risks could have an adverse effect on the price of Energy Solar Tech shares, potentially leading to a partial or total loss of the investment made.

Additionally, these risks are not the only ones the Company might have to confront. There are other risks that (i) due to their greater obviousness, (ii) being presently unknown, or (iii) not considered relevant by the Company at the current moment, have not been included in the Information Document and could have a substantial adverse impact on the activities or financial situation of the Company or the Group companies.

Shareholders or potential investors should thoroughly consider whether investing in Energy Solar Tech shares is suitable for them, considering their personal circumstances and the information contained in the Information Document. Consequently, shareholders or potential investors in the Company's shares should carefully read this section in conjunction with the rest of the Information Document. Likewise, shareholders or potential investors are advised to consult with their financial, legal, and tax advisors before making any investment decisions regarding Energy Techologies shares.

Risk	Probability of Occurrence	Significance
3.1 General Risks		
3.1.1 Geographical Concentration	LOW	MEDIUM
3.1.2 Suppliers	MEDIUM	MEDIUM
3.1.3 Economic cycle	MEDIUM	MEDIUM
3.1.4 Brand Reputation	LOW-MEDIUM	MEDIUM
3.1.5 Competition Risk	MEDIUM	MEDIUM-HIGH
3.1.6 Shareholding Concentration	MEDIUM-HIGH	MEDIUM
3.1.7 Risk of conflicts of interests with related parties	LOW	LOW-MEDIUM
3.2 Operational Risks		
3.2.1 Dependance on Client Contracts	LOW	MEDIUM
3.2.2 Contract Duration Risk	LOW	LOW-MEDIUM
3.2.3 Lack of Technological Progress	LOW	MEDIUM
3.2.4 Risk of Dependency on Management Team	MEDIUM	MEDIUM
3.2.5 Customer Satisfaction	LOW	MEDIUM
3.2.6 Strategy	MEDIUM	MEDIUM-HIGH
3.2.7 Corporate Governance	LOW-MEDIUM	MEDIUM
3.2.8 Operations interruption risk	MEDIUM	MEDIUM
3.2.9 Interruptions or Decrease in Power Generation	MEDIUM	MEDIUM
3.2.10 Cost of maintenance of plants	LOW	LOW

3.2.11 Cybersecurity Risk	LOW-MEDIUM	MEDIUM
3.3 Financial Risks		
3.3.1 Interest rate	LOW	LOW-MEDIUM
3.3.2 Liquidity	LOW-MEDIUM	LOW-MEDIUM
3.3.3 Credit	LOW-MEDIUM	MEDIUM
3.3.4 Exchange Rate	LOW	LOW
3.3.5 Debt Level Risk	LOW	LOW
3.4 Legal and Regulatory Risks		
3.3.1 Regulatory	MEDIUM	MEDIUM-HIGH
3.3.2 Insurance against customer harm	LOW	LOW-MEDIUM
3.3.3 Litigation Processes	MEDIUM	MEDIUM
3.5 Risk of the business issuer's sectors of activity		
3.5.1 Electricity price risk	HIGH	MEDIUM-HIGH
3.5.2 Risk of photovoltaic panel technology	LOW-MEDIUM	MEDIUM

3.1. General Risks

3.1.1 Geographical Concentration

If the Company's operations were to remain predominantly concentrated in Spain, its performance would continue to be highly exposed to the domestic macroeconomic, political and regulatory environment. Such geographic concentration heightens vulnerability to localised economic shocks and jurisdiction-specific developments, any of which could materially affect business performance and financial condition. While the client base is largely composed of countercyclical, high-energy-consumption businesses seeking to reduce costs, a factor that partially mitigates cyclical downturn exposure, limited international diversification would constrain the Group's ability to offset adverse movements in the Spanish market. Any macroeconomic deterioration, including recession, stagnation or significant increases in financing costs, could directly and adversely impact revenues, profitability and liquidity. Moreover, the credibility and market perception of Spain's renewable energy sector have been challenged in recent years by the underperformance of certain listed peers, several of which have traded at historically low valuations, further underscoring the risks of a single-jurisdiction focus.

Energy Solar Tech addresses these risks through a deliberate strategy of diversification and internationalisation. Beyond its activity of enabling corporate migration to renewable self-consumption, the Company is active in advanced engineering and construction, centralised generation, and the manufacture of modular solutions such as e-houses (including digital substations and modular data centers). Looking ahead, the integration of modular data centres provides a structural hedge against wholesale price volatility by converting energy into stable, recurring revenues through data processing. Crucially, the Group's internationalisation strategy expands its geographic footprint, enabling it to compete effectively across markets and to scale its offering globally. Taken together, these measures provide resilience, reduce dependency on any single jurisdiction, and underpin sustainable long-term value creation.

3.1.2 Suppliers

If the Company was unable to secure the timely and cost-effective procurement of key raw materials and components essential to the construction and operation of energy facilities and data centres, including photovoltaic panels, anchoring structures, power inverters, processors and other critical elements, its business model and the profitability of its investments could be materially adversely affected. Significant price increases, supply disruptions or delays in the delivery of these inputs could compromise project viability and, in extreme circumstances, render certain developments economically unfeasible. Any such circumstances could negatively impact future growth, the business, results, financial and equity position of Energy Solar Tech, and consequently, the valuation of the Company.

To mitigate this exposure, Energy Solar Tech has diversified its supplier base and adopted a procurement strategy that includes purchasing materials in volumes exceeding immediate operational requirements, thereby enhancing cost visibility and medium-term competitiveness. In the current inflationary context, the Company has also made purchases of materials significantly higher than its immediate demand and diversified volumes across additional suppliers to ensure adequate cost competitiveness. In addition, the Company's diversified business model, spanning advanced engineering and construction, centralised generation, and the manufacture of modular solutions such as e-houses (including digital substations and modular data centres), provides multiple levers to balance supply chain pressures. The internationalisation of operations further reduces dependency on any single jurisdiction or supplier market, while the development of data centres offers a structural hedge by converting volatile wholesale energy into stable, recurring revenues.

Notwithstanding these measures, the Company remains exposed to fluctuations in global commodity prices, logistical bottlenecks, geopolitical tensions and the bargaining power of key suppliers, which may adversely affect the availability, timing and pricing of essential components. Given the limited capacity to transfer sustained increases in raw material costs to end clients, prolonged escalation in input costs or persistent supply chain disruptions could reduce margins, erode cash flow generation and negatively impact the Company's growth trajectory and overall financial performance.

3.1.3 Economic Cycle

If adverse macroeconomic conditions were to persist in Spain, the Company's principal market of operation, the Group's financial performance and growth prospects could be materially affected. Although the core client base consists primarily of industrial and commercial enterprises with high energy consumption, sectors that are generally resilient and countercyclical, and remain motivated to reduce energy costs during downturns, a prolonged period of economic weakness could nonetheless weigh on demand for new outsourcing contracts and engineering projects. Macroeconomic pressures such as elevated interest rates, restricted access to financing, or a general slowdown in industrial activity could lead clients to defer or cancel planned investments, thereby reducing the Company's project pipeline. The Spanish energy sector has already exhibited significant volatility and structural adjustment during 2023 and 2024, with numerous competitors undergoing restructuring and trading at depressed valuations, reflecting broader sectoral uncertainty.

Energy Solar Tech mitigates this risk through a deliberately diversified business model. In addition to its outsourcing activity, the Company operates across advanced engineering and construction, centralised generation, and the manufacture of modular solutions such as e-houses. Looking ahead, the integration of modular data centres provides a structural hedge against wholesale price volatility by converting energy into stable, recurring revenues through data processing. Furthermore, the Group's internationalisation strategy reduces reliance on the Spanish market, broadens its client base, and enhances its ability to offset localised economic pressures. Collectively, these measures strengthen resilience, support cash flow generation, and underpin sustainable long-term value creation, even in the face of cyclical downturns.

3.1.4 Brand Reputation

If the Company were to experience any deterioration, actual or perceived, in its reputation for transparency, innovation, technical expertise or operational efficiency, its ability to sustain existing operations and pursue further expansion could be materially and adversely affected. The Group's competitive positioning, brand equity and long-term viability are inherently dependent on maintaining stakeholder confidence and a positive standing in the market. Reputational harm could arise from a range of circumstances, including but not limited to operational shortcomings, customer dissatisfaction, substantial liability claims, regulatory sanctions or adverse publicity. Any such event could impair the Company's capacity to attract and retain clients, erode its competitive strength, and negatively influence its business performance, financial condition, results of operations and overall valuation. This risk is accentuated by the diminished credibility of the renewable energy sector, following the underperformance of certain comparable listed companies, which has heightened market sensitivity to reputational matters.

To mitigate this risk, the Company has implemented a differentiated diversified business model and reinforced its corporate governance and compliance framework. Nonetheless, reputational damage could have long-lasting and materially adverse consequences, not only on client origination, but also on the Company's relationships with suppliers, regulators and investors, potentially constraining its access to external financing and capital markets.

3.1.5 Competition Risk

If the Company were to fail to maintain its competitive position within the energy market, particularly in Spain, its ability to secure new projects and preserve profitability could be materially and adversely affected. The sector is characterised by intense competition from both large integrated energy groups, which benefit from substantial financial and technical resources, and smaller engineering and alternative energy providers that can operate with lower return thresholds. Competitive pressure is expected to intensify further with the entry of new market participants, including recently established companies and private equity-backed investors, which may adopt more aggressive pricing structures or contract terms. The Company's continued success therefore depends on its capacity to anticipate and respond effectively to such evolving dynamics, including the ability to identify and monitor emerging rivals, expand market reach, adapt to changing regulatory frameworks, and secure appropriate financing for future projects.

Energy Solar Tech mitigates this risk through its deliberately differentiated and diversified business model. In addition to its unique outsourcing structure, which is designed to remove clients from the traditional electricity grid and reduce conventional distribution costs, the company delivers high-value energy efficiency solutions. It operates in the fields of advanced engineering and construction, centralised generation and the manufacture of modular solutions, such as e-houses (including digital substations and modular data centres). Looking ahead, the integration of modular data centres provides a structural hedge against wholesale price volatility by converting energy into stable, recurring revenues through data processing. In parallel, the Group's internationalisation strategy broadens its geographic footprint and client base, reducing reliance on the Spanish market and enhancing resilience against localised competitive pressures. Collectively, these measures strengthen the Company's ability to preserve margins, sustain growth and maintain its market positioning in an increasingly competitive environment.

3.1.6 Shareholding Concentration

If control of the Company continues to be concentrated in the hands of a limited number of shareholders, this could have a material impact on corporate governance and the protection of minority investor interests. A significant portion of the Company's issued share capital is held by a small group of shareholders, including the founding partner, who also serves as director and top executive. According to the most recent publicly available information, the four largest shareholders together own approximately 55% of the Company's issued share capital:

- 21.00% held by Mr. Alberto Hernández Poza
- 13.72% held by Erbienergía Inversiones, S.L.
- 10.42% held by Mr. Alberto Torrego López
- 9.76% held by Mr. José Abel Martín Sánchez

In particular, Mr. Alberto Hernández Poza not only holds the largest individual stake but is also the founding partner, a member of the Board of Directors, and the Company's chief executive. This position grants him significant influence over decisions requiring approval by the General Shareholders' Meeting, including dividend distributions, the appointment and removal of directors, capital increases, structural modifications, and amendments to the Company's bylaws.

The concentration of ownership in Energy Solar Tech entails potential risks that should be carefully considered when making investment decisions, as the interests of majority shareholders may not always align with those of future minority shareholders. Such concentration provides these shareholders with substantial voting power over key matters, enabling them to exercise considerable control over the Company's strategic direction, governance framework, and major operational or financial decisions.

Although the majority shareholders have expressed their commitment to maintaining professional management, balanced governance, and a growth-oriented strategy that anticipates potential future dilution, there is no guarantee that their interests will consistently coincide with those of minority investors. Any divergence could give rise to conflicts of interest, decisions that prioritise majority control over broader shareholder value, or a reduced role for minority shareholders in corporate decision-making. These outcomes could negatively affect the Company's governance standards, strategic flexibility, and overall investor confidence.

3.1.7 Risk of conflicts of interest with related parties

The Company may, in the ordinary course of business, enter into transactions with related parties. Should such transactions not be conducted on an arm's-length basis and under prevailing market conditions, there is a risk that they could favour the interests of major shareholders or other related parties to the detriment of the Company. This could, in turn, adversely affect future growth, business operations, financial position, results, assets and ultimately the valuation of the Company. It should also be noted that the Company has already undertaken certain related-party transactions.

Energy Solar Tech mitigates this risk through a governance framework designed to ensure transparency, independence and compliance with applicable regulations. Related-party transactions are subject to review and approval processes intended to safeguard arm's-length terms and protect minority shareholders. In addition, the Company's diversified business model, spanning advanced engineering and construction, centralised generation, the manufacture of modular solutions, reduces reliance on any single stakeholder relationship. The Group's internationalisation strategy further broadens its counterparties and investor base, thereby limiting concentration risk and reinforcing alignment with market standards. Collectively, these measures strengthen the Company's ability to manage potential conflicts of interest and preserve long-term value creation for all shareholders.

3.2. Operational Risks

3.2.1 Dependence on Client Contracts

If the Company's long-term energy outsourcing contracts are terminated prematurely or not renewed, this could materially and adversely affect its revenues, profitability and financial position. As of 31 December 2024, approximately 16% of the Group's consolidated revenues derived from its energy outsourcing business line. This segment operates primarily under long-term contractual arrangements, generally with an initial term of five years and subject to automatic renewal, contingent upon the Company's continued fulfilment of specific contractual obligations. The Group is exposed to the risk that clients may terminate such contracts before expiry, either due to commercial, operational or financial reasons, or fail to comply with their own contractual obligations. Any such termination or default could have a material adverse effect on the Group's results of operations, cash flows, business continuity and, ultimately, its market valuation.

To mitigate this risk, the Company typically structures its outsourcing agreements to include financial penalties for early termination, calibrated to reflect the level of capital investment undertaken, and to provide clients with economic incentives to maintain the contractual relationship while imposing significant financial disincentives for unilateral termination. While these contractual protections offer partial mitigation, the inherent dependency on long-term client contracts remains a structural characteristic of the Company's business model, and adverse outcomes cannot be entirely excluded. In addition to its energy outsourcing operations, the company conducts activities in the fields of engineering and construction services and centralised power generation. It also develops and manufactures modular solutions, such as modular digital substations and data centres. Although these complementary core business lines contribute to diversifying the Group's revenue base and strategic positioning, each is subject to distinct operational, market and execution risks that could impact the Group's overall financial and competitive performance.

3.2.2. Contract Duration Risk

In the energy outsourcing segment, which accounted for 16% of the Group's revenues as at 31 December 2024, contracts are typically structured with an initial term of five years and provide for automatic renewal, subject to the Company meeting defined contractual obligations. Consequently, the Company faces a risk should it fail to achieve contracted milestones or if customers elect for early termination of the relationship. Premature cancellation by clients could adversely affect the Group's business operations, financial results and overall asset position, ultimately impacting the Company's valuation.

This contractual risk is mitigated through a robust legal and commercial framework. Agreements incorporate severe financial penalties for early termination, calibrated to reflect the scale of the Company's upfront investment, while simultaneously granting clients substantial economic advantages from maintaining the engagement. This structure ensures that continuation is the economically rational choice, rendering termination prohibitively costly.

In parallel, the Company's diversified business model, spanning advanced engineering and construction, centralised generation, the manufacture of modular solutions and the future integration of modular data centres, reduces reliance on any single contractual stream. The Group's internationalisation strategy further broadens its client base and geographic footprint, thereby enhancing resilience against localised pressures.

Collectively, these measures strengthen contractual stability, mitigate concentration risk and underpin long-term value creation, ensuring that Energy Solar Tech remains well positioned to deliver sustainable growth even in the face of potential contract duration challenges.

3.2.3 Lack of Technological Progress

If the Company fails to anticipate or adapt to rapid technological change in the energy sector, its existing assets and business model could become less competitive, adversely affecting revenues, profitability and long-term growth prospects. The Company's energy business model is predominantly based on photovoltaic and wind technologies, which compete with other self-generation solutions and may, over time, be replaced or materially displaced by more efficient or cost-effective technologies. The renewable energy industry is characterised by accelerated innovation, continuous efficiency gains and periodic technological disruption. Should the Company be unable to identify, access or deploy emerging technologies in a timely and cost-effective manner, its competitive position and revenue generation capacity could be materially and adversely affected. This could necessitate significant additional capital expenditure to replace or upgrade existing assets, with no assurance of full recovery of such investments.

To mitigate this risk, Energy Solar Tech leverages its state-of-the-art Engineering and Construction division, which ensures the Group remains at the forefront of technological developments and enables the continuous adaptation of both its outsourcing asset base and its centralised generation portfolio. In parallel, the Manufacturing division produces high-demand products such as modular digital substations and next-generation modular data centres, tailored to the growing requirements of data processing. While no strategy can fully eliminate the risk of disruptive technological breakthroughs, the Company's integrated approach significantly reduces reliance on any single technology and positions it to adapt swiftly to structural shifts in the renewable energy and distributed generation markets.

3.2.4 Risk of Dependency on Management Team and Key Personnel

The Company's long-term performance, growth trajectory and strategic execution depend materially on the experience, leadership and vision of its senior management team, in particular its founding partner, who has played a decisive role in the Company's development and consolidation to date. The knowledge, technical expertise, and continued commitment of these key individuals are critical to implementing the Company's business strategy and sustaining its operational and financial performance. Accordingly, the departure of any senior executive or key employee, or the inability to attract, retain, motivate or adequately incentivise such individuals, could have a material adverse effect on the Company's business, results of operations, financial condition and future prospects. This risk is amplified by increasing competition for qualified professionals within the renewable energy and technology sectors, which could constrain the Company's capacity to recruit or retain individuals with the requisite experience and skill set.

To mitigate this risk, the Company has implemented a long-term Employee Stock Incentive Plan (PIEA), approved at the General Shareholders' Meeting held on 27 April 2022. The plan involves the issuance of shares under a comprehensive framework for talent assessment and employee engagement, designed to retain key personnel and attract additional qualified professionals by aligning their long-term interests with the sustainable development and performance of the Company. This policy is expected to contribute positively to the retention of senior executives and the recruitment of new talent, thereby supporting the Company's medium- and long-term development. Nevertheless, there can be no assurance that these measures will be sufficient to prevent the loss of key executives or critical employees, or to secure the timely recruitment of equally qualified replacements. Any such loss could materially impair the Company's ability to maintain its strategic direction, achieve its business objectives and preserve investor confidence.

3.2.5 Customer Satisfaction

Like any other company, the Company is exposed to liability claims for contractual breaches, including errors or omissions by the Company or its professionals in carrying out its As with any company, Energy Solar Tech is exposed to potential liability claims arising from contractual breaches, including errors or omissions in the performance of its activities by the Company or its professionals. Such claims could, if not effectively managed, adversely affect the Group's reputation, financial position and long-term growth prospects.

To mitigate this risk, the Company has established a comprehensive framework of contractual safeguards, compliance protocols and quality-assurance processes designed to minimise the likelihood of disputes and ensure the consistent delivery of services. Its Engineering and Construction division ensures that projects are executed to the highest technical standards, while the Manufacturing division produces modular solutions that are tailored to client requirements and subject to rigorous testing. In addition, the Company's diversified business model, spanning energy outsourcing, centralised generation, modular manufacturing and international operations, reduces reliance on any single client or project, thereby limiting concentration risk. Collectively, these measures reinforce customer satisfaction, protect against liability exposure and underpin the Company's ability to sustain investor confidence and long-term value creation.

3.2.6 Strategy

If the Company were to fail to execute its strategic plan effectively, maintain financial discipline or adapt to evolving market conditions, this could have a significant adverse impact on its growth trajectory, operational performance and valuation. The Group's strategy is centred on preserving its competitive strengths, broadening its technological base and expanding its outsourcing model. The long-term success of this strategy depends on management's ability to anticipate market trends, allocate resources efficiently and ensure disciplined execution across business lines.

Energy Solar Tech mitigates this risk through a deliberately diversified platform. In addition to its energy outsourcing activity, the Company operates across advanced engineering and construction, centralised generation, and the manufacture of modular solutions. Looking ahead, the integration of modular data centres will provide a structural hedge against wholesale price volatility by converting energy into stable, recurring revenues through data processing. The Group's internationalisation strategy further reduces reliance on the Spanish market, broadens its client base and enhances resilience against localised pressures. Collectively, these measures strengthen the Company's capacity to deliver on its strategic objectives, preserve profitability and sustain long-term value creation, even in a volatile operating environment.

3.2.7 Corporate Governance

If the Company were to fail to maintain a balanced governance framework that effectively mitigates the influence of significant individual shareholders, this could adversely affect decision-making processes, corporate governance standards, investor confidence and, ultimately, the Company's valuation. The ownership structure is relatively balanced, with no single shareholder holding an absolute majority of the share capital. The most significant individual stake is held by Mr Alberto Hernández, who owns approximately 21% of the shares and simultaneously serves as an executive and member of the Board of Directors. While this alignment of ownership and management provides stability, long-term commitment and strategic continuity, it also entails potential governance risk insofar as one individual combines a material economic interest with executive responsibilities and board influence. Although this position does not amount to control, it may nevertheless enable Mr Hernández to exercise a degree of influence over corporate decisions exceeding that of other shareholders, particularly in matters initiated by the Board or where shareholder participation is fragmented.

Energy Solar Tech mitigates this risk through a reinforced governance framework designed to ensure transparency, accountability and alignment with the interests of all shareholders. This includes the appointment of independent directors, the strengthening of compliance and professionalisation processes, and the establishment of robust internal controls and oversight mechanisms. These measures collectively provide resilience, safeguard governance integrity and underpin long-term value creation.

3.2.8 Operations Interruption Risk

As with any business, the Company's operations are exposed to a range of risks, including operational disruptions, quality issues, unforeseen technical failures, product safety requirements, occupational safety incidents and environmental contingencies. Consequently, operations could be interrupted either by external factors, such as extreme weather events, or by internal issues arising within the Company.

To mitigate these risks, Energy Solar Tech has implemented a comprehensive framework of safeguards. In the case of climatic events or accidents at generation plants, the Company maintains business interruption insurance designed to cover periods of inactivity resulting from such incidents. For grid-connected generation plants, once financed, interest rate risk insurance is also in place to protect against adverse financing cost fluctuations. Beyond insurance, the Group's diversified business model, spanning advanced engineering and construction, centralised generation, and the manufacture of modular solutions including digital substations and modular data centres, provides operational flexibility and resilience. The internationalisation of activities further reduces reliance on any single geography, while rigorous compliance with occupational safety and environmental standards minimises the likelihood of internal disruptions.

Collectively, these measures strengthen the Company's ability to withstand operational interruptions, safeguard continuity of service, and preserve long-term value creation for shareholders.

3.2.9 Interruptions or Decrease in Power Generation Performance

Unexpected operational or mechanical failures, including failures associated with breakdowns and forced shutdowns, or other causes, could reduce the generating capacity of Energy Solar Tech's projects below expected levels, which could adversely affect profitability. Renewable energy output is inherently dependent on weather conditions, with solar photovoltaic production particularly sensitive to irradiation levels at each project site. During the development phase, specialised third-party consultants and the Company's technical team conduct detailed site studies using calibrated instruments to assess irradiation and energy potential. Investment decisions are based on these reports; however, the Company cannot guarantee that actual weather conditions will align with the assumptions underpinning such studies.

A sustained reduction in solar radiation could lower energy production and, consequently, profitability. If such decreases were material in a single project, or more broadly across a significant portion of the portfolio, the impact on the Group's activities, operating results and financial position could be substantial. Statistically, years of higher generation due to favourable conditions are balanced by years of lower output, meaning profitability must be assessed over extended periods to capture this equilibrium.

Energy Solar Tech mitigates this risk through deliberate technological diversification. In addition to its solar photovoltaic portfolio, the Group operates an 18 MW centralised wind generation facility in Valdelugo, which provides a complementary renewable source and reduces reliance on solar irradiation alone. The Company is also actively analysing and investing in further complementary technologies,including energy storage systems and modular data centres, to stabilise revenues and enhance resilience against weather-related volatility. Its Engineering and Construction division ensures that both outsourcing assets and centralised generation facilities are continuously adapted to the latest technological standards, while the Manufacturing division delivers high-demand modular solutions such as digital substations and next-generation modular data centres, tailored to the growing requirements of data processing. In addition, the Company operates its own centralised control and supervision centre, leveraging years of operational expertise to optimise asset performance and minimise downtime.

Collectively, these measures enhance resilience against weather-related volatility, safeguard operational continuity and underpin the Company's ability to deliver sustainable long-term value creation.

3.2.10 Costs associated with the maintenance, expansion, and renovation of photovoltaic plants, as well as their dismantling upon the expiration of authorizations or contracts, could negatively impact Energy Solar Tech

The Company's projects may require periodic maintenance, upgrades, or repairs in the future. Capital investments related to these activities could reduce profitability, as they would involve interruptions in operations and, consequently, in energy production. Additionally, if Energy Solar Tech makes substantial modifications to its projects, it might be required to comply with stricter environmental regulations, which would likely result in significant additional capital expenses. In this regard, as an outsourcing provider, the Company uses technological upgrades and asset adaptations to develop contractual conditions that allow it to maintain its long-term financial equilibrium.

Importing companies or sellers of electrical and/or electronic devices, such as photovoltaic panels, are also required to take responsibility for the products they introduce into the Spanish market. Improper waste management by the Company could lead to sanctions, which depending on their severity and recurrence, could have a significant impact. Although the lifespan of photovoltaic panels is approximately 25 years, the Company collaborates with recycling and recovery companies for defective and damaged panels to comply with current regulations.

Moreover, at the end of a project's useful life, which currently tends to exceed 25 years, or the corresponding authorisation period, if applicable, Energy Solar Tech may be legally or contractually obliged to dismantle the renewable energy facilities, whose economic value could be null unless they can be "repowered." Upon the commencement of a project, the Company must conduct an analysis of its dismantling obligations and the inherent costs or, alternatively, the possibility of repowering the project in the future. Any alteration in these costs or the establishment of legal or contractual obligations greater than those anticipated could negatively impact the Company. Collectively, these factors could have a substantial adverse effect on the activities, results, or financial situation of Energy Solar Tech.

3.2.11 Cybersecurity Risk

If the Company were to face a material cybersecurity breach, this could result in operational disruption, compromise of data integrity and reputational damage. To mitigate this risk, Energy Solar Tech has implemented a comprehensive framework that includes reinforced anti-phishing protocols, strengthened perimeter security under a Zero Trust approach, enhanced protection against distributed denial-of-service attacks, and consolidated detection and response capabilities.

Business continuity and disaster recovery measures are maintained through verified backups and regular restoration testing, while governance and compliance are supported by periodic audits and responsible communication procedures. The Company monitors key performance indicators such as detection and response times, blocked phishing attempts and system availability, and remains committed to continuous improvement through training, audits and updated mitigation agreements.

These measures materially reduce the probability of disruption and provide assurance of operational resilience, while avoiding the disclosure of technical details that could compromise security.

3.3 Financial Risks

3.3.1 Interest Rate Risk

The Group is exposed to interest rate risk primarily through its financial debt, a significant portion of which is subject to variable interest rates linked to EURIBOR. Variations in benchmark rates could therefore affect the Group's financial expenses and cash flows.

As of 31 December 2024, the Group's total financial debt amounted to €148 million, of which approximately 75–80 per cent was referenced to variable rates, mainly EURIBOR plus a contractual margin. The remaining balance corresponded to fixed-rate or subordinated loans. This capital structure exposes the Group to fluctuations in benchmark rates, as any increase would directly raise the cost of current and future borrowings.

To mitigate this risk, the Company has entered into a financial derivative in the form of an Interest Rate Swap (IRS) covering approximately 70 per cent of the project financing of the Valdelugo wind farm, thereby reducing the sensitivity of its interest expenses to rate fluctuations. An increase of 100 basis points in variable interest rates could result in an additional annual financial expense of approximately €120,000. However, this impact is considered immaterial in relation to the Group's current profitability and cash flow generation capacity.

As of 30 June 2025, the Group's financial debt remained stable at around €14.1 million, with no significant changes to the proportion of variable-rate exposure. Net debt stood at approximately €8.9 million, reflecting a temporary reduction in cash and cash equivalents during the first half of the year.

The Group continuously monitors market conditions and financing terms, maintaining a prudent balance between fixed- and variable-rate instruments. Given its moderate level of leverage, with a net debt to equity ratio of around 0.14x at the end of 2024, the Group remains relatively insensitive to changes in interest rates.

3.3.2 Liquidity Risk

The Company's shares are currently traded on Spain's BME Growth, a multilateral trading facility designed for small and medium-sized growth companies. This market is characterised by lower liquidity and higher volatility than regulated markets. Consequently, trading volumes in the Company's shares may remain limited, and there may be insufficient liquidity to enable investors to buy or sell shares at desired times or at favourable prices.

To mitigate this risk, the Company has entered into a liquidity agreement with a registered market-making provider in accordance with BME Growth regulations. This arrangement is intended to support regular trading activity and reduce potential price fluctuations. Nevertheless, the relatively limited free float, resulting from a shareholder structure concentrated among strategic and long-term investors, continues to constrain liquidity. As a result, investors may find it difficult to convert their investment into cash, realise capital gains or recover their initial investment. Low liquidity could also increase share price volatility, impair price discovery and adversely affect the market perception and valuation of the Company's shares.

As of 31 December 2024, the Company's market capitalisation was approximately €65 million, with daily trading volumes averaging fewer than 11,500 shares per session during the first half of 2025. This reflects the relatively narrow free float typically observed among growth-market issuers. No significant changes in shareholding structure or capital were recorded during this period, and the Company's liquidity profile remained consistent with that of previous years.

In addition to being admitted to trading on BME Growth, the Company's shares will also be admitted to trading on Euronext Growth, thereby extending access to a broader investor base across European markets. This dual listing is expected to enhance visibility and, over time, support improved trading volumes and price stability. However, the structural characteristics of growth markets, namely lower liquidity and higher volatility compared to regulated markets, will continue to apply, and investors will remain exposed to the same risks described above.

3.3.3 Credit Risk

If any of the Company's contractual counterparties, including clients, suppliers, financial institutions, or other participants in the energy and financial markets, were to default on their obligations, this could result in financial losses, operational disruption, and an adverse impact on the Company's business, liquidity and overall financial position. The Company's exposure to such counterparty risk is inherent to its business model, particularly given the characteristics of the renewable energy sector, where market volatility, extended collection cycles and credit concentration can heighten the probability of default.

To mitigate this exposure, the Group applies a comprehensive framework of risk management procedures. These include rigorous assessments of customers' financial solvency prior to contract execution, the requirement of advance payments for certain projects, and the use of surety bonds and credit insurance to protect against potential defaults. In addition, in cases of non-payment, the Company retains contractual rights over the underlying assets, which generally represent more than 60 per cent of the total project investment, thereby providing a tangible safeguard for recovery. These measures collectively provide a material degree of protection against potential credit losses.

As at 31 December 2024, the Group's trade receivables amounted to approximately €7.3 million, largely comprising balances with public administrations and major private clients with established credit histories. No material credit losses were recorded during the year, and provisions for doubtful accounts were maintained in line with objective evidence of impairment. At 30 June 2025, trade receivables stood at €6.9 million, reflecting continued strong collection performance and the absence of significant overdue balances.

The Group closely monitors client payment behaviour, undertaking regular reviews of outstanding receivables and adjusting provisions where necessary in accordance with IFRS 9. This dynamic monitoring process, combined with a diversified client base across both public and private entities, has enabled the Group to maintain a low level of credit concentration and to limit exposure to individual counterparties.

Nevertheless, despite the existence of these risk-mitigation mechanisms, the possibility of counterparty default cannot be eliminated. A material deterioration in the financial condition of clients, suppliers or other contractual counterparties could adversely affect the Company's cash-flow generation, project profitability, asset recovery and, ultimately, its financial stability and performance.

3.3.4 Exchange Rate

The Group's exposure to exchange rate risk is limited, as both its financing arrangements and the overwhelming majority of its revenues, costs and investments are denominated in euros. The Group conducts its operations primarily within the Eurozone and, accordingly, does not face material transactional or translational foreign exchange exposure.

Certain purchases of equipment or components from international suppliers may, on occasion, be denominated in U.S. dollars or other foreign currencies. In such cases, the exposure is typically short term and managed through contractual mechanisms or natural hedging, as payment schedules and delivery dates are closely aligned.

As at 31 December 2024, and throughout the first half of 2025, no significant exposure to foreign currency-denominated assets or liabilities was identified in the consolidated financial statements. The Group's borrowings and principal supplier agreements remain entirely denominated in euros, consistent with its operational footprint in Spain and across the European Economic Area.

Consequently, historical exchange rate fluctuations have not had a material impact on the Group's financial position or performance. Nonetheless, a significant and sustained depreciation of the euro against major currencies could, in the future, marginally increase the cost of imported equipment or place some pressure on project margins. Such an impact is expected to remain limited, given the predominance of euro-denominated operations and the Group's ability, where appropriate, to adjust contractual pricing mechanisms.

3.3.5 Debt Level Risk

A high level of indebtedness could lead to negative consequences on the operations, financial situation, results, and cash flows of any company, including:

- Placing the Company at a potential competitive disadvantage compared to competitors with lower leverage and better access to third-party funding sources.
- Increasing the costs of both current and future loans.
- Restricting access to new debt for essential investments or even hindering the ability to navigate challenging market conditions with greater financial stability.
- Forcing the Company to raise capital or divest certain strategic assets to meet commitments to its debt providers.
- Limiting the Company's ability to distribute dividends or repurchase shares in the market.

According to the consolidated financial statements for the period 2024, the Company had a net cash position of €7,162,166, resulting in a net financial debt equivalent to 1.01 times the 12-month EBITDA.

As of 31 December 2024, the Group's total financial debt amounted to €14.8 million, of which approximately 75–80 per cent was referenced to variable rates, mainly EURIBOR plus a contractual margin. Consequently, an increase in interest rates could have a negative impact since part of Energy Solar Tech's debt is variable-rate debt.

According to the content of the financial statements as of December 31, 2024 there are no defaults in debt service.

The failure to comply with obligations undertaken by the Energy Solar Tech Group towards various lenders could lead to the early maturity of payment obligations under the respective financing contracts. This could result in the lenders demanding early repayment of the debt principal and accrued interests, along with the execution of potential guarantees. Such an occurrence could have a negative impact on the activities, financial position, and/or results of Energy Solar Tech, consequently affecting the stock price of the Company.

The difficulty or impossibility of the Group to obtain new financing or to obtain it on more unfavorable terms or at a higher cost could adversely affect the Group's activities, financial situation, and/or results of operations and, consequently, the Company's share price.

Energy Solar Tech periodically monitors compliance with the financial commitments to anticipate the risk of non-compliance and take corrective measures.

3.4 Legal and Regulatory Risks

3.4.1 Regulatory and Permitting risk

If the Company was unable to obtain, maintain, or renew the municipal, regional, or national authorisations required for the construction, operation, and legalisation of renewable energy generation assets, including self-consumption photovoltaic installations, this could have a material adverse effect on its business, financial performance, and project feasibility. Although recent regulatory reforms have sought to simplify and streamline these procedures, the permitting process in Spain remains inherently complex and time-consuming, involving numerous administrative entities, and is therefore subject to potential delays, denials, or revocations. There can be no assurance that such authorisations will be granted, or granted within the expected timeframe, and any delay or refusal could negatively impact turnover, results, project start-up schedules, and ultimately the valuation of the Company.

Failure to comply with the specific terms, conditions, or deadlines attached to granted authorisations—such as connection point deadlines—could result in the revocation of permits, the execution of financial guarantees, or the imposition of sanctions, any of which could adversely affect the Company's activities, results, or financial position. To mitigate this risk, the Company has internalised the management of permits and authorisation processes, ensuring continuous acquisition of knowledge, increasing predictability, and reducing dependence on external advisors. In addition, for grid-connected projects, the Company may acquire assets once they are operational or all required licences have been granted.

Beyond permitting, the regulatory framework governing renewable energy, self-consumption, and distributed generation in Spain is complex and evolving, primarily defined under Royal Decree-Law 15/2018 and Royal Decree 244/2019. Amendments, reinterpretations, or replacements of these or related provisions could negatively impact demand for self-consumption projects and the viability of the Company's outsourcing model. Adverse legislative or policy changes could ultimately undermine the Company's competitive position, limit market growth, increase capital and operating costs, and affect financial results.

3.4.2 Insurance Against Customer Harm

If the Group were to face liability claims arising from contractual breaches, errors, omissions, or failures in the performance of its business activities, such claims could result in financial losses, litigation costs, and reputational damage. The Company, like other entities operating in the energy sector, is exposed to operational contingencies including accidents or interruptions at generation plants, which could materially disrupt project timelines and profitability. To mitigate such risks, the Company maintains business interruption insurance covering periods of operational inactivity, and for grid-connected plants once financed, interest rate risk insurance has been arranged. In addition, the Company benefits from surety bond insurance intended to cover potential client defaults, thereby limiting exposure to credit-related losses. Despite the existence of these mitigation measures, the residual risk cannot be fully eliminated. Claims or losses that exceed insurance coverage, or that adversely affect the Company's reputation, could have a material negative impact on its financial performance, operational continuity, and future business prospects.

3.4.3 Litigation Risk and legal proceedings risk

In the ordinary course of business, Energy Solar Tech may become involved in litigation or extrajudicial claims of a civil, commercial, criminal, administrative, regulatory, or arbitration nature. Potential disputes could arise with clients, suppliers, employees, or public authorities, and may relate to contractual performance, products sold, services rendered, labour issues, or tax matters.

Although, as of the date of this Information Document, the Company is not involved in any legal proceedings that, in its judgement, could have a material effect on its business or financial position, there can be no assurance that new claims will not arise in the future or that existing matters, if any, will be resolved favourably.

Such proceedings can be complex, protracted, and costly to defend, requiring significant management attention and resources, and potentially diverting focus away from core operations. An unfavourable outcome in any case—whether through judgement, settlement, or regulatory sanction—could result in substantial financial liabilities, disrupt normal business operations, adversely affect liquidity and results, and damage the Company's reputation and market standing.

While the Company endeavours to mitigate exposure through robust contractual, compliance, and control frameworks, the inherent risk of legal disputes remains, particularly given the complex regulatory environment and the long-term contractual nature of activities in the renewable energy sector.

3.5. Risks in the business issuer's sectors of activity

3.5.1 Electricity price risk

The price of electricity in Spain is determined within a regulated framework, where the principal factors are (i) the overall supply of electricity, (ii) consumer demand, and (iii) the generation mix. The system is designed to ensure transparent price formation and to prevent market abuse, such that no individual operator has the capacity to influence wholesale electricity prices.

Energy Solar Tech recognises that fluctuations in wholesale prices can affect the relative attractiveness of self-consumption models, as lower prices reduce the savings available to end-users.

To mitigate this risk, the Company has deliberately diversified its business lines. In addition to facilitating the migration of companies to renewable self-consumption through an outsourcing model without client investment, Energy Solar Tech is active in advanced engineering and construction, the development of centralised generation assets, and the manufacturing of modular solutions such as digital substations and data centres. Looking ahead, the integration of modular data centres to our outsourcing business unit provides a structural hedge against wholesale price volatility by converting energy into stable, recurring revenues through data processing. This diversification is further reinforced by the Company's internationalisation strategy, which enables it to compete effectively across markets and scale its offering globally. Collectively, these complementary activities provide resilience, balance cyclical pressures, and underpin sustainable long-term value creation.

3.5.2 Risk of photovoltaic panel technology

The Company bases its outsourcing model on the installation of renewable energy generation assets, including photovoltaic panels. This technology competes with other forms of self-generation and could be replaced in the long term by newer, more efficient forms of electricity generation.

Additionally, as technologies evolve, it is possible that a new substitute product could render solar panels obsolete, consequently significantly affecting the photovoltaic self-consumption market. The potential inability of Energy Solar Tech to anticipate and/or adapt to such a market disruption could result in a deterioration of the Company's business model and a loss of the Group's competitiveness, negatively impacting its revenue.

Among other actions, the Company is investing in ancillary, complementary, and substitute technologies to achieve technological balance in its asset portfolio. For instance, the Company has invested or considering investing in wind generation, biomass, biogas, hydrogen, storage assets as weel as modular data centers, aiming to build a future model of diverse, complemented, and balanced technologies that reduce technological risk in the business and enhance competitive strength.

3.6. Risk ratings valuation rationale

General risks

- Geographical concentration: Low probability; Medium significance. The business is still predominantly Spain-focused, exposing it to Spain-specific macro, regulatory and sector sentiment swings. Diversification and internationalisation are underway, and new verticals (manufacturing, data centres) add resilience, but concentration remains a present structural exposure.
- Suppliers: Medium probability; Medium significance. Global commodity and logistics volatility can affect panels, structures, inverters and IT components. The group pre-buys inventory and diversifies suppliers, yet sustained price rises or disruptions would pressure margins given limited pass-through capacity.

- Economic cycle: Medium probability; Medium significance. Industrial clients are relatively resilient and cost-focused, but prolonged weakness, tighter financing, or delayed capex would reduce project flow. Diversification and data center integration mitigate, but macro remains a material driver.
- Brand reputation: Low-Medium probability; Medium significance. Execution issues, customer claims or adverse publicity could impact origination and financing access. Governance improvements and diversified lines help, but reputational shocks have long tails.
- Competition risk: Medium probability; Medium–High significance. Incumbents and new entrants (incl. PE-backed) intensify price and terms competition. The differentiated outsourcing + manufacturing + data centre strategy is a strength, but competitive pressure is persistent.
- Shareholding concentration: Medium-High probability; Medium significance. Four shareholders hold ~55%; CEO holds ~21% and is executive/board. It is a current fact, with governance measures improving balance, but alignment risk exists on strategic decisions.
- Conflicts of interest with related parties: Low probability; Low-Medium significance. The framework requires arm's-length terms and approvals; prior related transactions exist. Risks are manageable with controls, but non-compliance could affect minority interests.

Operational risks

- Dependence on client contracts: Low probability; Medium significance. Outsourcing is ~16% of revenues (2024), with five-year rolling terms and penalties that deter early termination. Diversified activities reduce revenue concentration, but client decisions can still affect cash flows.
- Contract duration risk: Low probability; Low-Medium significance. Severe penalties and economic incentives reduce early termination risk, yet failure to meet obligations or client changes can impact continuity.
- Lack of technological progress: Low probability; Medium significance. Fast innovation cycles could erode competitiveness. The in-house Engineering/Manufacturing and multi-tech investments (digital substations, data centres) are strong mitigants, but disruption would be costly.
- Dependency on management team: Medium probability; Medium significance. Founder-led strength is a plus, but loss of key personnel would materially affect execution. The employee stock plan aligns talent, yet sector competition for skills is high.
- Customer satisfaction: Low probability; Medium significance. QA, compliance, and engineering standards reduce disputes, but claims can still hit reputation and cost.
- Strategy: Medium probability; Medium-High significance. Delivery discipline across four verticals is crucial. Diversification and data centres hedge volatility, but mis-execution would materially affect value creation.
- Corporate governance: Low-Medium probability; Medium significance. A reinforced framework and independent directors help counterbalance concentrated ownership. Residual influence risks persist.
- Operations interruption: Medium probability; Medium significance. Insurance (business interruption; interest rate risk post-financing) and diversification mitigate. Weather, safety and environmental events can still cause delays and costs.

- Interruptions/decrease in generation: Medium probability; Medium significance. Resource variability and mechanical failures can depress output. Wind (18 MW), storage analysis, control centre and tech upgrades mitigate variability, but portfolio impacts remain possible.
- Maintenance/renovation/dismantling costs: Low probability; Low significance. Lifecycle capex and dismantling obligations can weigh on margins; recycling compliance is in place. Contract design aims to preserve long-term equilibrium.
- Cybersecurity: Low-Medium probability; Medium significance. Zero Trust, anti-phishing, DDoS protections, backups and audits are established; disruption would be materially damaging given digital infrastructure expansion.

Financial risks

- Interest rate: Low probability; Low–Medium significance. ~75–80% variable debt, but IRS hedges ~70% of Valdelugo PF; a +100 bps impact ~€120k/year and leverage is moderate (ND/Equity ~0.14x, 2024). Sensitivity is contained.
- Liquidity: Low-Medium probability; Low-Medium significance. Growth market free float is limited and volumes modest; dual listing and a liquidity provider support trading but cannot fully remove volatility/illiquidity risk.
- Credit: Low-Medium probability; Medium significance. Solvency checks, advances, surety bonds and asset recourse (>60% of project investment) are strong mitigants; sector volatility can still raise default risks.
- Exchange rate: Low probability; Low significance. Operations and financing in euros; occasional USD purchases are short term and naturally hedged. FX exposure is immaterial historically.
- Debt level: Low probability; Low significance. Gross debt ~€14.1–14.8m; ND ~€7.8–8.9m (FY'23-H1'25). Covenants/financing access could tighten in adverse markets; monitoring is ongoing.

Legal and regulatory risks

- Regulatory and permitting: Medium probability; Medium-High significance. Multi-layer authorisations in Spain can delay/deny projects; internalised permitting knowledge improves predictability. Self-consumption regime reforms and broader energy policy changes are material risks.
- Insurance against customer harm: Low probability; Low-Medium significance. Business interruption, surety and interest rate risk insurance help; claims exceeding coverage or reputational impact would be meaningful.
- Litigation processes: Medium probability; Medium significance. Normal course disputes can be costly and distracting. One identified claim (Sarpel) is provisioned (€4.5m as of H1'25); otherwise, no material proceedings.

Sector risks

- Electricity price risk: High probability; Medium–High significance. EU/Spain face PV cannibalisation, grid saturation and price volatility; the strategy to convert energy to data processing (modular DCs), hybridisation and storage mitigates revenue sensitivity over time.
- Risk of photovoltaic panel technology: Low-Medium probability; Medium significance. Potential substitution or rapid efficiency gains could obsolete assets; multi-tech investments (wind, storage, biomass/biogas, hydrogen, modular DCs) reduce single-tech reliance.

04.

INFORMATION ABOUT THE ISSUER

4. INFORMATION ABOUT THE ISSUER

4.1 History and development of the Issuer

4.1.1. Legal and commercial name of the Issuer

Legal Name: Energy Solar Tech, S.A.

Commercial name: Energy Solar Tech

4.1.2. Location, Company registration number, and Legal Entity Identifier (LEI)

The Company was registered in the Commercial Registry of Madrid in Volume 40305, Folio 1, Sheet M-716021, Entry 1. Subsequently, through an extraordinary general meeting of the company's shareholders, the transformation of the Company into a public limited company was approved, and registered in the Commercial Registry of Madrid, in Volume 43976, Folio 213, Entry 15.

The tax identification number (NIF for its acronym in Spanish) is A-88607841.

The legal entity identifier (LEI) of the Company is 894500YQF1XJ6L8L8T23.

4.1.3. Date of registration and duration

The Company was incorporated on February 18, 2020, for an indefinite period.

The transformation into a public limited company was approved on October 17, 2022, and registered in the Commercial Registry of Madrid on November 15, 2022.

4.2. Domicile and legal form

4.2.1. Industry Classification Benchmark (ICB) code

The classification for the Company is 60102020 - Renewable Energy Equipment.

4.2.2. Head office of the Company and legal form

The Company is a Spanish public limited company domiciled at C/ José Echegaray 8, Edif:1 Mód: 5-6, Plant: 1, Las Rozas de Madrid – 28232 (Madrid).

Legislation under which the Issuer operates: The Issuer operates under the Spanish Capital Companies Act (Ley de Sociedades de Capital), approved by Royal Legislative Decree 1/2010 of 2 July.

The Company's contact details are as follows:

Telephone: +34 910 07 02 65
Email: info@energysolartech.com
Website: https://energysolartech.com/

4.3. The important events (dates) in the development of the Issuer's business

Origin of the Group

2019

Between September and December 2019, prior to the incorporation of the Company, Mr Alberto Hernández Poza conducted five pilot tests of energy outsourcing in 50 kWp plants with the objective of validating the business model.

The success of these tests led directly to the creation of Energy Solar Tech.

2020

In February 2020, Energy Solar Tech, S.L. was formally constituted by Mr Hernández Poza, formerly General Manager of Apple in Spain.

Within one month, the Company launched its first photovoltaic panel, a 510W module that ranked among the top three in the Spanish market.

By October of that year, fifteen installations were underway simultaneously, supported by a workforce that had grown to eleven employees.

In December, the Company acquired 100% of Agais Servicios Energéticos, S.L.U., an energy advisory firm established in 2018, whose principal activity consisted of identifying energy-saving measures, monitoring consumption and implementing efficiency solutions.

By year-end, the Company had achieved annual recurring revenues of €3.1 million with an average contribution margin of 34%, reported revenues of €0.35 million and EBITDA of €0.15 million.

The total workforce stood at fifteen, comprising nine direct employees and six indirect staff.

2021

The year 2021 marked a phase of accelerated expansion and technological leadership.

The Company launched successive photovoltaic panels of 600W and 610W, with efficiencies of 22% and 22.5% respectively, the latter ranking among the top three worldwide.

Commercial performance exceeded expectations, with 222% of annual objectives achieved.

Major projects included the announcement of the €5 million Segovia Project industrial consortium, the signing of a €1.3 million contract with Graphic Packaging, and the initiation of Spain's largest self-consumption project at the time, a 3MW solar plant.

Financing activities included a €6 million capital increase, bringing cumulative investment to €11 million, of which €8 million was equity and €3 million debt.

Following a financing round of over €4 million, the Company's post-money valuation reached €36 million and the number of shareholders increased to 602.

In parallel, the Company was admitted to the Pre-Market Environment of BME Growth, thereby initiating its preparation for a future listing.

Financially, the year closed with revenues of €4.23 million, EBITDA of €0.45 million and production assets of €3.9 million.

Within only sixteen months of its foundation, the Company achieved break-even at EBITDA level and created fifty jobs.

<u>2022</u>
The year 2022 was transformative, culminating in the Company's market debut and the acquisition of strategic generation assets.

On 12 December, the Company's shares were admitted to trading on BME Growth at €3.12 per share, with an average trading price of €5.93 during the year.

In October, the Company was transformed into a Sociedad Anónima following shareholder approval.

During the year, the Group acquired 100% of Utusol Beta, S.L.U., a developer of photovoltaic parks, and 49% of Parque Eólico Valdelugo, S.L., an 18MW wind farm with potential for solar hybridisation of 18MW.

Financing activities brought total capital raised to €14.7 million, including a €2 million prepayment on the Valdelugo project finance.

Operationally, January 2022 was the first month in which monthly recurring revenues exceeded €1 million.

By year-end, production assets reached €7.5 million, revenues totalled €13.27 million and EBITDA amounted to €3.01 million.

<u>2023</u>
In 2023, the Group consolidated its position through major acquisitions, financing rounds and governance developments.

In January, the Company increased its stake in Valdelugo to 98%, thereby obtaining control of the wind farm.

In March, it acquired 100% of Sarpel Ingeniería, S.L.U. and its Chilean subsidiary, adding more than 120 employees and over 5.000 projects of engineering and EPC experience across solar, wind, hydroelectric, cogeneration, biomass and electrical infrastructure.

In the same month, the Company was included in the IBEX GROWTH MARKET® 15 index.

Financing activities were substantial, with €21.6 million raised through multiple capital increases and €12.35 million structured financing, including convertible credit lines and bank loans.

The acquisition of €4.1 million of subordinated debt of Valdelugo reduced annual financial expenses by €266,000.

Governance changes included the resignation of Director Alberto Torrego López and the appointment of Antonio García-Urgeles as Independent Board Member.

Unaudited results for the third quarter showed revenues of €34.62 million and EBITDA of €6.69 million.

The Board authorised the initiation of a dual listing on Euronext Growth Paris, initially targeted for the first quarter of 2024.

Audited results confirmed revenues of €52.41 million, representing a 290% increase year-on-year, EBITDA of €9.54 million, up 216% year-on-year, production assets of €31.35 million and net equity of €47.43 million.

<u>2024</u>

The year 2024 was characterised by strategic consolidation and resilience in the face of volatile energy markets.

The Group concentrated resources on complex engineering and construction projects, postponing the financing and construction of new wind and solar parks.

In August, a capital increase was executed under the Employee Incentive Plan, issuing 118,588 new shares.

Despite a 54% decline in wholesale energy prices compared with the first half of 2023, revenues for the first half of 2024 reached €21.97 million and EBITDA €3.09 million, while production assets increased to €33.82 million.

At the April Annual General Meeting, shareholders ratified the appointment of Antonio García-Urgeles, approved Board remuneration and authorised the dual listing on Euronext Growth Paris.

Preliminary results published in February 2025 indicated full-year revenues of between €62.85 million and €63.85 million, representing a 20% increase year-on-year, and EBITDA of between €7.04 million and €7.26 million, a 25% decrease due to lower energy prices.

Audited results confirmed consolidated revenues of €63.37 million, EBITDA of €7.05 million and a 16% reduction in gross financial debt to €14.81 million.

<u>2025</u>

Corporate Restructuring and Strategic Renewal

At the beginning of the year, the Company initiated a comprehensive organisational restructuring aimed at renewing talent not aligned with the new phase of growth and incorporating new senior profiles.

A Transformation Plan for Governance and Management was implemented, introducing new functional leadership roles, including Investor Relations Mangement.

In parallel, the Company announced the launch of a new strategic business line focused on manufacturing modular solutions such as digital substations and modular data centres

This initiative consolidated the Group's business model into four verticals:

- Energy Solar Tech Outsourcing (including distributed Data Centres),
- Projects & Construction,
- Centralised Generation, and
- Manufacturing

By the first half of the year, this new pillar had already generated more than €15 million in signed contracts and saw the launch of the first distributed Data Centre pilot in operation.

Key Milestones of 2025

- March: Commissioning of the Valdelugo data centre pilot project.
- 19 & 26 March 2025: Formulation of the Consolidated Financial Statements for the 2024 fiscal year by the Board of Directors.
- 27 March 2025: Market communication of the audited consolidated financial results for the 2024 financial year.
- 5 May 2025: Announcement of a shareholder request for a complement to the JGA notice, submitted by shareholders holding more than 5% of the share capital.
- 15 May 2025: Formal request by the Company for the cessation of alleged irregular actions by Dominical Board Member Mr. Diego Lamelas Pombriego.
- 20 May 2025: Ordinary General Shareholders' Meeting held.
  Ratification of the dismissal of Mr. José Abel Martín Sánchez and the social responsibility action against him.
  Suspension of deliberation and voting on governance points proposed in the complement, pending pronouncements from the CNMV and courts.
  Public acknowledgement by Mr. José Abel Martín Sánchez of concerted action among shareholders.
- 28 May 2025: Communication of the full agreements adopted at the JGA.
  Resignation of Independent Board Member Mr. Juan Antonio García-Urgeles Capdevila, aligned with the governance transformation plan.
- In June 2025, the Board underwent major restructuring with five resignations and five new appointments, leaving it composed of seven members. On 18 June, the Audit Committee was formally constituted, chaired by Mr. Francisco Bengoechea. The Board unanimously agreed to adhere to the Public Takeover Bid regime under Law 6/2023.
- July 2025: Judicial ruling issued by Commercial Court No. 1 of Madrid, commenting on operational measures deployed in relation to the attempted takeover via the JGA supplement.
- 24 July 2025: Public presentation of the new Investor Relations Strategy.
  Governance plan included reinforcement of the executive team with a new Director of Investor Relations and Capital Markets, a new General Manager, and partial renewal of the Board with profiles experienced in listed companies.

- August: Start- in of operations at the new factory in León.
- September: Completion of the largest modular substation ever built by the company for the Vilecha project (250MW)
- 22 September 2025: the Company was included in the IBEX GROWTH MARKET® 15 index.
- 26 September 2025: Communication of consolidated financial results for the first half of 2025 (period ended 30 June 2025). The group announced first half 2025 record results with consolidated revenues of €43.2 million, double the figure for the same period in 2024, and EBITDA of €4.1 million, representing a 30% increase. The Company also achieved record levels of work in progress (€17 million) and a contract backlog of €50 million, securing growth for the next 12 to 18 months. EBITDA was negatively impacted by between €0.8 million and €1.2 million due to technical failures and deficiencies in the external management of the Valdelugo wind farm, including an interconnection breakdown in January and February with an estimated impact of €0.7 million.
- 25 October 2025: Projected culmination of the transition period related to the internalisation of the management of the Valdelugo Wind Farm.

The hybridisation of the Valdelugo wind farm is scheduled to begin in 2026, adding 18 MW of photovoltaic capacity to the existing 18 MW of wind generation. The project is expected to deliver an additional 1,500 hours of production per MW installed and generate around 27 million kWh of solar energy. The expansion of the farm to include 9 MW of battery storage is also planned.

Notable Milestones

2020
- Foundation of Energy Solar Tech
- €2M capital increase
- Launch of the 510W panel, top 3 in the market
- Acquisition of Agais Energy Services
- Simultaneous development of 15 installations

2021
- €6M Capital increase
- 222% of target achieved
- 610W panel launch. 22.5% efficiency
- Development of the largest self-consumption project in Spain. 3MW solar plant combined with other technologies
- Production assets: €3.9M

2022
- Included in BME Growth 12/12/2022
- Capital Raised: €14.7M
- Acquisition of the Valdelugo 18MW wind farm
- Strategic partnership with ERBI Energia
- 140% of target achieved
- Production assets: 7.5M€

2023
- €21.6M Capital increase
- Acquisition of Sarpel, a company specialising in engineering services and the construction of renewable energy plants, for €19.5 million
- Construction of a 35MW wind farm that can be hybridized with 15MW of photovoltaic

2024
- Integration of Sarpel into the Group's structure
- Completion of the Renopool project: 350MVA
- First digital substation in Spain

1H 2025
- Start of the Valdelugo 'Data Center' pilot project
- Record Construction: E-House with 250MVA Module
- Commissioning of the new factory in León

05.

BUSINESS OVERVIEW

5. BUSINESS OVERVIEW

5.1. Description of the principal activities

5.1.1. Description of the main products and services and business model

5.1.1.1 Description of the main products and services

Energy Solar Tech was founded on a distinctive outsourcing model, adapted from the technology and telecommunications industries, which eliminates the need for client capital expenditure and transfers investment, regulatory and technological risks to the Comp Energy Solar Tech any. This approach enables industrial and commercial clients to concentrate on their core activities while benefiting from competitive, sustainable and flexible energy solutions.

Energy Solar Tech successfully transformed into a public limited company in October 2022, starting with its distinctive outsourcing model. The company was then listed on Spain's BME Growth market in December 2022, marking a significant milestone in its corporate trajectory. Building on this foundation, **the company has evolved to become one of the most resilient and best-performing businesses on the BME Growth market,** combining technological innovation, industrial capacity and financial discipline.

Today, the Company's business model is structured around four complementary verticals: **Outsourcing**, the founding model that remains the cornerstone of client relationships; **Projects & Construction**, which encompasses the design, engineering and turnkey execution of high-value energy infrastructure projects, as well as tailored solutions for clients in the energy, industrial and services sectors, ensuring that both outsourcing assets and centralised generation facilities remain at the technological frontier; **Manufacturing**, which delivers modular solutions such as digital substations and next-generation modular data centres; and **Centralised Generation,** anchored by the 18 MW Valdelugo wind facility, which is scheduled to begin hybridisation with solar and battery storage in the near term. Together, these verticals provide diversification, adaptability and internationalisation capacity, reducing reliance on any single market or technology.

The **mission of Energy Solar Tech** is to facilitate the energy transition of industrial and commercial clients by delivering comprehensive, multi-technology solutions under an outsourcing framework that requires no client investment, while also executing turnkey projects that encompass the full design, engineering, financing, construction, operation and maintenance of energy infrastructure. By integrating generation, efficiency and digital infrastructure, the Company ensures lower energy costs, reduced consumption and enhanced sustainability, while assuming the design, financing, construction, operation and maintenance of the assets. Its vision is to contribute to the development of an electro-efficient industrial economy, enabling companies to allocate financial and human resources to strategic growth rather than non-core energy investments. By doing this, Energy Solar Tech aims to boost the competitiveness and sustainability of Spanish and other economies, establishing itself as a leader in the convergence of energy and digital technology.

As previousluy mentioned, Energy Solar Tech operates through **four integrated verticals,** each of which contributes to the resilience, scalability and profitability of the Group:

1. Energy Solar Tech | Outsourcing

Energy Solar Tech has successfully adapted the outsourcing model, widely proven in the technology sector, to the energy industry. Under this approach, the Company assumes full responsibility for the **design, financing, construction, ownership and operation of energy assets** located at client facilities.

Clients are relieved of any need for upfront investment, regulatory compliance, technological risk management or operational oversight. Instead, they contract energy and efficiency services on a long-term basis, paying only for the energy consumed or the savings achieved **Energy As A Service (EAAS).** This model ensures **recurring revenues** for the Company and **guaranteed cost reductions** for clients, typically in the range of **20–40% savings on electricity bills**.

The outsourcing vertical integrates both **products and services.**

On the product side, Energy Solar Tech deploys a wide range of distributed generation technologies, including **photovoltaic systems, micro and mini wind, etc…, and modular data centres**.

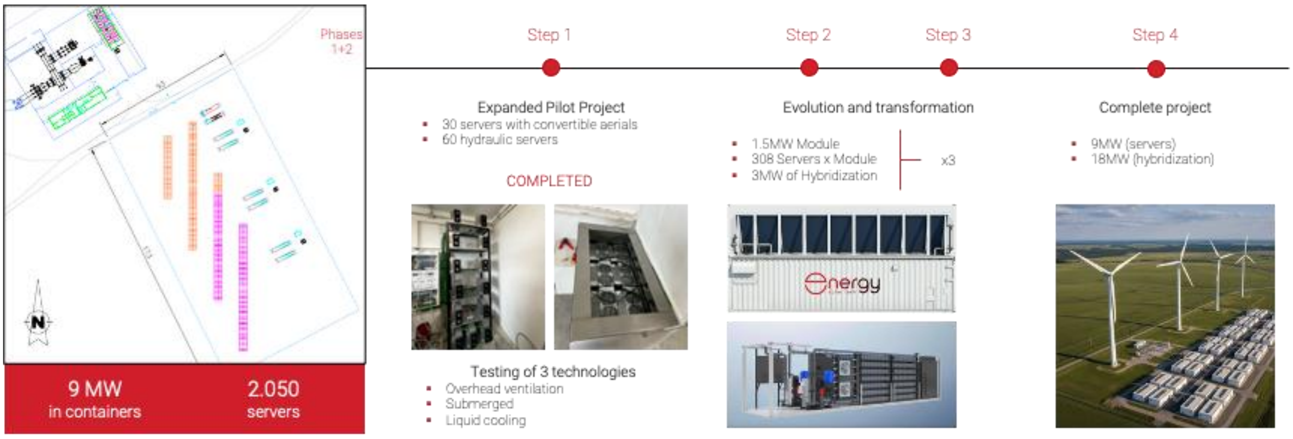
On the service side, the Company provides **comprehensive project management,** covering feasibility studies, permitting, engineering, construction, operation and maintenance. Besides, Energy Solar Tech can also supply energy from its centralised generation assets and from the grid, to complement self-consumption, ensuring continuity of supply.

A key differentiator of this vertical is its ability to **eliminate technological obsolescence risk** for clients. In a context of rapid electrification and short innovation cycles, client-owned assets risk becoming outdated within 4–5 years. By contrast, the outsourcing model guarantees continuous technological renewal, with Energy Solar Tech updating and adapting assets to evolving client needs throughout the contract term.

Within this vertical, a **strategic growth vector** is the development and operation of **modular distributed data centres**. These facilities are designed, built and operated by Energy Solar Tech, and are energised primarily with renewable generation from on-site assets or from the company's centralised generation. Delivered in modular, factory-tested units, they allow rapid deployment and integration into client operations. These data centres recover waste heat (HVAC) for use in client facilities such as hotels, shopping centres or sports venues, creating further efficiency gains.

The Company is also advancing in the integration of **modular data centres associated with centralised generation assets**, with the pilot project at the **Valdelugo Wind Farm** (up to 9 MW) serving as a reference. This initiative demonstrates the convergence of renewable generation and digital infrastructure, positioning Energy Solar Tech at the forefront of this emerging market.

<u>Valdelugo Data Centre Pilot Project</u>



Importantly, **all future revenues from modular distributed data centres and from modular data centres linked to centralised generation will be recognised within the Energy Outsourcing vertical.** This ensures that the outsourcing business line not only continues to deliver long-term recurring revenues from energy supply and efficiency services but also captures the incremental growth potential of digital infrastructure powered by renewable energy.

<u>Standardised production of Modular Data Centres for customer locations with HVAC solutions.</u>

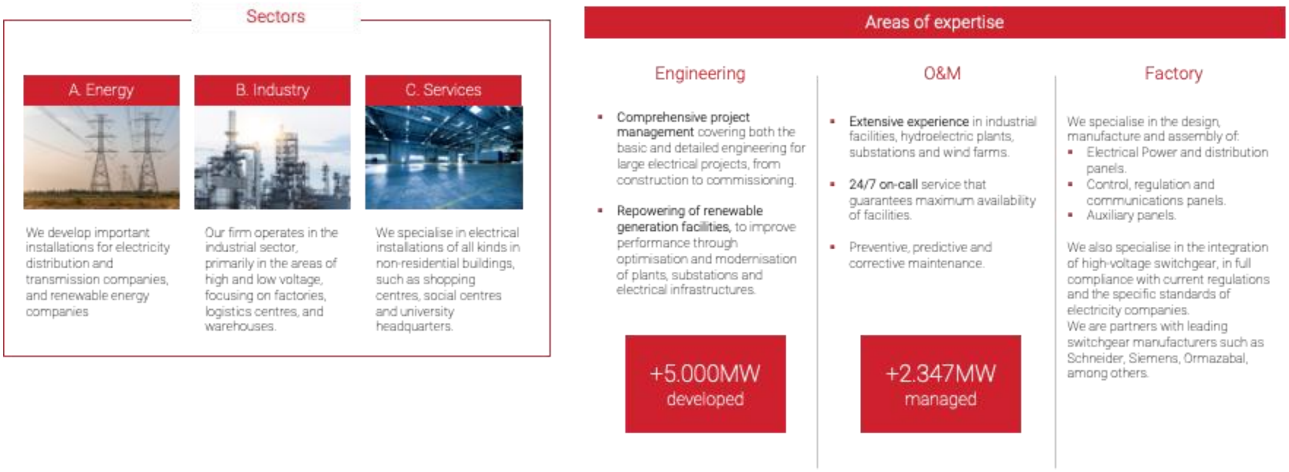
- Scope

- Development, ownership and operation of energy assets and distributed infrastructures.
- Comprehensive outsourcing model: Energy Solar Tech designs, finances, builds, owns and operates the assets.
- The Company assumes all investment, regulatory, technological and operational risks.
- Covers both products (photovoltaic, micro/mini wind, modular data centres, etc…) and services (efficiency optimisation, design, permitting, construction, operation and maintenance).

- Value Proposition
  - Clients obtain the lowest possible energy cost without upfront investment.
  - Long-term recurring revenues for the Company.
  - 20–40% savings on electricity bills for clients.
  - Transfer of all risks (investment, regulatory, technological, operational) to Energy Solar Tech.
  - Protection against technological obsolescence in a rapidly electrifying economy.
- Applications
  - Distributed generation: photovoltaic, micro/mini wind, etc.
  - Energy efficiency: optimisation of consumption and reduction of demand peaks.
  - Grid supply complementing self-consumption.
  - Modular distributed data centres:
    - Designed, built and operated by Energy Solar Tech.
    - Powered primarily by renewable generation.
    - Delivered in modular, factory-tested units for rapid deployment.
    - Waste heat can be recovered for client facilities (e.g. hotels, shopping centres, sports venues).
  - Modular data centres associated with centralised generation:
    - Pilot project at Valdelugo Wind Farm (up to 9 MW).
    - Demonstrates integration of digital infrastructure with renewable generation.
  - All future revenues from modular distributed data centres and modular data centres linked to centralised generation will be recognised within the Outsourcing vertical.
- Client Benefits
  - No investment required: Energy Solar Tech assumes all capital expenditure.
  - Guaranteed savings: contractual commitment to deliver lower energy costs.
  - Operational simplicity: Energy Solar Tech manages design, permitting, construction, operation and maintenance.
  - Technological flexibility: assets are renewed and adapted to evolving client needs.
  - Risk transfer: clients are shielded from regulatory, technological, and operational risks.
  - Additional value from modular data centres: heat recovery.

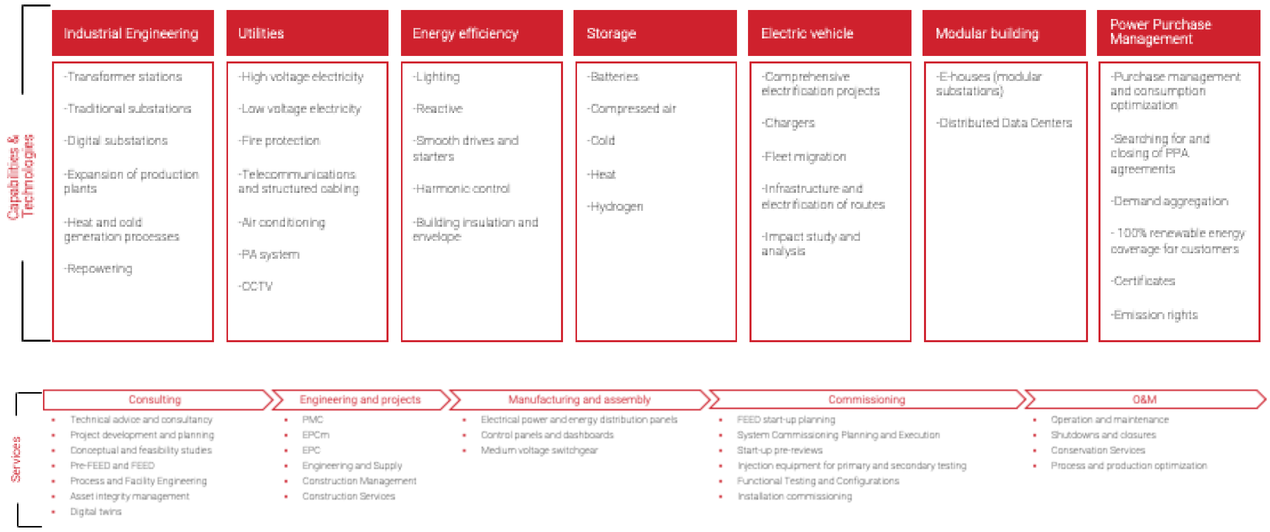
2. Energy Solar Tech's Projects & Construction

The Projects & Construction division covers the design, engineering and turnkey execution of high-value energy infrastructure projects. Its scope includes multi-technology generation plants, substations, transmission and storage facilities, and tailored solutions for clients in the energy, industrial and services sectors. Services include feasibility studies, detailed engineering, procurement, construction, commissioning, and maintenance. The Company's expertise extends to renewable plants such as solar, wind, hydro and biomass, cogeneration facilities, and specialised energy solutions for data centres. A distinctive feature of this vertical is the use of modular prefabricated solutions (E-Houses). This approach not only accelerates project delivery but also improves profitability.



- **Scope:** Design, engineering and turnkey construction of high-value energy infrastructure for industrial, commercial and technology clients, as well as for the energy industry itself.
- **Capabilities**: More than 6,000 projects executed, covering substations, transmission and storage infrastructure, renewable plants (solar, wind, repowering, etc…), and specialised energy solutions for data centres.
- **Value Proposition:** Comprehensive execution capacity from feasibility study to commissioning, reinforced by in-house engineering and prefabrication capabilities.

Goto market Capabilities



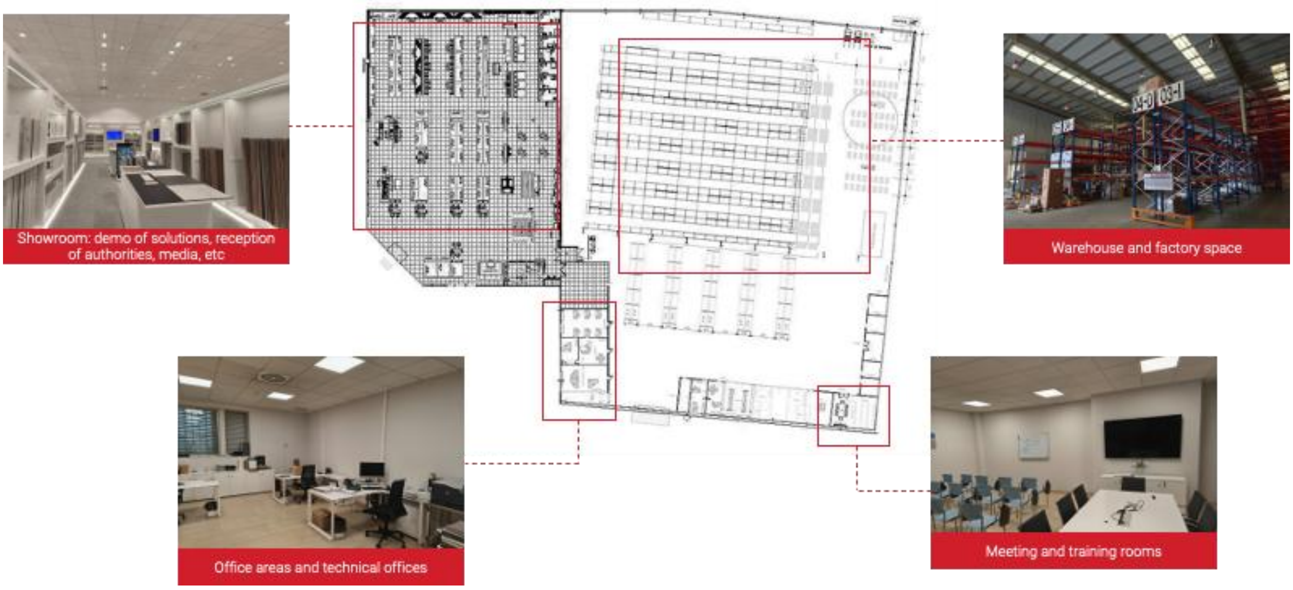
3. Energy Solar Tech's Manufacturing

The Manufacturing vertical (+16,000 m^2 of own facilities) provides the Company with industrial capacity and export potential. It is focused on the design, engineering, and production of modular energy and digital infrastructure solutions. Two facilities support this activity: the plant of León, operational from the fourth quarter of 2025, and the long-established A Coruña plant.

The León facility integrates manufacturing, storage and showroom capabilities, specialising in modular substations (E-Houses) and modular data centres. These factory-tested solutions enable rapid deployment and quality assurance.

<u>New León facility</u>





The A Coruña plant specializes in the production of electrical panels (power, control, and auxiliary), the integration of switchgear solutions with technologies from leading industry players such as Siemens, Schneider, and Ormazabal, and the development of basic and detailed engineering for large-scale projects.

<u>Products manufactured at the A Coruña Plant</u>

Through these plants, Energy Solar Tech controls the entire value chain, ensuring quality, reducing lead times and supporting innovation. The Company designs and produces digital substations featuring remote control, predictive maintenance, and continuous 24/7 monitoring, in addition to advanced cooling solutions for modular data centers.

A. E-House (Modular Substation)

An e-House is a **fully integrated electrical substation, designed, manufactured and integrated in our facilities**. Tests and validations are carried out before installation at the customer's required location.

It comes fully equipped with high-voltage switchgear, protection and control (P&C) systems and communications racks, auxiliary service panels and transformers, direct current batteries, generators, indoor installations and more.

B. Modular Data Center

Thanks to their flexible design, **the modular data centres that we develop can be customised to meet specific requirements, ensuring optimal performance, security and regulatory compliance.**

These modules enable the plug-and-play installation of infrastructure components such as network modules, server racks, cooling systems, security systems, electrical distribution systems and backup systems, as well as monitoring and security software.

Advantages of our solutions

Comprehensive, highly scalable solutions.	Risk mitigation during project execution.
CAPEX is reduced thanks to savings in engineering, installation and commissioning.	Thanks to tests and commissioning carried out in the factory, efficiency in terms of deadlines is ensured.

- Scope: Design, engineering and manufacture of modular energy and digital infrastructure solutions with high strategic value, suitable for industrialisation and export.
- Facilities:
    - León Plant (operational as from august 2025): Specialised in modular substations (E-Houses) and modular data centres, integrating logistics, storage and showroom capabilities. Export model based on factory-tested turnkey units with deployment times of 3–7 days versus 6–8 months in traditional construction.

- A Coruña Plant: Focused on electrical panels (power, control, auxiliary), switchgear integration with technologies from leading industry players such as Siemens, Schneider and Ormazabal, and advanced engineering for large-scale projects.

- Value Proposition: Control of the entire value chain, reduction of lead times, innovation in digital substations and advanced cooling systems.

E-house modular construction technology (Modular Data Centers)

4. Energy Solar Tech's Generation

The Generation vertical is dedicated to the development and ownership of centralised renewable assets. The Company currently operates the Valdelugo Wind Farm (18 MW), which will be hybridised with an additional 18 MW of solar photovoltaic capacity and 9 MW of battery storage (BESS).

This vertical plays a strategic role in ensuring coverage of demand not met by self-consumption and in reducing exposure to wholesale market volatility.

A pilot modular data centre is being deployed at Valdelugo, with a capacity of up to 9 MW. This project integrates digital infrastructure with renewable generation.

- Scope: Development and ownership of centralised renewable generation assets to ensure competitive, stable and sustainable energy supply.
- Current Assets:
  - Valdelugo Wind Farm (18 MW), with planned hybridisation of +18 MW solar PV and 9 MW battery storage (BESS).
- Strategic Role: Provides coverage for demand not met by self-consumption, reduces exposure to wholesale market volatility, and creates synergies with modular data centres (up to 9 MW of captive consumption at Valdelugo).
- Financial Profile: Typical payback of 8–9 years, in line with the sector, with competitive advantage from in-house construction.

The Company is undergoing a significant organisational renewal, incorporating senior and middle management talent with proven expertise, reinforcing governance and execution capacity. The strategic focus prioritises the deployment of distributed modular data centres and the expansion of the Projects & Construction and Manufacturing divisions, which offer higher profitability and scalability than traditional outsourcing or centralised generation in the current volatile price environment.

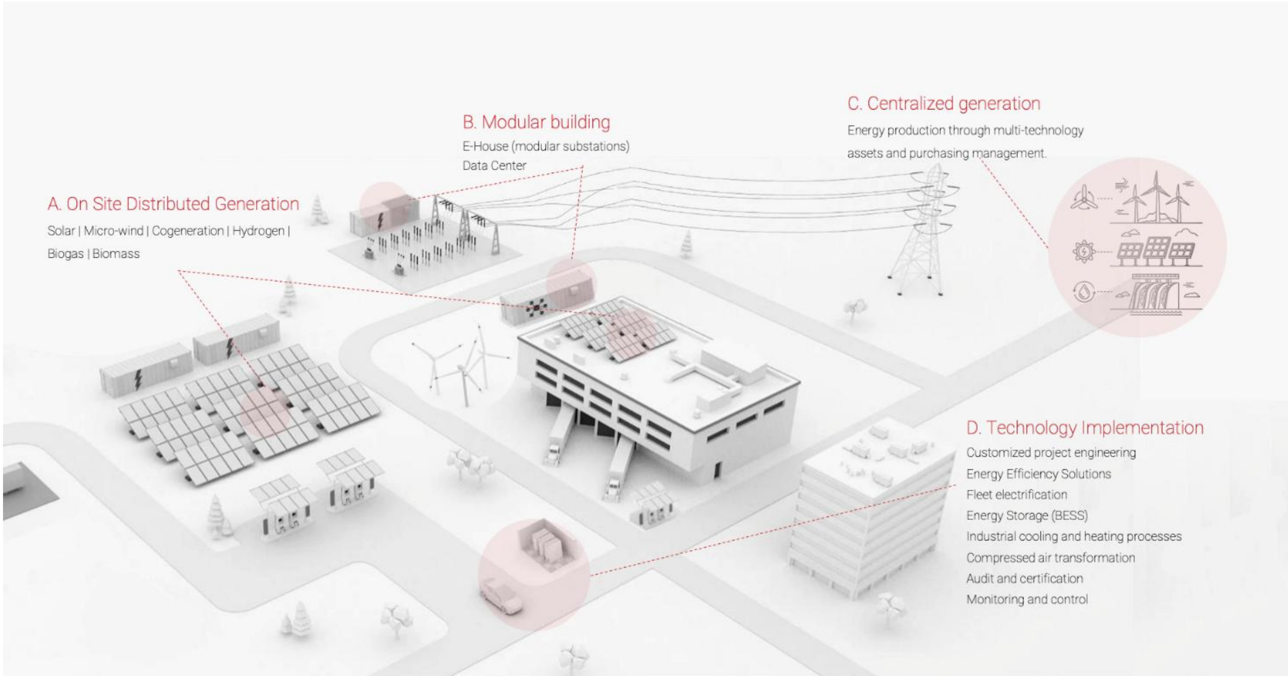
In conclusion, Energy Solar Tech has established itself as a **differentiated, integrated and resilient platform** at the intersection of energy and digital infrastructure. Its mission and vision are anchored in enabling the industrial energy transition through outsourcing, while its four business verticals provide a balanced combination of recurring and growing revenues, industrial capacity, technological innovation and asset ownership. With a record backlog, strengthened balance sheet and a clear strategic roadmap, Energy Solar Tech is well positioned to deliver sustainable growth and long-term value creation for its shareholders.

5.1.1.2. Business Model

Energy Solar Tech has built a differentiated business model on the foundations of outsourcing, successfully adapted from the technology and telecommunications industries to the energy sector. This model eliminates the need for client capital expenditure and transfers investment, regulatory and technological risks to the Company. By doing so, it enables industrial and commercial clients to focus on their core business activities while benefiting from competitive, sustainable and flexible energy solutions.

The mission of Energy Solar Tech is to facilitate the energy transition of its clients by providing comprehensive, multi-technology solutions under an outsourcing framework that requires no upfront investment from the client. By integrating generation, efficiency and digital infrastructure, the Company ensures lower energy costs, reduced consumption and enhanced sustainability, while assuming full responsibility for the design, financing, construction, operation and maintenance of the assets.

The group operates through the four business units, providing value across the entire energy perimeter of its clients and covering all their needs:



5.1.2. Business Strategy

The Company's strategy is anchored in its unique outsourcing model, which has been widely proven in the technology sector and is now applied to energy. Under this approach, Energy Solar Tech assumes full responsibility for the design, financing, construction, ownership and operation of energy assets located at client facilities. Clients are relieved of the need for upfront investment, regulatory compliance, technological risk management or operational oversight. Instead, they contract energy and efficiency services on a long-term basis, paying only for the energy consumed or the savings achieved (Energy as a Service, EAAS). This model ensures recurring revenues for the Company and guaranteed cost reductions for clients, typically in the range of 20–40% savings on electricity bills.

A key differentiator of the outsourcing vertical is its ability to eliminate technological obsolescence risk for clients. In a context of rapid electrification and short innovation cycles, client-owned assets risk becoming outdated within four to five years. By contrast, the outsourcing model guarantees continuous technological renewal, with Energy Solar Tech updating and adapting assets to evolving client needs throughout the contract term.

Within this vertical, a strategic growth vector is the development and operation of modular distributed data centres, energised primarily with renewable generation from on-site or centralised assets. Delivered in modular, factory-tested units, they allow rapid deployment and integration into client operations, while recovering waste heat for use in facilities such as hotels, shopping centres or sports venues. The pilot project at the Valdelugo Wind Farm (up to 9 MW) serves as a reference for the integration of renewable generation and digital infrastructure, positioning the Company at the forefront of this emerging market. Importantly, all future revenues from modular distributed data centres and from modular data centres linked to centralised generation will be recognised within the outsourcing vertical, consolidating its role as the Company's core business line.

The Projects & Construction division covers the design, engineering and turnkey execution of high-value energy infrastructure projects, including multi-technology generation plants, substations, transmission and storage facilities, and tailored solutions for the energy, industrial and services sectors. In 2025, this division has reached record levels of work in progress, exceeding €17 million. A distinctive feature is the use of modular prefabricated solutions, such as E-Houses and modular data centres, which reduce deployment times from six to eight months to as little as three to seven days, thereby accelerating delivery and improving profitability.

The Manufacturing vertical provides industrial capacity and export potential, supported by two facilities: the León plant, operational from the fourth quarter of 2025, and the long-established A Coruña plant. The León facility integrates manufacturing, storage and showroom capabilities, specialising in modular substations and modular data centres. The A Coruña plant focuses on the production of electrical panels, the integration of switchgear solutions from leading industry players, and the development of engineering for large-scale projects. Through these plants, the Company controls the entire value chain, ensuring quality, reducing lead times and supporting innovation.

The Generation vertical is dedicated to the development and ownership of centralised renewable assets. The Company currently operates the Valdelugo Wind Farm (18 MW), which will be hybridised with an additional 18 MW of solar photovoltaic capacity and 9 MW of battery storage (BESS).

The Company is undergoing a significant organisational renewal, incorporating senior and middle management talent with proven expertise, reinforcing governance and execution capacity. The strategic focus for the next 18 months prioritises the deployment of distributed modular data centres and the expansion of the Projects & Construction and Manufacturing divisions, which offer higher profitability and scalability than traditional outsourcing or centralised generation in the current volatile price environment.

In conclusion, Energy Solar Tech has established itself as a differentiated, integrated and resilient platform at the intersection of energy and digital infrastructure. Its mission and vision are anchored in enabling the industrial energy transition through outsourcing, while its four business verticals provide a balanced combination of recurring and growing revenues, industrial capacity, technological innovation and asset ownership. With a record backlog, a strengthened balance sheet and a clear strategic roadmap, the Company is well positioned to deliver sustainable growth and long-term value creation for its shareholders.

5.1.4. Technology implemented by the Issuer

Energy Solar Tech has consistently demonstrated its capacity to integrate advanced and diversified technologies across the energy value chain, ensuring that its business model remains resilient, scalable and aligned with the accelerating electrification of the economy. The Company has deployed a wide range of distributed generation solutions, including photovoltaic systems, micro and mini wind installations, hybrid cogeneration, biogas and biomass, complemented by efficiency technologies such as harmonic filters, capacitor banks, efficient lighting and ultra-efficient air conditioning. These technologies are implemented under long-term outsourcing contracts, enabling clients to reduce energy costs by 20–40% without the need for capital expenditure, while the Company assumes responsibility for design, financing, construction, operation and maintenance.

A distinctive feature of the Issuer's technological approach is its ability to mitigate obsolescence risk. In a context where innovation cycles are increasingly short, client-owned assets risk becoming outdated within four to five years. By contrast, Energy Solar Tech guarantees continuous technological renewal, adapting and upgrading assets throughout the contract term to ensure that clients benefit from the most efficient and sustainable solutions available.

The Company has also advanced in the integration of digital infrastructure with renewable generation. A strategic growth vector is the development of modular distributed data centres, designed, built and operated by Energy Solar Tech, and energised primarily with renewable generation from on-site or centralised assets. Delivered in modular, factory-tested units, these facilities allow rapid deployment, seamless integration into client operations and the recovery of waste heat for use in industrial, commercial or service environments. The pilot project at the Valdelugo Wind Farm, with a capacity of up to 9 MW, will serve as a reference for this convergence of renewable generation and digital infrastructure, positioning the Company at the forefront of this emerging market.

In addition, the Issuer has invested in modular prefabricated solutions (E-Houses) such as modular digital substations, which reduce deployment times from several months to a matter of days, significantly improving efficiency and profitability in project execution. Through its manufacturing facilities in León and A Coruña, the Company designs and produces digital substations with remote control, predictive maintenance and continuous monitoring capabilities, as well as advanced cooling systems for modular data centres. These industrial capabilities allow Energy Solar Tech to control the entire value chain, ensuring quality, reducing lead times and supporting innovation.

Finally, the Issuer complements its distributed generation and efficiency solutions with centralised renewable assets, including the Valdelugo Wind Farm (18 MW), which will soon be hybridised with an additional 18 MW of solar photovoltaic capacity and 9 MW of battery storage (BESS). This hybridisation will enhance stability, reduce exposure to wholesale market volatility and will provide a platform for integrating modular data centres directly into renewable generation sites.

Taken together, these technologies illustrate the Issuer's integrated and forward-looking approach: combining renewable generation, efficiency solutions, modular infrastructure and digital assets to deliver competitive, flexible and sustainable energy services under its outsourcing model.

5.1.5. Clients

A. Outsourcing

Since inception, Energy Solar Tech has completed over 100 Self-Consumption Projects for its clients across various sectors. All of Energy Solar Tech's clients are industrial clients, and the company aims to maintain this focus. The industrial sectors served are diverse, but the company prioritizes projects in resilient industries and economic activities. This emphasis on resilience and solvency over rapid growth was particularly important as the company was established during the pandemic. Some of the most significant success stories are shown below:

- Drylock Technologies

Installation in energy outsourcing of 1,400 kWp carried out at the hygiene products factory of Drylock Technologies in Segovia. With this installation, the self-consumption coverage of the total energy demand of the plant reaches almost 45%. The phase 3 is already completed, which involves adding another 800 kWp to the installation through a PV canopy in the parking area, increasing the client's self-consumption coverage to 4,000 installed solar panels.

- <u>Pastisfred</u>
  Energy outsourcing installation of 1,114 kWp completed at the Industrial Bakery and Pastry Products factory of Pastisfred in Tarragona. With this installation, the self-consumption coverage of the total energy demand of the plant reaches nearly 2% thanks to its 1,772 solar panels.

- <u>La Tahona de Utiel</u>
  Energy outsourcing installation of 572 kWp was completed at the bakery and pastry products factory of La Tahona de Utiel in Valencia. With this installation, the self-consumption coverage of the total energy demand of the plant reaches 33.5% due to the installation of 1,006 photovoltaic modules.

- <u>Graphic Packaging Cartons International</u>
  Energy outsourcing installation of 1,311 kWp was completed at the packaging factory of the multinational Graphic Packaging in Polanco, Cantabria. With this installation, the self-consumption coverage of the total energy demand of the plant slightly exceeds 32%.

- <u>Alquiler y Gestión de Frío</u>
  Energy outsourcing installation of 402 kWp completed at the food cold chain distribution plant of Alquiler y Gestión del Frío (AGF) in Alcolea, Córdoba. With this installation, the self-consumption coverage of the total energy demand of the factory reaches 57%.

Below is the breakdown of the number of panels and surface area in square meters for each of the most relevant projects:

Project	Number of panels	Surface (m²)
Drylock Technologies	4,000	21,569
Pastisfred	1,772	1,767
Redondo Iglesias Utiel	814	4,954
Redondo Iglesias Candelario	990	9,804
La Tahona de Utiel	1,006	6,485
Graphic Packaging Cartons International	1,857	9,674
Alquiler y Gestión de Frío	835	6,050

B. Projects & Construction (former Sarpel)

B.1. Energy Sector

- <u>El Conde Digital Substation</u>

Siemens and Sarpel have created one of the first digital substations in Spain The El Conde digital substation, which is located in Palencia and was developed by ERBI Energía for the purpose of evacuating energy from the Casa Vieja Wind Farm, the Los Pedrejones Wind Farm, and the El Conde Photovoltaic Plant projects, was the first facility to implement digital solutions.

- <u>Vilecha SET</u>

Evacuation of 5 photovoltaic plants, each with a capacity of 50 MVA. Total power to be evacuated: 250 MVA. The evacuation system is made up of three parts:

- 30 kV / 132 kV step-up substation, with 5 transformer positions, 132 kV busbars and a line position.
- 132 kV High Voltage Line, which includes an aerial section of 13.3 km and an underground section of 2,2 km.
- 132 / 400 kV step-up substation, with a 132 kV line-transformer position, a 250 MVA power transformer and a 400 kV transformer position directly connected to the REE transmission grid.

- Balbona SET

The Balbona project involves developing the evacuation infrastructure for the eponymous solar plant. This includes the construction of the Balbona 33/132 kV substation (130MVA) and transmission line, and the Alquería 132/400 kV substation (210 MVA) and transmission line.

Both substations have been designed as digital substations incorporating E-Houses manufactured by Energy Solar Tech.

Prefabricated foundations have been used for the outdoor park as part of the civil works.

B.2. Industry Sector

- Electrical installation of the Inditex DPC

The 'brain' of Inditex is located at the Arteixo headquarters. This is the group's Data Processing Centre (DPC). The DPC has obtained TIER IV certification, which accredits maximum reliability and 99.99% availability. Only five companies in Spain have this level of certification. To achieve this accreditation, a DPC must have redundant electrical circuits, cooling systems and networks.
Description of the work carried out by the Energy Solar Tech Group: Electrical installation of the DPC, which has a mirror configuration with two power supplies of 1,600 KVA each, connected in a ring; two groups of two emergency generators, each with a capacity of 1,000 KVA; and two uninterruptible power supplies (UPS).

- FINSA Factory Underground Line

Civil construction, supply and electromechanical assembly of the underground line, in the "turnkey" modality, which includes, Basic engineering and development of civil works and electromechanical assembly, as well as the preparation, approval and processing of projects before the Delegation of the Ministry of Industry. Construction of the underground line involved supplying and laying three buried cables through 320-metre conduits. These cables were RHZ1-RA+2OL 76/132(145) kV 1x400 Al + H165. The project also included preparing and connecting 132 kV terminations at both ends.

- O&M La Voz de Galicia

The Energy Solar Tech Group currently maintains the HV and LV electrical infrastructures at the headquarters of La Voz de Galicia in the Sabón Industrial Estate in Arteijo, La Coruña. The installations included within the scope of electrical maintenance are as follows:

B.3. Services Sector

- <u>Sociedad de Fomento y Desarrollo Turístico, S.A.</u>

Energy Solar Tech is responsible for the maintenance of the high and low voltage electrical infrastructures at the Palacio de Congresos y Exposiciones (PALEXCO) and the Palacio de la Ópera, both located in the city of La Coruña, and owned by Sociedad de Fomento y Desarrollo Turístico S.A.
The facilities included within the scope of electrical maintenance are as follows:

PALEXCO Building

- 1x1,600 KVA transformers
- Protection switchgear
- Grounding network.
- Main low voltaje switchboard
- Parking transformer station

PALEXCO Building

- 2x800 KVA transformers
- Protection switchgear
- Grounding network.
- Main low voltaje switchboard

- <u>University of Santiago de Compostela</u>

Energy Solar Tech is responsible for the maintenance of the high and low voltage electrical infrastructures of the cogeneration plants, transformer stations, power distribution networks, and generator sets located in the buildings and faculties of the North and South Campuses of the University of Santiago de Compostela, in the city of Santiago de Compostela.

- Luckia Corporate Headquarters

Energy Solar Tech is responsible of the low voltage installation (lighting panels, etc.) and structured cabling for communications at Luckia's new headquarters in A Coruña.

C. Manufacturing

- Candelaria substation E-House

EPC 30/220 kV substation under the e-House model with three 3x50 MVA transmission positions and two 220 KV line and overhead evacuation line positions of 5,800 meters in length.

- Punta de Talca substation E-House

Construction of the step-up substation for the evacuation of the Punta de Talca wind farm. It includes a transformer bay (33/220 kV), a line bay, and a coupling bay in a hybrid configuration within the existing Talinay Oriente step-up substation.

- <u>El Campillo substation E-House</u>

  Construction of the substation in Alto Buey (Cuenca) for the grid connection of the Campillo I and Iniesta wind farms. Construction began in January, resulting in a project execution period of 11 months.

  The Campillo I 30/132 kV substation features a single line-transformer bay configuration with a capacity of 150 MVA. On the 30 kV side, it includes two switchgear blocks interconnected with the wind turbines of the wind farms.

- <u>Renopool substation E-House</u>

  Construction of the substation for the evacuation of the Renopool Photovoltaic Plants. The evacuation system for these solar plants was executed by Sarpel under an EPC (Engineering, Procurement, and Construction) contract.

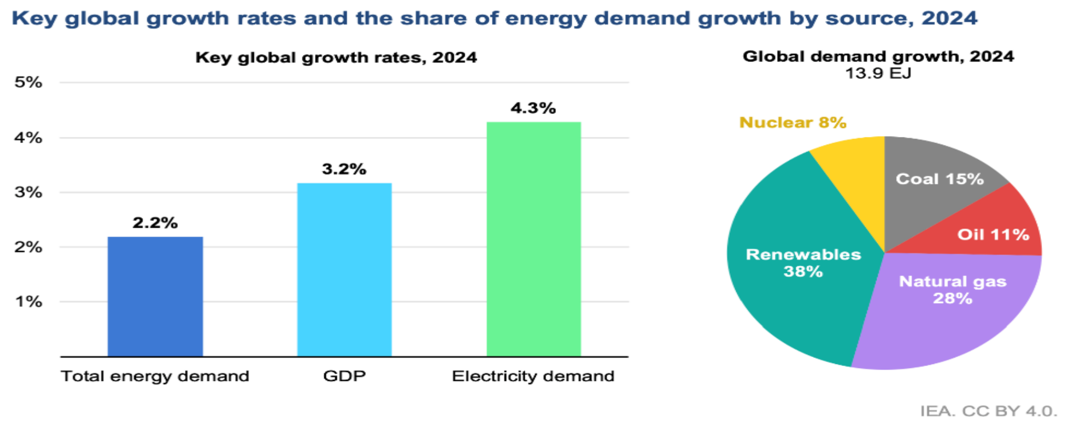
  The Renopool 30/220 kV substation follows a single-busbar configuration at 220 kV, consisting of seven transformer bays, each rated at 50 MVA. On the 30 kV side, it includes seven switchgear blocks interconnected with the power stations of the solar plants.

5.2. Description of the Principal markets

Global Energy Outlook (2024)

Global energy demand increased by 2.2% in 2024, exceeding the average annual growth rate observed over the past decade. Consumption rose across all fuel types and technologies, with the **power sector leading the expansion as electricity demand surged by 4.3%**, significantly above the 3.2% rise in global GDP. This acceleration was driven by record temperatures, ongoing electrification and the continued digitalisation of economic activity. **Renewables contributed the largest share of the growth in global energy supply (38%)**, followed by natural gas (28%), coal (15%), oil (11%) and nuclear energy (8%).

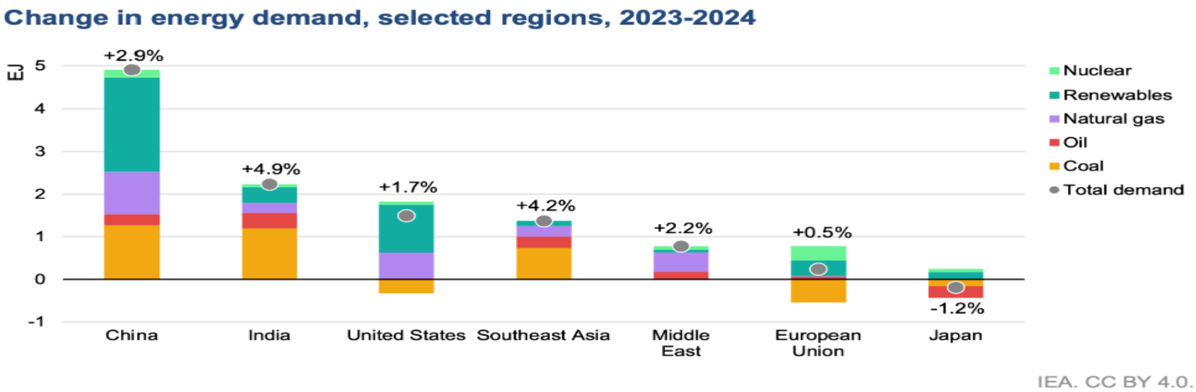
Key global growth rates and the share of energy demand growth by source in 2024



Source: IEA

Global electricity consumption expanded by almost 1.100 terawatt-hours (TWh) in 2024, more than double the average annual increase recorded over the past decade. This represented the largest rise on record outside of years marked by post-recession recovery. China accounted for over half of the global growth in demand, although the increase was broad-based, with electricity use in other emerging and developing economies advancing by 4%. Consumption in advanced economies also reached a new all-time high.

Change in energy demand, selected regions, 2023-2024

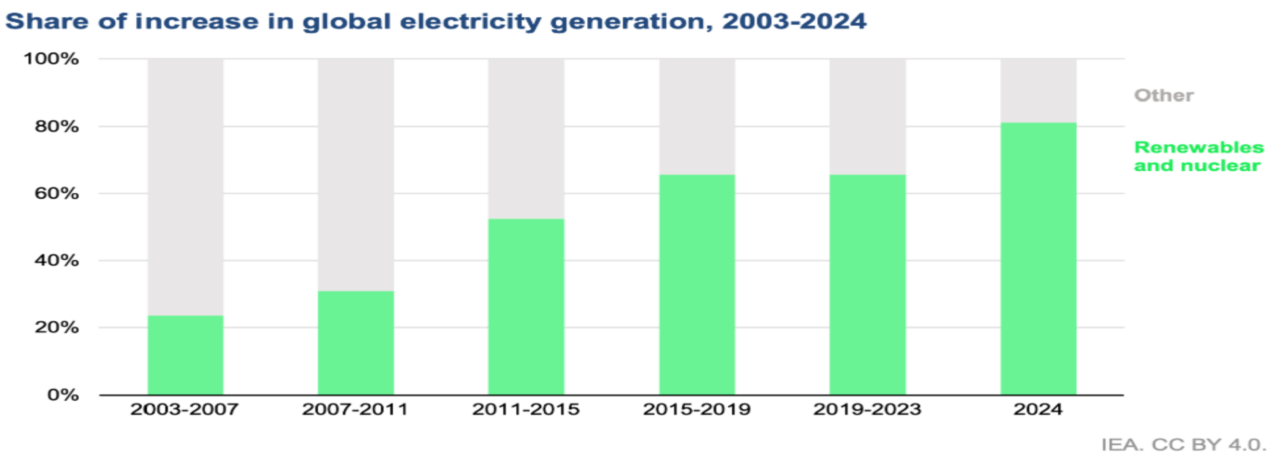


Source: IEA

Rising global electricity demand in 2024 was underpinned by several structural drivers, including higher cooling requirements due to extreme temperatures, increased industrial consumption, the electrification of transport and the rapid expansion of the data centre sector. Worldwide data centre capacity grew by an estimated 20%, equivalent to around 15 gigawatts (GW), with the United States and China accounting for the majority of this increase. At the same time, electricity use in transport continued to climb, supported by strong growth in electric mobility. Global sales of electric vehicles rose by more than 25%, surpassing 17 million units and representing one-fifth of all car sales, in line with the IEA's projections for the year.

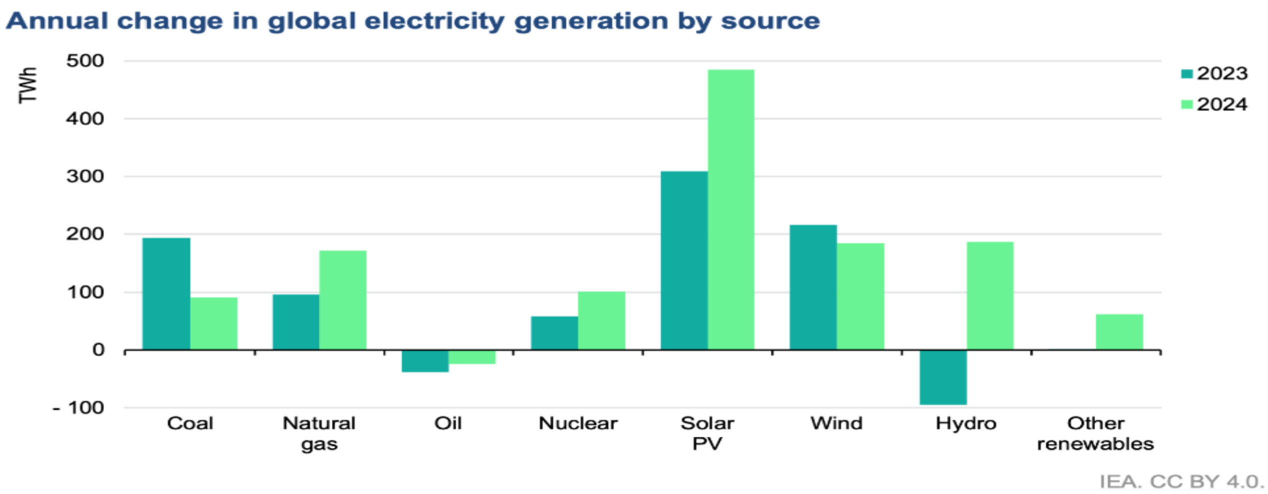
In parallel, 80% of the growth in global electricity generation was met by renewable sources and nuclear power. For the first time, these technologies together supplied 40% of total generation, with renewables alone contributing 32%. New renewable installations reached record levels for the 22nd consecutive year, with approximately 700 GW of additional capacity deployed in 2024, a 25% increase year-on-year. Solar PV additions rose by nearly 30% to around 550 GW, bringing global installed capacity to an estimated 2.2 terawatts (TW). Annual wind capacity additions remained steady at roughly 120 GW. Combined, solar PV and wind accounted for 95% of overall renewable capacity growth in 2024.

Renewables and nuclear share of increase in global electricity generation, 2003-2024



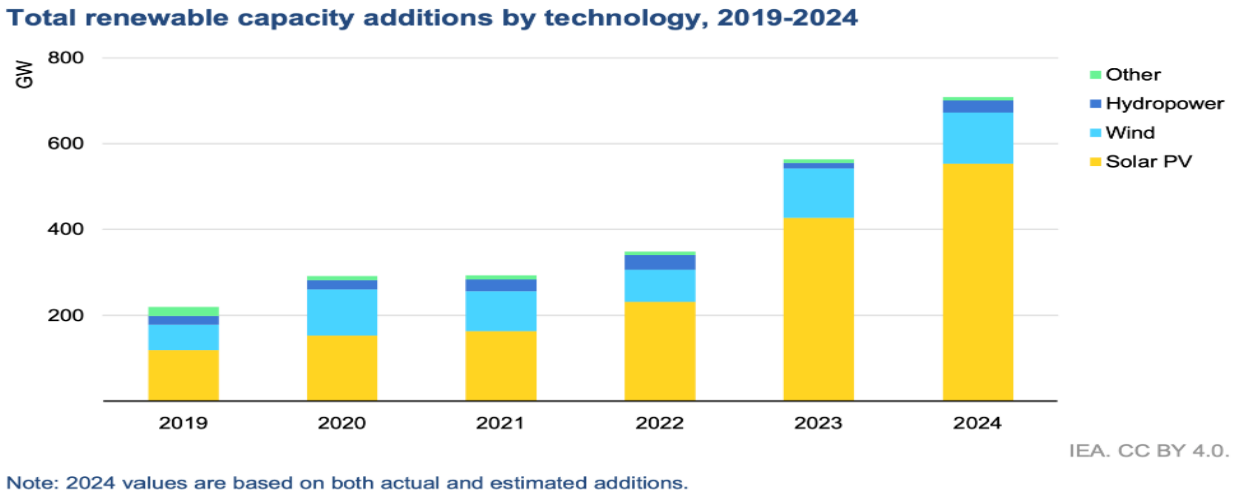
Source: IEA

Annual change in global electricity generation by source



Source: IEA

Total change capacity additions by technology, 2029-2024



Source: IEA

The European Union added approximately 60 GW of solar PV capacity in 2024, broadly in line with the level achieved in 2023. This represented more than twice the annual capacity installed in 2021, prior to the energy crisis triggered by Russia's full-scale invasion of Ukraine in 2022. However, outside the three largest markets, Germany, Italy and Spain, new PV installations declined year-on-year in more than 15 EU member states. While elevated electricity prices and new incentive schemes had boosted the economic attractiveness of residential and commercial systems, driving rapid expansion in 2022 and 2023, the combination of lower energy prices in 2024 and reduced policy support contributed to a slowdown in growth across many markets.

5.2.1. Principal markets in which the Issuer operates

Renewable electricity market in Spain

The organization of the electricity market stems from the liberalization process common in Europe. In this regard, the organizational structure reflects the existence of a vertical chain of activities that can essentially be characterized in three fundamental aspects:

- Energy production (generation): Generators can be divided into two types: those that receive some form of remuneration from the electrical system (mainly, older renewable plants with a capacity of less than 50MW) and those that receive their remuneration solely from the market, either based on the sale of electricity in the organized market or through PPAs. The latter category mainly includes generation plants based on fossil fuels, generation plants based on renewable energy with a capacity of more than 50MW, and many of the new renewable installations of any size.

- Transmission and distribution: Transport operators are responsible for building, operating, and maintaining the grid that carries electric energy from production plants to distribution areas, while distribution operators build, operate, and maintain distribution centers and transport energy from these centers to the end consumer.

- **Energy Suppliers/Retailers:** Energy Suppliers acquire energy from producers and sell it to end consumers, utilizing the transmission and distribution network.

The activities of electricity transmission and distribution are considered natural monopolies given the type of investment and operation they require. In Spain, Red Eléctrica de España, S.A. acts as the sole transporter, carrying out the activity under an exclusive regime. On the other hand, electricity production and commercialization activities are open to competition.

The activity of electricity production in a market regime is associated with a wholesale market, where producers ensure its availability, and buyer agents can acquire it to meet the portfolio of supplies to end customers or for self-consumption.

Energy producers have 3 possible ways of commercializing energy in Spain:

- **Electricity pool:** the wholesale electricity market forms when generators, retailers, direct consumers, or other market agents participate in the electricity pool. Generators, aiming to sell the produced energy, make offers, and retailers, intending to supply energy to end customers, demand it; the market operator matches these two positions.

- **PPAs:** a Power Purchase Agreement (PPA) is a contract for the sale and purchase of electricity between a seller (typically a producer) and a buyer, usually for a term longer than the liquidity period in futures markets (5 years or more). PPAs are characterized by defining all terms of the electricity sale, including price, delivery schedules, start and end dates of the operation, and payment terms. The main advantage of a PPA for the electricity seller is that it ensures a stream of future income, facilitating access to bank financing based on the creditworthiness of the buyer.

- **Auctions:** to remunerate new renewable generation capacity that is aimed at achieving the renewable energy generation targets set by the government. The last auction held by the Ministry for Ecological Transition was in November 2022.

Table showing installed capacity (MW) by technology and year in Spain

Technology	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Wind	22.943	22.990	23.124	23.405	25.590	26.819	27.908	30.114	30.869	31.812
Growth		*0,2%*	*0,6%*	*1,2%*	*9,3%*	*4,8%*	*4,1%*	*7,9%*	*2,5%*	*3,1%*
Solar PV	4.737	4.740	4.749	4.797	8.842	10.171	13.752	23.934	29.616	36.285
Growth		*0,1%*	*0,2%*	*1,0%*	*84,3%*	*15,0%*	*35,2%*	*74,0%*	*23,7%*	*22,5%*

Source: Renewable Energy Statistics 2025 (IRENA)

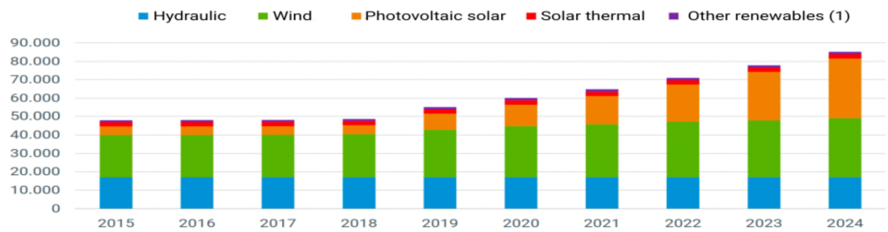
Spain has become one of Europe's most advanced renewable energy markets. By the end of 2024, renewables accounted for **56.8% of total electricity generation** and **64.3% of installed capacity**, placing Spain second only to Germany in renewable penetration within ENTSO-E.

Yet, the sector is entering a new phase. While technical progress has been remarkable, the market now faces structural imbalances: **oversupply of solar PV**, **stagnant demand**, **grid saturation**, and **price cannibalisation**. These dynamics are reshaping valuations, investor sentiment and the strategic priorities of companies operating in the sector.

1. Installed Capacity and Generation Mix

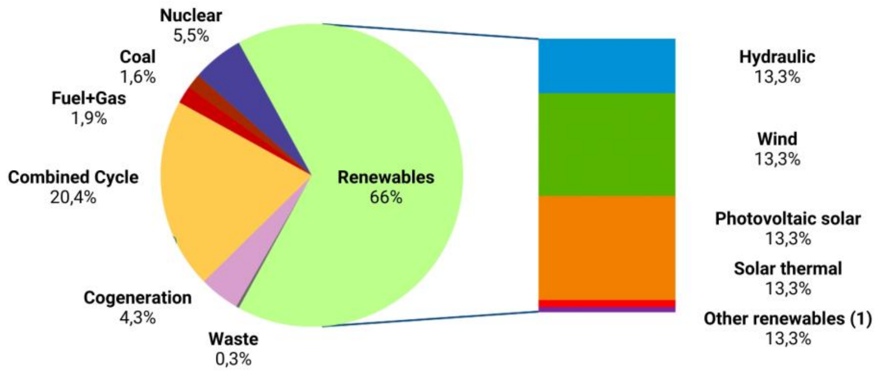
- Installed renewable capacity reached 85.1 GW in 2024, up 7.3 GW year-on-year, the highest annual addition on record.
- Solar PV led the expansion, adding 6.0 GW and overtaking wind as the largest technology by installed capacity (25.1% of the fleet).
- Wind accounted for 24.9%, hydro for 13.3%, and other renewables for 3%.

Figure 1: Evolution of Installed Renewable Capacity (2015–2024)



(1) Includes biogas, biomass, geothermal, marine hydro, hydro-wind, and renewable waste.

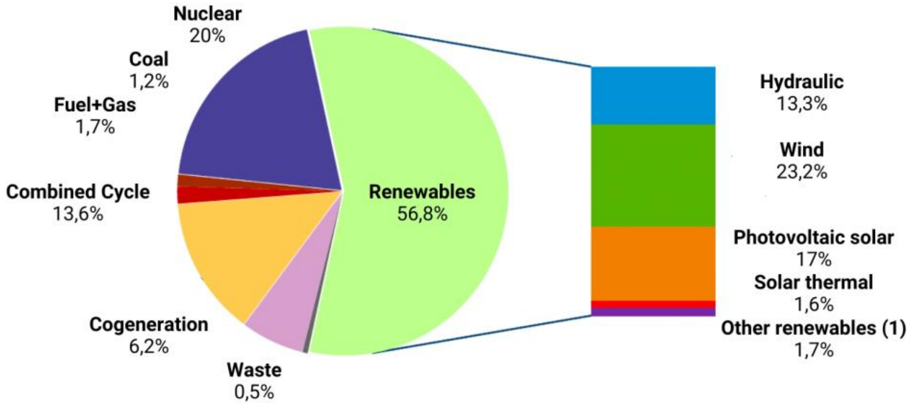
Figure 2: Structure of Installed Capacity by Technology (%)



(1) Includes biogas, biomass, geothermal, marine hydro, hydro-wind, and renewable waste.

On the generation side, renewables produced 149 TWh in 2024, a 10.3% increase year-on-year, covering 56.8% of demand. Wind remained the largest contributor (23.2% of total generation), followed by solar PV (17.0%) and hydro (13.3%).

Figure 3: Structure of Electricity Generation by Technology (%)



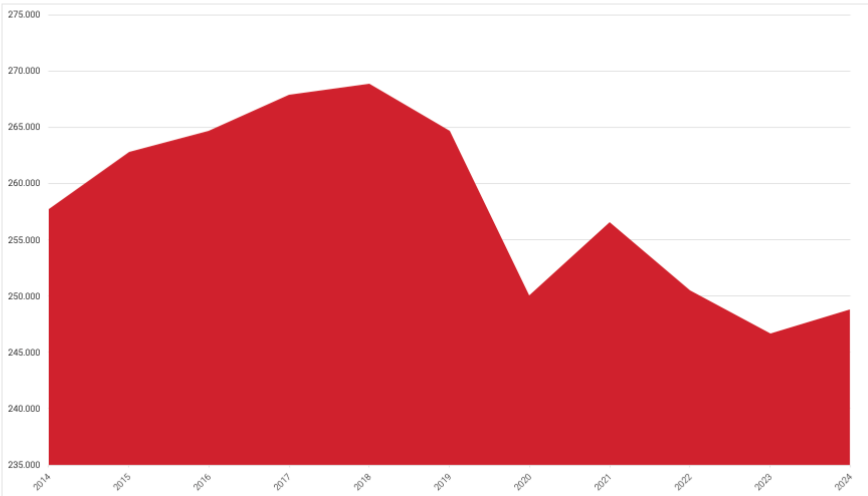
(1) Includes biogas, biomass, geothermal, marine hydro, hydro-wind, and renewable waste.

2. Demand Dynamics

Electricity demand in Spain rose by 0.9% in 2024 to 249 TWh, after two years of decline. Corrected for temperature and calendar effects, demand grew by 1.4%. However, this recovery remains modest compared with pre-COVID levels, and demand in the 12 months to June 2025 actually fell by -3.7%.

This mismatch between rapidly expanding renewable supply and stagnant demand is the principal structural challenge of the Spanish system.

Figure 4: Evolution of Electricity Demand (GWh, 2014–2024)



3. Market Pressures: Price Cannibalisation and Valuations

The rapid build-out of solar PV has created episodes of **excess generation during midday hours**, driving wholesale prices close to zero or even negative.

- The **Solar PV Captured Price** fell from **€58/MWh in 2023** to **€45/MWh in 2024**, and below **€35/MWh in early 2025**.
- The **capture rate** dropped to **0.5–0.6**, undermining project revenues.

This has had a direct negative impact on renewable assets valuations:

- *Ready to Build* projects, once valued at **€150–250k/MW,** now transact at **€50–90k/MW** (-60%).
- EV/EBITDA multiples for renewables have compressed to **~7x–8x**, compared with **>11x** in 2021–22.

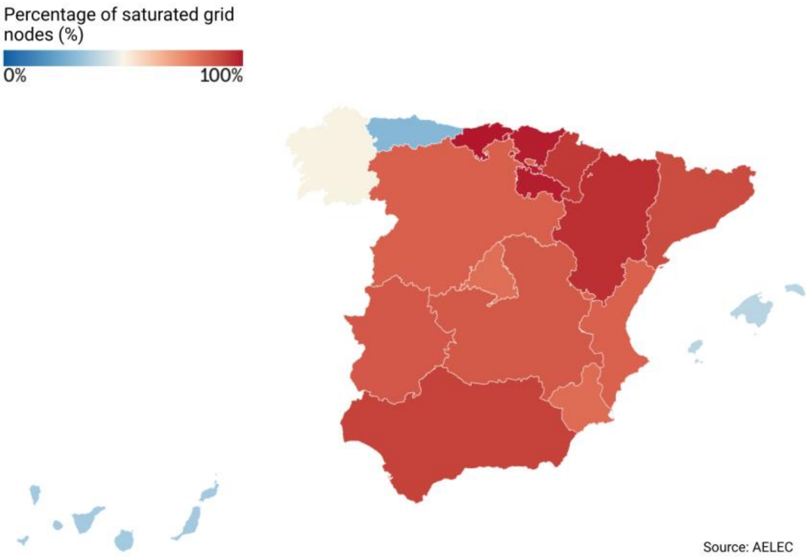
Figure 4: Pool prices evolution in Spain

4. Grid Saturation and Investment Needs

More than **80% of substations** are saturated, limiting new connections for generation, storage and demand. This bottleneck has already delayed projects worth up to **€60 billion**.

In response, Spain has announced a **€13.6 billion grid investment plan to 2030**, a 62% increase over previous plans. In 2024 alone, transmission investment rose **31% to €976 million**, adding **487 km of new lines** and **197 substation positions**.

Figure 5: Grid Saturation by Region (2025)



5. Emerging Demand Drivers: Data Centres

Spain is positioning itself as a **Tier I data centre hub**, leveraging its geostrategic location, competitive renewable energy prices, and accelerating digitalisation.

- Data volume in Spain reached **1,589 EB in 2024**, up **16% year-on-year**, and is forecast to almost double to **3,028 EB by 2028**.
- Global hyperscalers (AWS, Microsoft, Equinix) and national players (Merlin, Nabiax) are investing heavily.
- The sector contributed **€73 billion to GDP** and **482,000 jobs** in 2022, with a multiplier effect of **2.8x**.

However, grid access remains a bottleneck: in 2024, less than 10% of requested capacity was granted. Distributed modular data centres, integrated with on-site renewables and storage, are emerging as a solution.

Figure 6: Forecast of Data Volume Growth in Spain by sector (2024–2026)

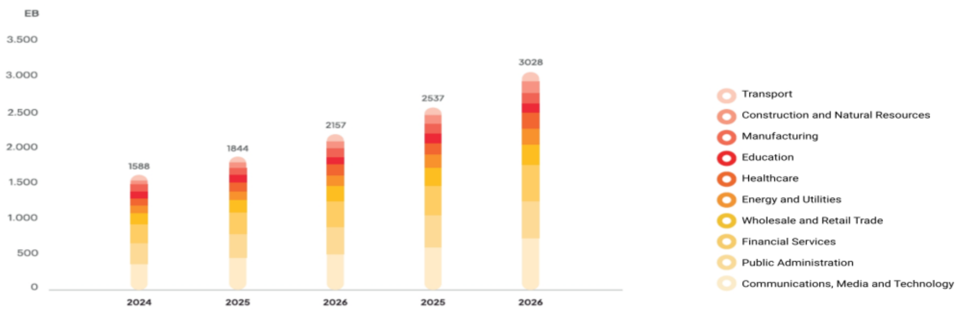


Figure 7: Prediction of data volume growth by region (2024-2028)

Figure 8: Centralised vs Distributed Data Centre Models

The prevailing model of centralised data centres is characterised by an **extremely high concentration of electricity demand at a single point**. While this configuration has historically supported economies of scale, it now exposes operators to **low energy resilience in an environment of instability**. The dependence on a single node amplifies vulnerability to grid congestion, regulatory delays and access constraints. In Spain, where more than 80% of substations are already saturated and less than 10% of requested capacity was granted in 2024, the limitations of this model are increasingly evident.

By contrast, a distributed model of modular data centres offers a structurally different proposition. **Deploying facilities across multiple locations disperses electricity consumption throughout the grid**, aligning incremental capacity with available network access. This approach enables **progressive scalability**, directly linked to the pace at which the grid can absorb new demand.

Geographical distribution also provides **redundancy and fault tolerance**, enhancing operational continuity. Furthermore, modular centres can integrate **on-site renewable generation and storage,** including photovoltaic self-consumption, small-scale wind and/or battery systems, at industrial sites. In some cases, they can be co-located directly with renewable generation plants (solar, wind or hybrid), thereby reducing transmission losses and strengthening the sustainability profile of the infrastructure.

In summary, while centralised hyperscaler models are increasingly constrained by grid saturation and regulatory bottlenecks, distributed modular centres represent a **resilient, scalable and energy-aligned alternative**. They not only mitigate systemic risks but also position Spain (and other countries with grid saturation problems) to capture the next wave of digital infrastructure growth, underpinned by renewable competitiveness and the urgent need for grid-compatible solutions.

Beyond their role as a structural driver of electricity demand, data centres also provide a compelling financial dimension. By converting highly volatile wholesale electricity into the stable provision of digital processing services, they create a natural hedge against market price swings. In effect, the transformation of energy into data processing capacity enables operators to secure predictable, recurring revenues in a sector where wholesale energy prices are increasingly exposed to cannibalisation and volatility.

6. Self-Consumption: From Boom to Maturity

Self-consumption experienced a subsidy-driven boom between 2020 and 2022, but growth has since moderated.

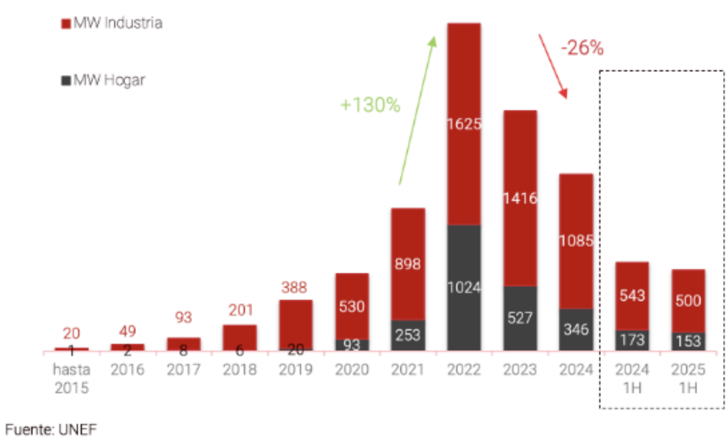
- In 2024, **706 MW** of new capacity was installed, led by the industrial sector (**585 MW**).
- Growth slowed in 2025, with industrial additions of **500 MW in H1**, down from **543 MW in H1 2024**.

The slowdown reflects:

1. Market maturity – most early adopters have already installed systems.
2. Lower wholesale prices – reducing the payback incentive.

Self-consumption is now a **stable, complementary business line**, relevant for industrial hedging and corporate decarbonisation, but no longer a hyper-growth segment.

Figure 9: Evolution of Self-Consumption Installations (2015–2025)



7. Opportunities: Storage, Hybridisation and Diversification

Despite current pressures, Spain retains strong fundamentals:

- Storage: Pumped hydro and batteries are expanding, with 3,4 GW installed in 2024. Storage is the most effective tool to mitigate price cannibalisation.
- Hybridisation: Combining solar, wind and storage enhances capture rates and revenue stability.
- Diversification: Offshore wind and green hydrogen may represent medium-term growth vectors.

Conclusion

Spain's renewable energy sector is at a decisive juncture. The country has achieved one of the highest levels of renewable penetration in Europe, with record capacity additions and generation milestones. Yet, the very success of rapid solar deployment has brought structural challenges: oversupply, price cannibalisation, grid saturation and valuation compression.

For investors, this environment demands selectivity and differentiation. The companies best placed to create value will be those able to combine technological sophistication with operational resilience: integrating storage, hybridisation and flexible demand, while aligning with the structural reinforcement of the grid. In this regard, the emergence of data centres as a stable outlet for electricity demand illustrates how energy can be transformed into predictable, recurring revenues, mitigating the volatility of wholesale markets.

In this context, positioning in advanced energy technology, spanning engineering innovation, modular construction, grid development and modular data centres, appears a sound strategic response to the challenges ahead.

Energy Solar Tech embodies this approach, with the capability to compete internationally through its product offering. Its modular production model (e-houses), including digital substations and data centres, represents an extraordinary and scalable international vector of growth.

5.2.2. Competitive position

Market Structure and Competitive Landscape

The liberalisation of the Spanish electricity market has reshaped the competitive environment, historically dominated by three integrated energy groups, Iberdrola, Naturgy and Endesa-Enel.

Within this evolving framework, four categories of competitors can be identified:

1. Former Oligopoly

The three integrated groups (Iberdrola, Naturgy and Endesa-Enel), retain dominant positions across the value chain. Their scale and vertical integration provide resilience, but their business models are structurally less flexible than those of new entrants.

These incumbents possess the four key market capabilities of energy production, distribution, commercialisation and engineering, and together they continue to hold more than 80% of the combined market share in each segment. Their entrenched position reflects the legacy of an oligopolistic structure, but the ongoing process of liberalisation has created significant opportunities for new entrants and alternative providers.

2. Engineering Companies

A. Energy engineering companies: These firms provide services to industrial customers across multiple energy segments. Some have been integrated into larger energy groups to deliver bundled solutions.

B. IT infrastructure companies: These companies design, build and operate secure, scalable data centres, enabling digital continuity without requiring internal client investment. Their activities overlap with the emerging digital infrastructure vertical in which Energy Solar Tech is active.

3. Alternative Energy Suppliers

These companies purchase electricity in wholesale markets or through bilateral agreements with producers in futures markets. Their business models are based on the intermediation of energy sales to end-consumers and are characterised by low margins. In response, they are adapting by integrating self-consumption solutions and, in some cases, partnering with energy producers or investment funds with renewable assets.

4. Self-Consumption Driven Companies

This group comprises engineering firms, integrated photovoltaic plant suppliers and smaller electrical companies with a strong focus on photovoltaics and energy efficiency. Their principal offerings are turnkey photovoltaic projects and other energy generation or savings initiatives.

Competitive Position of Energy Solar Tech

Against this backdrop, Energy Solar Tech occupies a distinctive position. Its energy outsourcing model represents a structural innovation compared with the prevailing approaches of both the former oligopoly and the newer categories of competitors. While incumbents rely on vertically integrated structures and alternative players focus on either financial intermediation or narrow photovoltaic solutions, Energy Solar Tech combines:

- A multi-technology approach, extending beyond photovoltaics to include storage, efficiency and digital infrastructure.
- An outsourcing framework that eliminates client capital expenditure and transfers investment and operational risks to the Company.
- Flexibility and simplicity in contractual arrangements, contrasting with the rigidity of long-term PPA commitments.

This positioning allows Energy Solar Tech to compete effectively across all identified categories:

- Against the oligopoly, by disintermediating the grid and avoiding distribution costs.
- Against engineering and EPC firms, by offering a broader, service-based model rather than project-by-project execution.
- Against alternative retailers, by providing service-driven rather than purely financial solutions.
- Against self-consumption specialists, by integrating multiple technologies and verticals rather than focusing solely on photovoltaic turnkey projects.

Market Competitors by Category and Operational Scope

Within the energy and data infrastructure sectors, the following competing companies are categorised according to their principal activities, presence in listed markets, and operational domains:

Oligopoly Participants

- IBERDROLA operates across self-consumption, on-grid energy supply, engineering and construction, on-grid energy production, and data centre construction. The company will soon Operate Data Centres. IBERDROLA is listed on the Spanish Mercado Contínuo (and is part of the IBEX 35 index).
- Naturgy is active in self-consumption, on-grid energy supply, engineering and construction, and on-grid energy production. Naturgy is listed on the Spanish Mercado Contínuo (and is part of the IBEX 35 index).
- Endesa (stylised as *endesa*) engages in self-consumption, on-grid energy supply, engineering and construction, and on-grid energy production. Endesa is listed on the Spanish Mercado Contínuo (and is part of the IBEX 35 index).

Engineering Companies

- Grupotec undertakes self-consumption, engineering and construction, and on-grid energy production.
- Cobra provides engineering and construction, as well as data centre construction services. Cobra forms part of Vinci, listed on the French stock exchange (EURONEXT) and is part of the index CAC 40.
- Elecnor engages in engineering and construction and on-grid energy production. The company is listed on the Spanish Mercado Contínuo.
- IZHARIA Ingeniería focuses on engineering and construction, together with on-grid energy production.

Alternative Retailers

- EDP participates in self-consumption, on-grid energy supply, engineering and construction, and on-grid energy production. EDP is listed on the on the Portuguese stock exchange (EURONEXT) and is part of the index PSI-20.
- TotalEnergies operates in self-consumption, on-grid energy supply, engineering and construction, and on-grid energy production. TotalEnergies is listed on the French stock exchange (EURONEXT) and is part of the index CAC 40.

- Repsol is active across self-consumption, on-grid energy supply, engineering and construction, on-grid energy production, and data centre construction. The company will soon Operate Data Centres. Repsol is listed on the Spanish Mercado Contínuo (and is part of the IBEX 35 index).
- Solaria undertakes engineering and construction and on-grid energy production, and will soon operate data centres. Solaria is listed on the Spanish Mercado Contínuo (and is part of the IBEX 35 index).
- Audax Renovables operates in on-grid energy supply, engineering and construction, and on-grid energy production. The company is listed on the Spanish Mercado Contínuo.
- Holaluz engages in self-consumption and on-grid energy supply and is listed on the Spanish BME Growth.
- Grenergy operates in engineering and construction and on-grid energy production. The company is listed on the Spanish Mercado Contínuo.

Self-Consumption Companies

- EIDF Energía Fotovoltaica operates in self-consumption, on-grid energy supply, and on-grid energy production. The company is listed on the Spanish BME Growth.
- Greening participates in self-consumption, on-grid energy supply, engineering and construction, and on-grid energy production. It is listed on the Spanish BME Growth.
- Solarprofit operates exclusively in the self-consumption segment and is listed on the Spanish BME Growth.
- Coxabengoa engages in on-grid energy supply, engineering and construction, and on-grid energy production. The company is listed on the Spanish Mercado Contínuo.

Category	Company	Self-consumption	On-grid energy supply	Engineering & Construction	On-grid energy production	Data Centre Construction	Data Centre Operation	Listed on (stock exchange)
Oligopoly	IBERDROLA	✓	✓	✓	✓	✓	Service Under Construction	IBEX 35 Mercado Continuo
	Naturgy	✓	✓	✓	✓			IBEX 35 Mercado Continuo
	endesa	✓	✓	✓	✓			IBEX 35 Mercado Continuo
Engineering	grupotec	✓		✓	✓			
	Cobra			✓		✓		CAC 40 (Vinci) EURONEXT
	elecnor			✓	✓			Mercado Contínuo
	IZHARIA Ingeniería			✓	✓			
Alternative retailers	edp	✓	✓	✓	✓			PSI-20 EURONEXT
	TotalEnergies	✓	✓	✓	✓			CAC 40 EURONEXT
	REPSOL	✓	✓	✓	✓	✓	Service Under Construction	IBEX 35 Mercado Continuo
	Solaria			✓	✓		Service Under Construction	IBEX 35 Mercado Continuo
	audax renovables		✓	✓	✓			Mercado Contínuo
	holaluz	✓	✓					BME Growth
	GRENERGY			✓	✓			Mercado Contínuo
Self-consuption companies	EIDF Energía Fotovoltaica	✓	✓		✓			BME Growth
	Greening	✓	✓	✓	✓			BME Growth
	SOLARPROFIT	✓						BME Growth
	coxabengoa		✓	✓	✓			Mercado Contínuo

5.3. Investments Description

5.3.1. Material Investments in the past 2 years

During the last two financial years, the Group has maintained a consistent investment strategy focused on strengthening its renewable energy production capacity, technological infrastructure, and operational efficiency.

In 2023, total investments amounted to approximately €5.4 million, primarily allocated to:

- the construction and commissioning of photovoltaic and hybrid generation projects, aimed at expanding the Group's installed capacity and diversifying its energy portfolio;
- the completion of technical and civil works associated with the Valdelugo wind farm, which represented one of the Group's largest single-site infrastructure projects; and
- the implementation of proprietary energy monitoring and control platforms, improving automation, data analytics, and performance optimization across operational assets.

These investments were financed through a combination of institutional long-term debt (including ENISA and ICO facilities), subordinated shareholder loans, and internally generated cash flows.

In 2024, the Group continued to invest actively in the completion and optimization of strategic projects initiated in previous years. Total investments for the period reached approximately €6.3 million, mainly directed to:

- the expansion of solar generation capacity and storage systems through Energy Solar Tech and Erbienergía;
- the enhancement of digital platforms supporting remote management, predictive maintenance, and energy efficiency; and
- the upgrade of technical equipment to reinforce operational execution and reduce maintenance costs.

As disclosed in the 2024 consolidated financial statements, these investments were recorded under Property, Plant and Equipment and Intangible Assets, reflecting a sustained expansion of the Group's productive and technological base. No impairments or material delays were identified as of year-end.

During the first half of 2025, investment activity has remained moderate, totaling approximately €1.2 million, mostly related to maintenance and optimization capex. This trend reflects the Group's transition from a phase of expansion to operational consolidation and efficiency improvement, prioritizing cash generation and leverage optimization.

Overall, over the last two years, the Group's material investments have been directed towards consolidating its renewable generation infrastructure, advancing technological integration, and maintaining financial discipline through balanced leverage and prudent reinvestment.

5.3.2. Material Investments in progress

As of 30 June 2025, the Group is carrying out several investment projects under development or construction, primarily focused on expanding its renewable generation capacity and strengthening its technological and operational infrastructure.

According to the 2024 consolidated financial statements, and confirmed by the 2025 interim financial report, the amount recognized under Property, Plant and Equipment in progress totaled approximately €3.7 million. These projects are progressing as planned across Energy Solar Tech and affiliated entities.

The main ongoing investments include:

- Optimization works at the Valdelugo wind farm, aimed at improving turbine efficiency, predictive maintenance, and energy yield performance;

- Development of new photovoltaic and hybrid self-consumption facilities in Spain, several of which are in advanced construction stages and expected to become operational progressively during 2025;
- Deployment of digital monitoring and control systems, integrating smart metering, predictive analytics, and centralized data management platforms to enhance asset supervision and client portfolio visibility; and
- Upgrading of IT and cybersecurity infrastructure, including ERP integration and regulatory compliance tools to support the Group's reporting obligations as a listed company.

All projects in progress are financed through a combination of institutional long-term loans (ICO and ENISA programmes), subordinated shareholder loans, and internally generated cash flows. As of the reporting date, no material cost overruns, delays, or impairments had been identified, and all investments remain aligned with technical and financial milestones.

These projects are expected to be progressively capitalised as construction milestones are achieved and assets enter their operational phase throughout 2025. Together, they support the Group's strategic objectives of increasing renewable capacity, promoting digital integration and enhancing operating efficiency, all within a disciplined capital allocation framework.

5.4. Patents, licenses, trademarks and domain names

According to the 2024 consolidated financial statements and the 2025 interim report, the Group does not hold or depend on any industrial or intellectual property rights that are material to its operations. The Group's intangible assets mainly comprise internally developed software applications and minor operating licences related to IT systems, with no patents or proprietary technologies recorded as balance sheet assets.

Energy Solar Tech's activity relies primarily on its engineering expertise, project execution capabilities, and accumulated technical know-how in renewable energy systems, rather than on exclusive industrial property. Nevertheless, the Group holds the professional and operational licences required to design, install, and maintain photovoltaic and hybrid self-consumption systems, as well as agreements with suppliers and technology partners supporting its commercial activity.

The Group operates within the Spanish and EU regulatory framework governing the energy sector, primarily Law 24/2013 of 26 December (Electricity Sector Act), Royal Decree-Law 15/2018, Royal Decree 244/2019, and Royal Decree-Law 18/2022, which regulate self-consumption installations, grid connection, and consumer protection. Under this framework, installations under 500 kW benefit from simplified administrative procedures, while larger projects follow standard permitting processes.

In grid-connected projects, the Group typically acquires assets that already possess the necessary operational licences, thereby minimizing execution and regulatory risk. As of the reporting date, no ongoing disputes, contingent liabilities, or administrative proceedings related to industrial or intellectual property had been identified.

5.5. Reference to environmental aspects that may affect the Issuer's activity

Energy Solar Tech facilitates companies' migration to renewable energy self-consumption (solar, thermosolar, micro-wind, thermoelectric) through an energy outsourcing model without client investment. Additionally, it offers additional services to its clients that contribute to energy savings, resulting in an overall reduction in CO2 emissions.

Energy Solar Tech's offices, located on Calle José Echegaray in Las Rozas, are situated within the Alvia Business Park, a modern business complex designed to foster innovation and sustainability. The facilities are fully equipped and conceived to provide state-of-the-art infrastructure, creating an efficient and inspiring work environment.

Demonstrating our strong commitment to environmental responsibility, the building has achieved LEED Gold certification for its high standards of energy efficiency and sustainable design. In addition, solar panels installed on the rooftops further contribute to reducing the company's carbon footprint and lowering energy consumption costs, reinforcing our goal of leading by example in the transition toward a cleaner, more sustainable future.

Similarly, the company extends sustainability to another fundamental element, its human team, providing dignified, spacious workspaces filled with natural light. Since its foundation, and through the collaboration of the entire team of professionals, the Group has minimized paper consumption by implementing digital systems in all its processes.

The company's activities are carried out in compliance with various environmental regulations. On one hand, in waste management, the company, in order to comply with current regulations, collaborates with recycling and recovery companies for defective and damaged panels. It is worth mentioning that its activities are characterized by having a very low impact on the soils and areas in which it operates, thus minimizing waste generation.

On the other hand, one of the aspects to consider in the development of generation projects is environmental impact studies, which establish the need to carry out various environmental procedures for each project, analyzing their scope. Environmental assessment is essential for the protection of the natural environment, facilitating the incorporation of sustainability criteria into strategic decision-making through plan analysis.

Thanks to project assessments, adequate prevention of specific environmental impacts that may arise is ensured, in addition to establishing effective correction or remediation mechanisms. An environmental impact study is primarily conducted within the framework of environmental assessment requirements by the authorities. In Spain, Law 21/2013, of December 9, on Environmental Assessment, is the regulation that establishes the exclusive competence of the State in matters of basic legislation on environmental protection.

The Environmental Impact Assessment must have a minimum content: general project description, presentation of alternatives, evaluation of the foreseeable direct or indirect effects of the project, planned measures, environmental monitoring and surveillance program, and a synthesis/conclusions section of the Study. Regional legislation develops these points and requests specificities in the general structure and different sections, addressing various possible cases according to the geographic location. Before starting any generation project, Energy Solar Tech analyzes potential impacts to minimize them as much as possible from the outset. To define the correct location of solar parks, a series of factors must be considered: soil, flora, fauna, livestock routes, cultural heritage, and infrastructure.

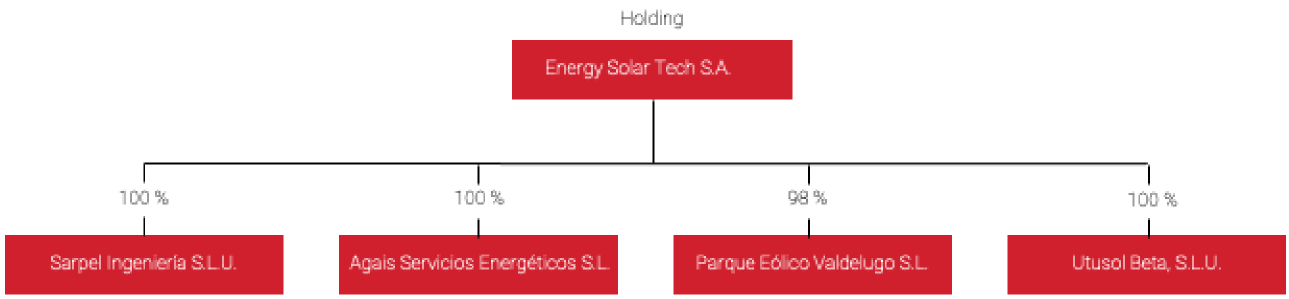
06.

ORGANISATIONAL STRUCTURE

6. ORGANISATIONAL STRUCTURE

6.1. Legal organization chart

As of the date of this Information Document, Energy Solar Tech, S.A. serves as the holding company of the group, which comprises the following subsidiaries: Sarpel Ingeniería, S.L., Parque Eólico Valdelugo, S.L., Agais Servicios Energéticos, S.L.U., and Utusol Beta, S.L.U. Together with the holding company, these entities form the Energy Solar Tech Group.



- Energy Solar Tech maintains subsidiaries under effective control, typically holding between 75% and 100% ownership.
- Energy Solar Tech also performs the Group's central management and control functions, including IT, Legal, Finance, and Human Resources.
- In addition, Energy Solar Tech owns the decentralized production assets and issues invoices for the outsourcing business.
- Sarpel Engineering is responsible for invoicing activities related to project development, construction, and manufacturing.
- Parque Eólico Valdelugo owns the Group's wind generation assets, while Utusol Beta owns the solar generation assets.
- Agais Servicios Energéticos provides lower-specialization service resources for the Group and invoices these services directly to end customers.

Sarpel Ingienería, S.L.

On March 3, 2023, Energy Solar Tech, S.L. acquired 100% of the share capital of Sarpel Ingeniería.

With more than 30 years of experience in the sector, Sarpel Ingeniería employs over 120 professionals and has successfully completed more than 6.000 projects. Its portfolio includes engineering services and the construction of solar plants, wind farms, hydroelectric facilities, cogeneration and biomass plants, electrical substations, as well as a wide range of energy engineering projects across industrial and corporate sectors. The company is also an official supplier to several leading IBEX 35 companies.Parque Eólico Valdelugo, S.L.

Energy Solar Tech, S.A. acquired 98% the capital stock of Parque Eólico, which is a single purpose vehicle (SPV) whose main asset is a wind farm, through two transactions which were conducted as follows:

- A first transaction on December 5, 2022, whereby Energy Solar Tech acquired 49% of the SPV, with a purchase option to reach up to 75% of the share capital by 2023.

- On January 15, 2023, it was agreed that Energy Solar Tech would acquire 98% of the SPV instead of the previously stipulated 75%. This transaction was finalized on June 23, 2023.

Parque Eólico has been operational since March 10, 2022. The 18MW wind farm is in the process of solar hybridization with the installation of 18MW of photovoltaic panels. Parque Eólico is equipped with state-of-the-art technology and General Electric generators of 3,6MW, capable of producing an average of 3.800 hours per year per MW installed.

Agais Energetic Services, S.L.U. and Utusol Beta, S.L.U., are subsidiaries that offer complementary services to the overall management of the group. They have been part of the holding since 2020 and 2022, respectively, and their collaborative activities contribute to Energy Solar offering a more comprehensive and efficient service.

07.

OPERATING AND FINANCIAL REVIEW

7. OPERATING AND FINANCIAL REVIEW

7.1. Financial Condition

7.1.1. Fair Review of the development and performance of the Company's business

In 2024, Energy Solar Tech, S.A. continued to strengthen its financial position and maintain solid operational performance, consolidating its leadership in the Spanish renewable self-consumption and EPC market.

Consolidated revenues reached €63.4 million, representing a 21% increase compared to €52.4 million in 2023, mainly driven by the execution of industrial photovoltaic projects and growth in distributed generation.

The gross margin improved to 25.9% (from 23.4% in 2023), supported by efficiency gains in project execution and optimized procurement agreements with key suppliers.

Operating expenses grew at a slower pace than revenues, resulting in an EBITDA of €7.1 million, equivalent to an EBITDA margin of 11.1%, reflecting a consistent improvement in operating leverage.

The net profit amounted to €0.44 million, compared to €2.86 million in 2023, mainly affected by higher financial expenses and the recognition of one-off impairment adjustments.

Despite the decline in net earnings, the Group maintained strong cash-flow generation capacity and an adequate working capital position.

From a balance sheet perspective, total consolidated assets stood at €89.0 million as of 31 December 2024, slightly below the prior year, mainly due to the planned reduction in tangible fixed assets following the completion of construction phases in several projects.

Shareholders' equity amounted to €46.2 million, representing 52% of total assets, which underlines a robust equity base and a conservative capital structure.

Gross financial debt totalled €19.4 million at year-end 2024, of which €12.6 million corresponded to long-term borrowings and €6.8 million to short-term debt. With cash and cash equivalents of €7.16 million, the Group's net financial debt amounted to €12.2 million, resulting in a leverage ratio of 1.7x EBITDA (2024), consistent with a moderate level of indebtedness for the sector.

During the first half of 2025, the Group maintained this financial discipline, achieving a further reduction in net financial debt and preserving liquidity. The Company's cash position remained adequate, supported by positive operating cash flows and the absence of significant short-term refinancing needs.

Energy Solar Tech's liquidity and solvency ratios confirm a sound financial condition, with sufficient cash and committed credit facilities to cover operational and investment requirements for the next twelve months. The Group's financial policy remains focused on sustaining a prudent leverage level, enhancing profitability, and ensuring flexibility to support future growth and international expansion.

7.1.1.1 Balance Sheet

ASSETS	Notes	31/12/2024	31/12/2023
A) NON-CURRENT ASSETS		56,970,162	59,444,392
Intangible assets	Note 6	23,089,998	25,117,650
Goodwill	Note 6	22,906,402	24,915,079
Computer software		150,039	140,066
Other intangible assets		33,557	62,505
Property, plant and equipment	Note 7	32,417,315	33,128,609
Technical installations, machinery, tools, furniture and other tangible assets		29,995,223	29,172,950
Assets under construction and prepayments		2,422,092	3,955,659
Non-current financial investments	Note 12	1,377,511	1,107,280
Equity instruments		32,141	32,141
Other financial assets		1,345,370	1,075,139
Deferred tax assets	Note 15	85,338	90,853
B) CURRENT ASSETS		32,076,627	30,066,737
Inventories	Nota 8	17,622,609	8,531,258
Trade and other receivables	Note 9, 12	6,267,947	10,721,971
Trade receivables for sales and services rendered		4,233,192	9,922,868
Other receivables		6,000	5,855
Other accounts receivable from public authorities	Note 15	2,028,755	793,248
Current financial investments	Note 12	1,000,192	572,904
Other financial assets		830,773	440,761
Debt securities		99,093	132,143
Derivatives		70,326	-
Prepayments and accrued income		23,805	57,025
Cash and cash equivalents	Note 10	7,162,074	10,183,579
TOTAL ASSETS (A+B)		89,046,789	89,511,129

EQUITY AND LIABILITIES	Notes	31/12/2024	31/12/2023
A) EQUITY		46,146,251	47,436,381
Share capital	Note 11	80,854	80,498
Share premium	Note 11	44,285,791	44,285,791
Reserves of consolidated companies	Note 11	3,568,841	1,061,883
Legal reserve		16,100	13,794
Other reserves		1,135,396	993,219
Consolidation reserves		2,417,345	54,870
Treasury shares	Note 11	(1,960,066)	(635,954)
Profit/(loss) for the year		425,248	2,836,496
Valuation adjustments	Note 12	(346,757)	(188,302)
Hedging transactions		(202,080)	-
Translation differences		(144,677)	(84,907)
Non-controlling interests	Note 11	92,340	80,876
B) NON-CURRENT LIABILITIES		12,717,416	17,565,064
Non-current provisions	Note 14	155,287	104,813
Non-current borrowings	Note 12	12,562,129	17,454,141
Bank borrowings		10,918,952	13,892,208
Finance lease liabilities		31,824	-
Derivatives		231,000	-
Other financial liabilities		1,380,353	3,561,933
Deferred tax liabilities		-	6,110
C) CURRENT LIABILITIES		30,183,122	24,509,683
Current provisions	Note 14	12,442	36,210
Current borrowings	Note 12	6,820,746	6,173,559
Bank borrowings		2,971,371	2,905,007
Finance lease liabilities		4,420	-
Other financial liabilities		3,844,955	3,268,552
Trade and other payables	Note 13, 15	23,322,083	18,249,233
Trade payables		21,667,587	15,977,284
Other payables		610,115	658,921
Advances from customers		7,878	4,797
Personnel		397,339	718,324
Current tax liabilities		2,161	442,246
Other accounts payable to public authorities		637,003	447,661
Accruals and deferred income (short-term)		27,851	50,681
TOTAL EQUITY AND LIABILITIES (A+B+C)		89,046,789	89,511,129

ASSETS	Notes	30/06/2025	31/12/2024
A) NON-CURRENT ASSETS		55.345.652	56.970.162
Intangible assets	Note 6	21.641.151	23.089.998
Goodwill	Note 6	21.494.218	22.906.402
Computer software		113.376	150.039
Other intangible assets		33.557	33.557
Property, plant and equipment	Note 7	32.172.174	32.417.315
Technical installations, machinery, tools, furniture and other fixed assets		29.494.409	29.995.223
Assets under construction and prepayments		2.677.765	2.422.092
Non-current financial investments	Note 12	1.424.802	1.377.511
Equity instruments		32.141	32.141
Other financial assets		1.392.661	1.345.370
Deferred tax assets	Note 15	107.525	85.338
B) CURRENT ASSETS		33.716.873	32.076.627
Inventories	Note 8	15.969.431	17.622.609
Trade and other receivables	Note 9, 12	13.762.253	6.267.947
Trade receivables for sales and services rendered		12.055.961	4.233.192
Other receivables		7.582	6.000
Other accounts receivable from public authorities	Note 15	1.698.710	2.028.755
Current financial investments	Note 12	1.759.533	1.000.192
Other financial assets		1.657.533	830.773
Debt securities		102.000	99.093
Derivatives		-	70.326
Prepayments and accrued income		78.180	23.805
Cash and cash equivalents	Note 10	2.147.476	7.162.074
TOTAL ASSETS (A+B)		89.062.525	89.046.789

EQUITY AND LIABILITIES	Notes	30/06/2025	31/12/2024
A) EQUITY		46.606.448	46.146.251
Share capital	Note 11	80.854	80.854
Share premium	Note 11	44.285.791	44.285.791
Reserves of consolidated companies	Note 11	3.739.449	3.568.841
Legal reserve		16.171	16.100
Other reserves		876.195	1.135.396
Consolidation reserves		2.847.083	2.417.345
Treasury shares	Note 11	(1.855.454)	(1.960.066)
Profit/(loss) for the year		581.391	425.248
Valuation adjustments	Note 12	(315.208)	(346.757)
Hedging transactions		(172.002)	(202.080)
Translation differences		(143.206)	(144.677)
Non-controlling interests	Note 11	89.625	92.340
B) NON-CURRENT LIABILITIES		11.773.704	12.717.416
Non-current provisions	Note 14	104.813	155.287
Non-current borrowings	Note 12	11.668.891	12.562.129
Bank borrowings		10.201.096	10.918.952
Finance lease liabilities		28.285	31.824
Derivatives		115.710	231.000
Other financial liabilities		1.323.800	1.380.353
C) CURRENT LIABILITIES		30.682.373	30.183.122
Current provisions	Note 14	18.600	12.442
Current borrowings	Note 12	7.000.103	6.820.746
Bank borrowings		3.207.928	2.971.371
Finance lease liabilities		4.675	4.420
Derivatives		117.063	-
Other financial liabilities		3.670.437	3.844.955
Trade and other payables	Note 13, 15	23.647.309	23.322.083
Trade payables		22.494.125	21.667.587
Miscellaneous creditors		201.859	610.115
Advances from customers		7.131	7.878
Personnel		18.126	397.339
Current tax liabilities		461.773	2.161
Other accounts payable to public authorities		464.295	637.003
Accruals and deferred income (short-term)		16.361	27.851
TOTAL EQUITY AND LIABILITIES (A+B+C)		89.062.525	89.046.789

7.1.1.2. Profit and loss

	Notes	2024	2023
Revenue	Note 16	63,376,946	52,416,732
Sales		3,537,717	4,851,355
Rendering of services		59,839,229	47,565,377
Change in inventories	Note 8	8,567,261	2,062,512
Own work capitalised	Note 16	959,515	677,464
Supplies	Note 16	(53,498,520)	(33,676,357)
Consumption of goods		(6,966,684)	(9,631,069)
Consumption of raw materials and other consumables		(23.694.281)	(13,699,423)
Work performed by other companies		(22,819,967)	(10,345,865)
Impairment and variation in provisions for supplies		(17,588)	-
Other operating income	Note 16	208,325	175,027
Staff costs	Note 16	(7,679,889)	(7,271,716)
Wages and salaries		(6,026,663)	(5,930,128)
Social security contributions		(1,653,226)	(1,341,588)
Other operating expenses	Note 16	(4,876,990)	(4,841,454)
External services		(4,248,620)	(3,513,465)
Taxes		(355,546)	(1,019,223)
Losses, impairment and variation in provisions for trade operations	Note 19	(272,681)	(306,553)
Other current management expenses		(143)	(2,213)
EBITDA	Note 2	7,056,648	9,542,208
Depreciation and amortisation	Note 6, 7	(4,473,064)	(3,899,667)
Impairment and gains/(losses) on disposals of fixed assets		(21,634)	(184,580)
Other results		362,921	(42,116)
OPERATING PROFIT		2,924,871	5,415,845
Share in profit/(loss) of associates	Note 5	-	8,555
Finance income	Note 16	95,098	29,072
Finance expenses	Note 12, 16	(1,285,018)	(1,197,915)
Exchange differences	Note 16	85,338	(38,932)
Other financial results	Note 16	(160,674)	118,332
FINANCIAL RESULT		(1,265,256)	(1,089,443)
PROFIT/(LOSS) BEFORE TAX		1,659,615	4,334,957
Income tax	Note 15	(1,222,904)	(1,473,785)
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		436,711	2,861,172

Attributable to the Parent Company	425,247	2,836,496
Attributable to non-controlling interests	11,464	24,676

	Notes	30/06/2025	30/06/2024
Revenue	Note 16	43.237.595	21.967.486
Sales		1.144.453	1.155.462
Rendering of services		42.093.142	20.812.024
Change in inventories	Note 8	(1.976.848)	2.115.727
Own work capitalised	Note 16	299.139	752.147
Supplies	Note 16	(31.083.258)	(16.392.840)
Consumption of goods		(3.092.706)	(3.347.253)
Consumption of raw materials and other consumables		(12.995.870)	(9.124.962)
Work performed by other companies		(14.994.682)	(3.920.625)
Other operating income	Note 16	208.113	165.162
Staff costs	Note 16	(4.022.211)	(3.565.154)
Wages and salaries		(3.050.129)	(2.745.192)
Social security contributions		(972.082)	(819.962)
Other operating expenses	Note 16	(2.594.912)	(1.948.925)
External services		(2.454.742)	(1.866.121)
Taxes		(127.923)	(59.967)
Losses, impairment and variation in provisions for trade operations	Note 19	(12.247)	(9.729)
Other current management expenses		-	(13.108)
EBITDA	Note 2	4.067.618	3.093.603
Depreciation and amortisation	Note 6, 7	(2.231.620)	(2.172.884)
Impairment and gains/(losses) on disposals of fixed assets		(47.856)	(4.968)
Other results		27.736	(4.052)
OPERATING PROFIT		1.815.878	911.699
Financial income	Note 16	96.049	36.000
Financial expenses	Note 12, 16	(555.320)	(695.572)
Exchange differences	Note 16	(15.915)	28.211
Other financial results	Note 16	(72.099)	-
FINANCIAL RESULT		(547.285)	(631.361)
PROFIT/(LOSS) BEFORE TAX		1.268.593	280.338
Income tax	Note 15	(689.918)	(424.786)
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		578.675	(144.448)

Attributable to the Parent Company	581.390	(143.389)
Attributable to non-controlling interests	(2.715)	(1.059)

7.1.1.3. Cash Flow

(Expressed in euros)	Notes	2024	2023
Profit/(loss) before tax		1,659,615	4,334,957
Adjustments for:		5,707,147	5,611,289
Depreciation and amortisation	Notes 6, 7	4,473,064	3,899,666
Impairment adjustments		276,635	306,553
Results on disposals and derecognition of fixed assets		21,634	184,580
Finance income	Note 16	(95,083)	(38,127)
Finance costs	Note 16	1,445,692	1,197,915
Exchange differences	Note 16	(85,338)	38,932
Other income and expenses		(329,458)	21,768
Changes in working capital:		(620,269)	1,275,480
Inventories	Note 8	(9,108,939)	(814,225)
Trade and other receivables	Note 9	3,254,353	(1,972,641)
Other current assets	Note 12	(396,872)	(152,086)
Trade and other payables	Note 13	5,940,191	4,043,066
Other current liabilities	Note 12	(309,002)	171,366
Other cash flows from operating activities:		(2,676,467)	(3,335,575)
Interest paid		(1,676,526)	(923,654)
Interest received		58,571	27,279
Income tax (paid)/refunded		(1,058,513)	(2,439,199)
Cash flows from investing activities:		4,070,026	7,886,152
Payments for investments		(1,878,989)	(39,487,318)
Payments for investments in intangible assets	Note 6	(38,531)	(168,269)
Payments for investments in property, plant and equipment	Note 7	(906,339)	(3,384,272)
Payments for investments in financial assets	Note 12	(971,338)	(35,866,465)
Payments for investments in other assets	Note 12	37,219	(68,312)
Proceeds from disposals		415,271	504,077
Proceeds from disposals of financial assets	Note 12	415,271	504,077
Net cash flows from investing activities		(1,463,718)	(38,983,242)
Proceeds from issue of equity instruments	Note 11	356	21,639,327
Proceeds from issue of debt instruments	Note 12	43,819	6,474,839
Proceeds from borrowings from group companies		-	105,090
Proceeds from other borrowings	Note 12	-	5,782,517
Derivative financial instruments	Note 12	(131,131)	-
Other proceeds		(2,425,379)	-

Repayments and redemptions of borrowings from credit institutions	(2,893,218)	(3,871,029)
Repayments and redemptions of borrowings from group companies	(222,268)	(553,075)
Net cash flows from financing activities	(5,627,821)	29,577,670
Effect of exchange rate fluctuations	10	(6)
Effect of changes in the scope of consolidation	-	4,811,856
Net increase/(decrease) in cash and cash equivalents	(3,021,505)	(1,519,420)
Cash and cash equivalents at beginning of year	10.183.579	6,891,142
Cash and cash equivalents at end of year	7.162.074	10,183,579

(Expressed in euros)	Notes	30/06/2025	30/06/2024
Profit/(loss) before tax		1.268.593	280.320
Adjustments for:		2.295.886	2.090.523
Depreciation and amortisation	Note 6, 7	2.231.620	2.172.884
Impairment adjustments		(16.627)	9.729
Results on disposals and derecognition of fixed assets		(8.039)	4.969
Finance income	Note 16	(96.049)	(36.001)
Finance costs	Note 16	627.419	695.572
Exchange differences	Note 16	15.915	(28.211)
Other income and expenses		(458.353)	(728.419)
Changes in working capital:		(6.465.238)	(2.194.164)
Inventories	Note 8	1.634.159	(1.975.031)
Trade and other receivables	Note 9	(7.460.056)	3.702.496
Other current assets	Note 12	185.416	155.252
Trade and other payables	Note 13	(507.061)	(5.695.504)
Other current liabilities	Note 12	(317.696)	1.618.623
Other cash flows from operating activities:		(863.728)	(815.147)
Interest paid		(543.354)	(676.660)
Interest received		96.049	15.141
Income tax (paid)/refunded		(416.423)	(153.628)
Cash flows from investing activities:		(3.764.487)	(638.468)
Payments for investments		(1.171.724)	(5.142.000)
Payments for investments in intangible assets	Note 6	-	(27.034)
Payments for investments in property, plant and equipment	Note 7	(529.764)	(944.288)
Payments for investments in financial assets	Note 12	(9.498)	(4.169.678)
Payments for investments in other assets	Note 12	(632.462)	(1.000)

Proceeds from disposals		609.057	2.579
Proceeds from disposals of financial assets	Note 12	609.057	2.579
Net cash flows from investing activities		(562.667)	(5.139.421)
Proceeds from issue of equity instruments	Note 11	-	356
Proceeds from issue of debt instruments		1.000.000	8.412
Proceeds from borrowings from group companies		(115.290)	-
Proceeds from other borrowings		(1.476.463)	(1.433.694)
Derivative financial instruments		(95.321)	(79.737)
Other proceeds		(687.074)	(1.504.663)
Repayments and redemptions of borrowings from credit institutions		(370)	-
Repayments and redemptions of borrowings from group companies		-	-
Net cash flows from financing activities		(5.014.598)	(7.282.552)
Effect of exchange rate fluctuations		7.162.074	10.183.579
Effect of changes in the scope of consolidation		2.147.476	2.901.027

7.1.2. All information about historical, or on-going bankruptcy, liquidation or fraud related convictions or on-going procedures in which any person in the management and or board of the Issuer has been involved

On 16 April 2025, the Company filed a formal complaint with the CNMV regarding unauthorised sales of shares during a blackout period by Mr Abel Martín Sánchez and Mr Alberto Torrego López.

On 15 May, the resignation of Director Mr Diego Lamelas Pombriego was formalised following a request by the Company to cease actions allegedly aimed at altering the composition and control of the Board.

On 20 May, the Annual General Meeting was held with 87.26% of voting capital represented. Shareholders approved the dismissal of Mr Abel Martín Sánchez as Director and authorised the pursuit of legal action against him.

On 27 May, Independent Bord Member Mr Juan Antonio García-Urgeles Capdevila resigned.

On 9 June, the Board approved by co-option the appointments of Mr. Luis Pedro Herrero Vanrell, Mr. José Manuel Castellví Poveda and Mr. Bernardino Meseguer Galindo, while Mr. Alfredo García Flores and Mr. Alberto Mazagatos Uriarte resigned voluntarily.

On 17 June, further appointments were made, including Mr. Francisco Bengoechea (later appointed Chairman of the Audit Committee), Mr. Bernardo Ubago and Ms. Laura Lozano, while Mr. Juan Joaquín Bonilla Hidalgo resigned as Independent Board Member. Following these changes, the Board was composed of seven members, in line with the range approved by the General Meeting.

On 18 June, the Board unanimously resolved to adhere voluntarily to the general takeover regime under Law 6/2023, thereby ensuring equal rights for all shareholders and reinforcing the protections already established in the Company's Articles of Association.

On 9 July, the Company updated its register of significant shareholders, noting that Erbienergía Inversiones, S.L. had increased its stake to 13.7%.

On 23 July, the company communicated the findings of an investigation which revealed that Erbioenergía had omitted to disclose that certain group companies and related family members held an additional 1.2% of the share capital, equivalent to 316,046 shares. From that date, Erbioenergía Inversiones is therefore considered to hold a total of 3,698,400 shares, representing 13.72% of the company's share capital.

On 13 May, the Company announced a Share Support and Market Activation Plan, which included hiring of a senior investor relations director, to align market valuation with the company's strong fundamentals. The new Investor Relations plan was formally presented on 24 July and included a proposed share buyback programme of up to 400,000 shares (approximately 1,5% of capital), subject to regulatory approval, with a maximum outlay of €1 million,

Finally, on 14 July, the Company reported a ruling of the Commercial Court No. 1 of Madrid, dated 2 July 2025, which upheld the Company's position that attempts to effect a change of control without a mandatory takeover bid were legally inadequate and contrary to Royal Decree 1066/2007.

08.

PROFIT FORECAST OR ESTIMATES

8. PROFIT FORECASTS OR ESTIMATES

The issuer has not published a profit forecast or profit estimate.

The Company will present its new five-year Strategic Plan in the second quarter of 2026, setting out its main growth priorities and future direction.

09.

BOARD, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

9. BOARD, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

9.1. Description of the Board of Directors and the Management of the Issuer

The operation of the Company's administrative body is regulated by articles 13 to 16 of the Bylaws and by the "Regulations of the Board" approved on October 17, 2022, which is published on the Company's corporate website.

The Board of Directors is the consultative, executive, and collegiate governing body, which, among other functions, is ultimately responsible for the Company's supervision and control decisions. The Board of Directors is responsible for the direction, administration, management, and representation of the Company. Additionally, it is responsible for the design, implementation, and correct operation of the internal control systems whose objective is to guarantee the proper compliance with the obligations of public information in general, and that such information is legitimate, truthful, and reflects a true and fair view of the situation of the Company and its assets and liabilities at the time it is consulted.

9.1.1. Names, business addresses and functions in the Issuer of each member of the board, management and supervisory bodies

Pursuant to Article 13 of the Company's Bylaws, the Company is managed and represented by a Board of Directors, which shall be composed of a minimum of three (3) and a maximum of nine (9) members. In accordance with Article 211 of the revised text of the Capital Companies Act, the General Shareholders' Meeting is responsible for determining the number of members of the Board of Directors.

The Board of Directors, as of the date of the Information Document, is composed of executive directors, proprietary directors, and independent directors with extensive professional experience. The members of the Board of Directors (7) are as follows:

Alberto Hernández
President of the Board

+20 years of international experience as a senior executive in Apple, Vodafone, Telefonica, TechData.

Luis Pedro Herrero Vanrell
Independent Board Member

+20 years of experience in the financial sector, specializing in consolidation, management control, and financial analysis, with a professional background in companies such as Cintra and NTT Data.

Francisco Bengoechea,
President of the Audit Committee

+20 years holding senior executive positions at companies such as Telefónica, Urbas Grupo Financiero, and Cox Energy.

Bernardo Ubago
Independent Board Member

+25 years of experience in the technology and telecommunications sector, having developed his career at companies such as Nokia, Siemens, and Telefónica.

José Manuel Castellví Poveda
Independent Board Member

+25 years in executive leadership roles within the logistics and document management sector. Founder and CEO of The Mail Company.

Bernardino Meseguer Galindo
Independent Board Member

A career closely linked to the graphic arts sector, holding various leadership positions. Currently CEO of Nodo Mega Z S.L., a national leader in safety signage.

Laura Lozano
Independent Board Member

+10 years of experience in various roles related to innovation and technology, and co-founder and CEO of Chargy since 2016.

Luis Ester Casas
Independent Board Secretary
Non Executive. Non Board Member

Legal expert with solid experience in corporate legal advisory, commercial litigation, and risk management. A key figure in ensuring regulatory compliance and supporting the company's governance.

Name	Position	Nature	Date of designation
Mr. Alberto Hernández Poza	Chairman & CEO	Executive	October 17, 2022
Mr. Luis Pedro Herrero Vanrell	Board Member	Independent	June 9, 2025 (Co-optation)
Mr. José Manuel Castellví Poveda	Board Member	Independent	June 9, 2025 (Co-optation)
Mr. Bernardino Meseguer Galindo	Board Member	Independent	June 9, 2025 (Co-optation)
Mr. Francisco Bengoechea	President of the Audit Committee	Independent	June 17, 2025 (Co-optation)
Ms. Laura Lozano	Board Member	Independent	June 17, 2025 (Co-optation)
Mr. Bernardo Ubago	Board Member	Independent	June 17, 2025 (Co-optation)
Mr. Luis Ester Casas	Secretary non-Director	N/A	May 20, 2025

Section 9.1.1.1 briefly summarizes the professional background of the members of the Company's Board of Directors.

According to Article 13 of the Company's Bylaws, the directors of the Company shall hold office for a term of 4 years. In this sense, according to Article 222 of the Capital Companies Act, the appointment of directors shall expire when, upon expiration of the term, the next general shareholders' meeting has been held or the legal term for the holding of the general shareholders' meeting that must resolve on the approval of the previous year's accounts has elapsed.

Notwithstanding the foregoing, directors appointed by co-option shall hold office until the first general shareholders' meeting held after their appointment, in accordance with Article 244 of the Capital Companies Act.

The agreements within the board of directors, unless the Law or the Bylaws provide otherwise, will be adopted by an absolute majority of the directors attending the session in accordance with the provisions of Article 248 of the Capital Companies Law. In accordance with the provisions of Article 16 of the Bylaws, in the event of a tie, the president will have the casting vote.

9.1.1.1. Profile of members of administrative bodies and general management

The Board of Directors of the Company meets at least once a quarter and consists of the following members:

Mr. Alberto Hernández Poza
Position: Chief Executive Officer and Director
Background: Mr Hernández Poza has more than 20 years of international experience as a senior executive in leading multinational corporations, including Apple, Vodafone, Telefónica and TechData. He currently serves as Chief Executive Officer of the Company. His extensive international background in technology and telecommunications underpins his leadership of the Company's strategic expansion and corporate governance transformation.

Mr. Luis Pedro Herrero Vanrell
Position: Independent Board Member
Date of appointment: 9 June 2025 (by co-optation)
Background: Mr Herrero Vanrell brings over 20 years of experience in the financial sector, specialising in consolidation, management control and financial analysis. His professional career includes senior roles at Cintra and NTT Data. His expertise in financial oversight and strategic control strengthens the Board's capacity to support the Company's ambitious growth plans.

Mr. José Manuel Castellví Poveda
Position: Independent Board Member
Date of appointment: 9 June 2025 (by co-optation)
Background: Mr Castellví Poveda has more than 25 years of executive leadership experience in the logistics and document management sector. He is the founder and Chief Executive Officer of The Mail Company. His entrepreneurial background and operational expertise contribute to the Board's ability to oversee the Company's expansion and organisational transformation.

Mr. Bernardino Meseguer Galindo
Position: Independent Board Member
Date of appointment: 9 June 2025 (by co-optation)
Background: Mr Meseguer Galindo has developed a career closely linked to the graphic arts sector, holding various leadership positions. He is currently Chief Executive Officer of Nodo Mega Z S.L., a national leader in safety signage. His managerial experience and sectoral knowledge add depth to the Board's collective expertise.

Mr. Francisco Bengoechea
Position: Director; Chair of the Audit Committee (designated role)
Date of appointment: 17 June 2025 (by co-optation)

Background: Mr Bengoechea holds a degree in Business Administration with a specialisation in Auditing from the Complutense University of Madrid. He has more than 20 years of experience in senior executive positions at companies such as Telefónica, Urbas Grupo Financiero and Cox Energy. He is currently Partner and Head of the Tax Department at Aranzadi & Ríos y Asociados. His expertise in taxation, accounting and compliance will be instrumental in chairing the Audit Committee and reinforcing the Company's governance framework.

Ms. Laura Lozano

Position: Independent Board Member

Date of appointment: 17 June 2025 (by co-optation)

Background: Ms. Lozano holds a Diploma in Business Studies from Rey Juan Carlos University and a Bachelor's Degree in Business Administration and Management from Camilo José Cela University. She is the co-founder and CEO of Chargy, the first truly "digital native" company in the DOOH (Digital Out-of-Home) advertising sector, offering a unique value proposition to end consumers. Chargy is also the only digital OOH platform that delivers audience metrics and captures First-Party Data, enabling brands to leverage this information for retargeting and other digital marketing initiatives.

In addition, Ms. Lozano is the co-founder of Skirion, an investment fund specializing in startups and digital assets, where she applies her expertise in innovation, strategy, and business growth to support a wide range of technology projects.

Mr. Bernardo Ubago

Position: Independent Board Member

Date of appointment: 17 June 2025 (by co-optation)

Background: Mr Ubago holds a PhD in Business Administration from ICADE, a Law degree from the University of Deusto, and an MBA from IESE. He has more than 25 years of experience in the technology and telecommunications sector, having developed his career at Nokia, Siemens and Telefónica. He currently serves as Investment Director at an Investment Fund and Family Office. His combined expertise in law, business and investment in growth-stage companies provides the Board with valuable insight into financing and expansion strategies.

Mr. Luis Ester Casas

Position: Secretary of the Board

Date of appointment: May 20, 2025

Profile: Mr Ester Casas is a legal expert with solid experience in corporate legal advisory, commercial litigation and risk management. He plays a key role in ensuring regulatory compliance and supporting the Company's governance framework. His legal acumen strengthens the Board's oversight of corporate risk and compliance matters.

Management Team

Mr. Alberto Hernández Poza | CEO

The career of Mr. Hernández is described in the immediately preceding section.

Mrs. Ruth del Pozo Miña | CFO

She joined Energy Solar Tech in October 2021. 9 years as Financial Audit Manager at PwC in large Groups listed in the Spanish and American markets. Team leader and coordination of the international network of auditors in listed companies. Specialist in analysis and development of internal control processes and systems. Participation in projects related to capital market operations.

Mr. Eduardo Ruiz | Head of Marketing and Communications

Mr Ruiz is a professional with over ten years of experience in B2B and B2C environments. He has specialised in 360-degree strategies and digital projects, consistently delivering agile and results-driven solutions. His career includes senior roles in agencies and corporates, where he has directed multidisciplinary teams and supported brand growth in sectors such as technology, healthcare, renewable energy and entertainment. He has served as Director of Marketing and Communications at Energy Solar Tech, leading the company's rebranding and implementing Hubspot to optimise lead generation. Previous positions include Head of Marketing at BeFootball, where he developed go-to-market strategies and integrated AI tools into creative processes, and Digital Lead at H+K Strategies, where he built the digital department and secured major accounts such as Disneyland Paris, Deutsche Bank, Andbank, Lenovo and Danone. Mr Ruiz's expertise in digital transformation and brand positioning underpins his leadership in marketing strategy and supports the long-term visibility and growth of the organisations he serves.

Mr. Pierre Nadelar Pinto | Head of Investor Relations

Mr Nadelar has three decades of international experience in investor relations, capital markets and corporate finance, having held senior positions across the energy, infrastructure and financial sectors in Europe and Africa. He has led investor relations functions at listed companies such as Solaria and Opdenergy, and advised on strategic communications, equity story development and capital market positioning for a range of corporates and investment projects. His career also encompasses senior roles in institutional equity sales at leading financial institutions including BNP Paribas Fortis, Banco Madrid, Crédit Agricole Indosuez and HSBC, where he built and managed relationships with institutional investors across multiple European markets. Since June 2025, he has served as Head of Investor Relations at Energy Solar Tech, where his extensive expertise in capital markets, strategic communications and stakeholder engagement underpins the Group's investor relations strategy and supports its long-term growth and market positioning.

Ms. Laura Torre Fidalgo | Head of Human Resources

Ms Torre has more than a decade of senior experience in commercial leadership, business development and sales optimisation within the human resources services sector. She has specialised in identifying and generating B2B opportunities, negotiating with major accounts and building long-term client relationships. Her career at ManpowerGroup includes roles as Key Account Manager and Business Sales Manager, where she directed regional teams, implemented pricing strategies and achieved significant revenue growth, including a 36% annual increase in regional turnover. She also served as HR Business Partner at Leroy Merlin, integrating regional HR strategies into store operations and leading talent management initiatives. Ms Torre is recognised for her ability to restructure teams and processes, delivering sustainable growth and profitability while maintaining a strong focus on client outcomes.

Mr. Laurindo Castellanos Sánchez | Senior Engineering and Manufacturing Manager

Mr Castellanos has over two decades of experience in industrial engineering, production management and new product introduction across leading multinational corporations. He has held senior roles at Vestas, where he was responsible for the industrialisation of new wind turbine platforms and technology transfers across factories in Europe, Asia and the Americas. His career also includes leadership positions in maintenance and production management at LM (General Electric), Mekatar Group and DSM-Firmenich, where he directed plant operations, utilities and continuous improvement projects. He is a certified Lean Manufacturing and Six Sigma Green Belt specialist, with advanced expertise in safety, ergonomics and risk prevention. Fluent in English and Spanish, Mr Castellanos combines technical depth with international project management experience, supporting operational excellence and innovation in complex industrial environments.

Mr. Fernando Seijo Fernández | Senior Accounts & Sales Manager

Mr Seijo is an experienced project manager with more than two decades in industrial and electrical engineering. Since 2002 he has worked at Sarpel Ingeniería, where he has managed major projects for clients such as Inditex, Santa Bárbara Sistemas and Carrefour, overseeing medium and low-voltage installations, logistics platforms and renewable energy infrastructure. His earlier career at Eptisa Servicios de Ingeniería included technical supervision and quality control for large-scale projects in healthcare, education and public infrastructure across Galicia. Trained as an Industrial Technical Engineer specialising in electricity, Mr Seijo combines deep technical expertise with extensive project management experience, ensuring the successful delivery of complex engineering projects in Spain’s industrial and energy sectors.

Mr. Antonio López Guisande | Senior Project & Sales Manager

Mr López Guisande has more than two decades of professional experience in the energy sector, specialising in electrical engineering, renewable energy and project execution. He has directed the construction and operation of wind farms and hydroelectric plants at Ecoener, overseeing substation development, grid interconnection and compliance with regulatory requirements. His career also includes senior roles at Tecnica4 Ingeniería y Montajes and Grupo Preneal, where he managed national projects in high-voltage infrastructure and renewable energy generation. Earlier, at Gamesa Energías Renovables, he served as Manager of Wind Farms in Galicia, coordinating construction, commissioning and operational management. A graduate in Industrial Engineering from the University of Vigo, Mr López Guisande has also contributed as a lecturer in postgraduate programmes on renewable energy and sustainability. His expertise spans the full cycle of energy projects, from promotion and engineering to operation and maintenance.

Mr. José Daniel Gómez Bañuelos | Senior Project & Sales Manager

Mr Gómez Bañuelos has more than three decades of experience in electrical engineering, specialising in protection systems, substation management and high-voltage infrastructure. He has held senior technical positions at Unión Fenosa Distribución (Naturgy), where he directed works in substations across northern Spain and previously managed protection systems for the company’s distribution network. His earlier career includes roles at Norcontrol, ABB Cidespa and Cidespa S.A., where he worked as a specialist in control, command and protection systems, as well as in commissioning and technical assistance. He has also contributed to training programmes on electrical protection systems. A graduate in Industrial Technical Engineering, Mr Gómez Bañuelos has extensive international experience, having participated in major projects in Spain, Latin America, the Middle East and Asia. His expertise in electrical protection and regulatory compliance underpins his reputation as a senior engineer in the energy sector.

Mr. Javier Vieites Pardo | Senior Project & Sales Manager

Mr Vieites has more than two decades of experience in electrical engineering, project supervision and distribution systems. He has worked extensively with Unión Fenosa Distribución, overseeing more than 2,500 electrification projects and directing works on medium and low-voltage networks, substations and interconnections. His career also includes technical roles at Norcontrol and Sarpel Ingeniería, where he managed inspection, quality control and project execution for industrial and residential developments. A graduate in Industrial Technical Engineering specialising in electricity, Mr Vieites has also contributed to international projects in the Dominican Republic, supporting distribution system audits and supervision. His expertise in regulatory compliance, project execution and technical supervision positions him as a senior professional in Spain's electrical engineering sector.

Mr. José Manuel Cajide Melero | Senior O&M Manager
Mr Cajide has more than 23 years of experience in industrial management, engineering and operations, with a strong background in manufacturing, supply chain optimisation and technology. He served as General Manager and Technical Director at Torvigo Suministros Industriales, where he led corporate strategy, technical operations and procurement, managing international supplier relationships across Europe, Asia and the Americas. His career spans projects in automotive, aerospace, mould and matrix, naval and renewable energy sectors, where he has directed industrialisation, technology transfers and process optimisation. A graduate in Industrial Engineering from the University of Vigo and holder of an International Executive MBA, Mr Cajide has also completed advanced programmes in supply chain, quality management and artificial intelligence at MIT and APD. His expertise in operational excellence, digital transformation and strategic leadership underpins his reputation as a senior industrial executive.

Mr. José Luis Berlanga | Commercial Director
With over 25 years of experience as a manager focusing on sales and business development functions. He began his successful career as Commercial Director at Energy Solar Tech and is now joining as a partner in its evolution.

Mr. Christian de Luca | Director of Indirect Channel and Special Projects
With over 20 years of experience in sales roles across various organizations, including his recent and successful tenure at renowned companies in the Spanish photovoltaic sector.

9.1.2. Family relations and integrity of the board

The Company confirms that, to the best of its knowledge and based on formal declarations received, none of the members of the Board of Directors nor any member of the Company's senior management has, within the five (5) years preceding the date of this Information Document, been subject to criminal conviction, administrative sanction by statutory or regulatory authorities, or disqualification by any court in connection with their role as a member of the administrative, management or supervisory bodies of an issuer, or in relation to the management of the affairs of any issuer.

Furthermore, there are no family relationships between any of the members of the Board of Directors and the executives referenced in section 9.1.2 of this Information Document. This affirmation is consistent with the governance principles set out in the Company's Board Regulations, which require directors to act with independence of judgement and in the exclusive interest of the Company and its shareholders.

9.2. Potential conflicts of interests and restrictions applicable to the Issuer

In accordance with the information provided to the Company and pursuant to the provisions of Article 229 of the Spanish Capital Companies Law, none of the members of the Board of Directors nor the executives referenced in section 9.1.2 have, during the period covered by the historical financial information and up to the date of this Information Document, any actual or potential conflict of interest between their duties to the Company and their personal, professional or financial interests.

Moreover, none of the aforementioned individuals engage, either personally or on behalf of third parties, in activities that are of the same, analogous or complementary nature to those that comprise the corporate purpose of the Company, except as disclosed in section 3.1.7 of this document regarding inherent risks arising from related-party transactions.

The Company's Board Regulations establish a robust framework for the identification, disclosure and management of conflicts of interest. Directors are required to disclose any direct or indirect conflicts to the Board and to abstain from participating in deliberations or decisions where such conflicts may arise. These obligations are reinforced by the Company's internal codes of conduct and are subject to ongoing oversight by the Audit Committee, whose composition and duties are governed by the Board Regulations and applicable law.

10.

AUDIT COMMITTEE AND REMUNERATION COMMITTEE

10. BOARD PRACTICES IN RELATION TO THE ISSUER'S LAST COMPLETED FINANCIAL

10.1. Audit committee and remuneration committee

In accordance with the provisions of the Third Additional Provision of Law 22/2015, of July 20, 2015, on Account Auditing and Article 14 of the Company's bylaws, the Company has an Audit Committee as an internal body of an informative and advisory nature, without executive functions, with powers of information, advice, and proposal within its scope of action.

The Audit Committee is made up of directors appointed by the Board of Directors with the capacity, experience, and dedication necessary to perform their duties, is currently composed of the following members:

Name	Position	Designation Date	Designation Criteria
Mr. Francisco Bengoechea	President	June17th, 2025	Co-optation
Mr. Luis Pedro Herrero Vanrell	Member	June17th, 2025	Co-optation
Mr. Bernardo Ubago	Member	June17th, 2025	Co-optation

The Audit Committee supports the Board of Directors in its oversight functions by periodically reviewing the preparation process relating to the economic and financial area, the Company's internal controls, and the independence of the auditor, as well as evaluating the Company's accounting verification system and monitoring compliance with the Company's governance rules.

10.2. Remuneration and benefits

10.2.1. Remuneration of directors in their capacity as directors

Pursuant to Article 15 of the Company's Articles of Association, the office of director is remunerated. Directors, in their capacity as such, are entitled to receive attendance fees for participation in meetings of the Board of Directors and its committees. This remuneration is strictly linked to their non-executive duties, namely oversight, supervision, and collegiate decision-making, and does not extend to any executive responsibilities.

In accordance with Article 217.3 of the consolidated text of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010 of 2 July, and Article 15 of the Company's Articles of Association, the General Shareholders' Meeting has resolved to set the maximum aggregate annual remuneration payable to all directors in their capacity as such at fifty-nine thousand euros (€59,000). This ceiling applies to the Board as a whole and remains in force until amended by a subsequent resolution of the General Shareholders' Meeting. The current resolution expressly replaces the maximum remuneration previously approved by the Extraordinary General Shareholders' Meeting held on 17 October 2022.

In addition, directors are entitled to reimbursement of expenses incurred in the performance of their duties, provided such expenses are duly justified. For clarity, expenses for each trip shall not exceed two thousand euros (€2,000).

It is expressly noted that there are no golden parachute clauses in place for directors in their capacity as such. This reflects the Company's commitment to prudent governance and the avoidance of excessive or non-transparent benefits.

10.2.2. Remuneration of directors for the performance of executive functions

With respect to directors entrusted with executive responsibilities, the General Shareholders' Meeting has resolved to establish the maximum aggregate annual remuneration at four hundred and seventy-four thousand euros (€474,000).

This maximum amount encompasses all components of executive remuneration, including:

- Fixed remuneration, reflecting the higher level of dedication and responsibility inherent in executive functions.
- Variable remuneration, which may include up to 100% of the variable performance component, linked to business, financial, non-financial, or personal performance objectives, as determined annually by the Board of Directors in line with the Company's strategic plan.
- Potential severance payments arising from the early termination of executive directors.

For the avoidance of doubt, the annual remuneration of executive directors, excluding potential severance payments for early termination, amounts to three hundred and sixty-six thousand six hundred and seventy-five euros (€366,675).

In accordance with Article 15.3 of the Articles of Association, directors entrusted with executive functions must enter into a contract with the Company, which shall detail the specific components of their remuneration. Such contracts may include, in addition to fixed and variable remuneration, other items such as pension schemes, savings or retirement plans, life or health insurance, the provision of a vehicle, compensation for exclusivity, post-contractual non-compete or permanence agreements, and, where applicable, compensation for early termination.

The approval of such contracts, and any amendments thereto, requires the prior favourable vote of at least two-thirds of the members of the Board of Directors, with the affected director abstaining from the deliberation and vote, in accordance with Article 16.2 of the Articles of Association.

The maximum aggregate remuneration approved by the General Shareholders' Meeting shall remain in force until such time as the General Shareholders' Meeting resolves to amend it.

Governance Rationale and Investor Alignment

The Company's remuneration framework is designed to ensure transparency, accountability, and alignment with shareholder interests. The clear separation between remuneration payable to directors in their capacity as non-executive members of the Board and remuneration payable to directors entrusted with executive functions reflects best practice in corporate governance.

- Non-executive directors are compensated fairly for their oversight and decision-making responsibilities, with remuneration capped at a modest level and structured as attendance fees.
- Executive directors are remunerated in a manner that reflects their operational responsibilities, with a balanced mix of fixed and variable components, subject to performance objectives, and with contractual safeguards approved by a supermajority of the Board.

This framework ensures that remuneration is competitive yet proportionate, avoids excessive entitlements, and provides shareholders with clear visibility and control through the requirement of General Meeting approval for maximum aggregate amounts.

Remuneration to the Board of Directors

Counsellors	**Salaries**	**Fixed remuneration**	**Other concepts**	**30/06/2025**
Executive Directors	67,134	4,000	57,000	128,134
Independent Directors		5,400		5,400
Proprietary Counselor				

Counsellors	**Salaries**	**Fixed remuneration**	**Other concepts**	**31/12/2024**
Executive Directors	208,790	4,800	64,600	278,190
Independent Directors		16,700		16,700

Proprietary Counselor		2,300		2,300

Counsellors	Salaries	Fixed remuneration	Other concepts	31/12/2023
Executive Directors	200,000	4,000	119,200	323,200
Independent Directors	-	13,500	-	13,500
Proprietary Counselor	-	1,500	-	1,500

Counsellors	Salaries	Fixed remuneration	Other concepts	31/12/2022
Executive Directors	189,478	-	-	189,478
Independent Directors	-	3,000	-	3,000
Proprietary Counselor	-	1,000	-	1,000

10.3. Shareholdings and subscription options of members of administrative and management bodies

The total shareholding (both direct and indirect) in the Company's capital stock of the persons who are members of its administrative, management, and executive's bodies is 21% as of the date of this Information Document. The main administrative bodies do not hold options to purchase shares in the Company. The following is a detail of the shareholdings of the directors, management, and executives.

Shareholders	Direct shares (%)	Indirect shares (%)	Total shares (%)
Mr. Alberto Hernández Poza	21.00%	0%	21.00%
TOTAL	21.00%	0%	21.00%

11.

DESCRIPTION OF THE WORKFORCE OF THE ISSUER

11. DESCRIPTION OF THE WORKFORCE OF THE ISSUER

11.1. Employees: total number, categories, and geographical distribution

The Group has 150 employees as of the closing date of October 31, 2025. Within the Group's staff, four categories are distinguished: directors, managers, team leaders, administrative staff, and assistants. All employees are located at the Madrid facilities. The breakdown by category is as follows:

Employee by category October 31, 2025	Number of employees	(%)
Directors	15	10%
Managers	6	4%
Team leaders	17	11%
Technicians, auxiliary staff	112	75%
TOTAL	**150**	**100%**

In the following table, the classification of the company's employees by gender is detailed, where it can be observed that 80,7% of the employees are men and 19,3% are women:

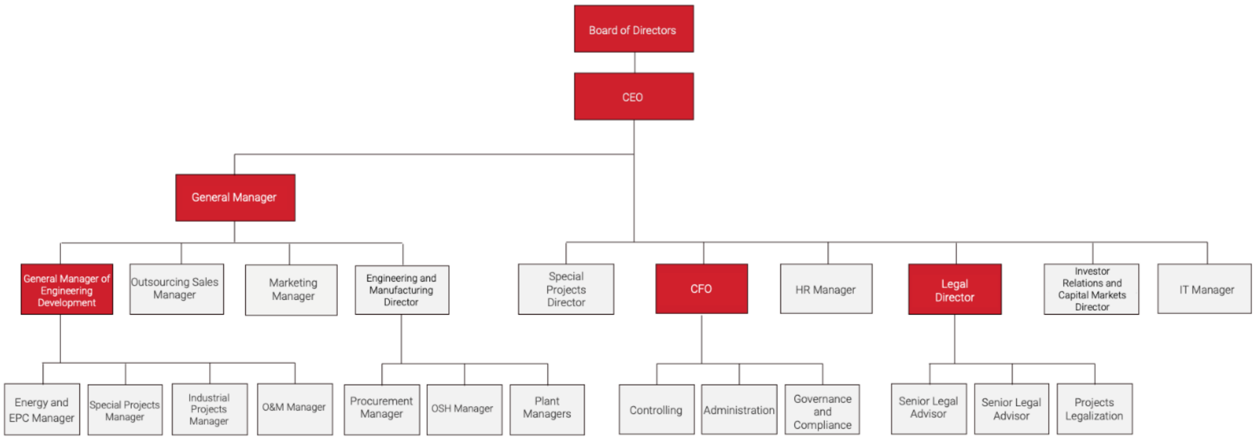
Employees by gender	October 31, 2025	(%)
Men	121	80.7%
Women	29	19.3%
TOTAL	**150**	**100%**

Finally, the evolution of the employees over the past years is presented. As observed in the following table, the workforce of the Group has significantly increased:

Evolution by category	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/10/2025
Directors	1	3	3	1	1	15
Managers	1	2	3	12	10	6
Team leaders	1	2	4	9	8	17
Technicians, auxiliary staff	3	14	28	85	102	112
TOTAL	**6**	**21**	**38**	**107**	**123**	**150**

11.1.1 Organization and teams

The organizational structure of the Energy Solar Tech Group as of the date of this document is as follows:



The organizational structure of the Company consists of governing bodies described in section 9 of this Information Document, whose function is to ensure the proper compliance with rules and standards of control and governance, in accordance with the applicable legislation in force at any given time.

11.1.2 Share-based incentive programs

At the General Shareholders' Meeting of Energy Solar Tech held on 27 April 2022, an Employee Stock Incentive Plan for the years 2023, 2024 and 2025 (the PIEA, by its Spanish acronym) was approved. The Plan is directed at certain key employees of the Group and related companies providing services to the Company, as well as external collaborators, as determined by the Board of Directors (the Beneficiaries). It should be noted that the executive director, Mr. Alberto Hernández Poza, is not included in the PIEA.

Please refer to section 15.1.8 for further detail.

12.

MAJOR SHAREHOLDERS

12. MAJOR SHAREHOLDERS

12.1. Main shareholders

At the date of this Informative Document, the Company has 4 majority shareholders (holding more than 5% of the capital stock). The Company's capital is distributed as follows:

Shareholders	Number of shares	Direct + indirect shares (%)
Mr. Alberto Hernández Poza	5,658,919	21.00%
Erbi Energía, S.L.	3,698,400	13.72%
Mr. Alberto Torrego López	2,808,473	10.42%
Mr. José Abel Martín Sánchez	2,630,096	9.76%
Others*	12,155,488	45.10%
TOTAL	**26,951,376**	**100%**

* Shareholders with a direct or indirect interest in the capital of the company of less than 5%.

The shares entitle their holders to participate in the distribution of the Company's profits and in the assets resulting from a liquidation of the Company (if applicable).

There is no Beneficial Owner as defined in the EU Legislation on anti-money laundering.

12.1.1. Agreements that may result in a change of control

As of the date of this Information Document, the Company is not a party to any agreement or pact that restricts the transfer of its shares or affects the voting rights. The Company is not aware of any of its shareholders having entered into any agreement or pact regulating such matters.

The Bylaws of Energy Solar Tech establish the regime applicable to cases of share transfer of the Company triggering a change of control, namely:

> *"**6. TRANSFER OF SHARES***
>
> *1. All shares and the economic rights derived from them, including pre-emption rights, can be freely transferred by any legally admissible means.*

2. Notwithstanding point 1 above, if a shareholder receives a purchase offer from another shareholder or a third party, whereby the resulting transaction would grant the acquirer a controlling stake in the Company (more than 50% of the share capital), said shares may not be transferred unless they are offered to all shareholders for purchase under the same conditions."

Likewise, the Bylaws require shareholders to disclose significant stakes and any shareholder agreements that may affect the transfer of shares:

*"**7. NOTIFICATION OF SIGNIFICANT SHAREHOLDINGS AND SHAREHOLDERS' AGREEMENTS***

1. Each shareholder shall be obliged to notify the Company of any acquisition or forfeiture of shares, by whatever means, whether directly or indirectly, that causes his total stake to reach, exceed or fall below 5% of the share capital or any multiple thereof.

2. Similarly, all shareholders shall be obliged to notify the Company of the entering into, extension or termination of any shareholders' agreement restricting the ability to transfer shares or affecting shareholders' voting rights.

3. The notifications provided for in this article shall be addressed to the Board of Directors and communicated no later than four working days following the date of the event subject to notification.

4. The Company shall publish any such notifications in accordance with the regulations applicable to entities whose shares are included in the BME Growth trading segment of BME MTF Equity ("BME Growth")."

The Company confirms that it is not formally aware of the existence of any agreement, whether formal, informal, written or verbal, between any shareholders that could restrict the transfer of shares, affect voting rights or may result in a change of control of the Company.

Should any such agreement exist among third parties without the Company's knowledge, it would be subject to mandatory disclosure obligations under Spanish law and failure to disclose it would itself constitute a breach of the applicable takeover and market-abuse regulations.

12.1.2. Voting rights of major shareholders

The shares confer upon their holders the right to attend (provided that the shareholder concerned has their shares registered in their name in the corresponding registry of book entries five days in advance of the general meeting), even through a representative who does not have to be a shareholder, and vote at the general meetings of shareholders and to challenge the corporate resolutions adopted therein, in accordance with the general regime established in the Companies Act and the bylaws. Each share entitles its holder to one vote, without any limitations on the maximum number of votes that can be cast by each shareholder or by companies belonging to the same group, in the case of legal entities.

12.1.3. Other rights of the shareholders

Preemptive subscription rights in the issuance of new shares

All shares of the Company grant their holder, in accordance with the terms established in the Capital Companies Law, the right of preemptive subscription in increases of the share capital with the issuance of new shares (ordinary or preferred) with contributions in cash, as well as in the issuance of convertible bonds, except for the exclusion of the preemptive subscription right in accordance with articles 308 and 506 (in relation to increases in capital) or 417 and 511 (in relation to the issuance of convertible bonds) of the Capital Companies Law. Likewise, all shares of the Company grant their holders the right to free allocation recognized in the Capital Companies Law in cases of capital increase with charge to reserves.

Information rights

Pursuant to Article 197 of the Capital Companies Act, up to the seventh day prior to the day scheduled for the holding of a general meeting, shareholders may request from the directors the information or clarifications as they deem necessary regarding the matters included on the agenda or submit in writing such questions as they deem appropriate. The directors shall be obliged to provide the information in writing up to the day of the general meeting.

During the general meeting, shareholders of the Company may verbally request any information or clarifications they consider necessary regarding the matters included in the agenda. If shareholders' rights cannot be satisfied at that time, the administrators shall be obliged to provide such information in writing within seven (7) days following the conclusion of the general meeting.

The directors shall be obliged to provide the information requested under the two preceding paragraphs, unless such information is unnecessary for the protection of the shareholder's rights or there are objective reasons to consider that it could be used for extra-company purposes, or its disclosure would be detrimental to the Company or related companies.

The requested information may not be denied when the request is supported by shareholders representing at least 25% of the capital stock.

13.

PRESENTATION OF ANY RELATED PARTY TRANSACTIONS

13. RELATED PARTY TRANSACTIONS

Energy Solar Tech discloses related party transactions in accordance with applicable accounting standards and corporate governance requirements. The consolidated and individual financial statements include a dedicated note on related party transactions, providing detailed information on intra-group dealings, balances and transactions with entities under common control.

1. Accounting Criteria

Transactions between Group companies are recognised in line with general accounting principles:

- Initial recognition at fair value.
- Price differences recorded according to the economic substance of the transaction where the agreed price diverges from fair value.
- Subsequent measurement in accordance with the relevant accounting standards.

2. Identified Related Parties

The Group has identified the following related parties:

- Key Management, S.L.
- Globalteco Franquicias, S.L.
- Enerfia, S.L.
- Erbienergía Inversiones, S.L.
- Energías Renovables del Bierzo, S.L.

Since the beginning of 2025, Energy Solar Tech has not engaged in any accrual transactions with Enerfia, S.L. or Key Management, S.L., and the Company confirms that no such transactions will be undertaken in the future. This position reflects the Group's commitment to transparency, compliance with applicable regulations, and the safeguarding of shareholder interests.

3. Balances and Transactions (Consolidated)

The documentation provides details of balances and transactions as at 31 December 2024 and 30 June 2025.

Balances:

- Short-term guarantees: €23,930 (30/06/2025) vs. €71,440 (31/12/2024).
- Other long-term debts: €153,869 (30/06/2025) vs. €149,000 (31/12/2024).
- Other short-term debts: €35,806 (30/06/2025) vs. €131,128 (31/12/2024).
- Trade payables to related parties: €28,224 (30/06/2025) vs. €32,459 (31/12/2024).
- Advances: nil (30/06/2025) vs. €19,019 (31/12/2024).

- Other receivables: nil (30/06/2025) vs. €2,285 (31/12/2024).

Income and Expenses:

- Operating income: €160 (Jan–Jun 2025) vs. nil (Jan–Jun 2024) vs. €1,920 (2023).
- Operating expenses: €98,006 (Jan–Jun 2025) vs. €655,231 (Jan–Jun 2024) vs. €4,193,806 (2023).
- Financial expenses: €7,532 (Jan–Jun 2025) vs. €13,323 (Jan–Jun 2024) vs. €271,148 (2023).
- Fixed asset acquisitions: nil (Jan–Jun 2025) vs. €38,934 (Jan–Jun 2024) vs. €208,988 (2023).

4. Governance Matters

The sources also disclose governance issues involving significant shareholders and related parties:

- Black-out period sales: In April 2025, significant shareholders Mr. José Abel Martín Sánchez and Mr. Alberto Torrego López sold shares during a blackout period while on the insiders' list, constituting a serious breach of market abuse regulations.
- Attempted control: The Company reported an attempt to influence corporate governance through alleged syndication agreements and voting arrangements, without disclosure to the market or minority shareholders. The Company demanded cessation of such actions or the launch of a formal takeover bid at fair value.
- Omission of participation disclosure: In July 2025, the Company reported that Erbienergía Inversiones, S.L. had failed to disclose an additional linked perimeter, through which it held 316.046 shares (c.1.2% of share capital).
- Share sales by former director: The share price evolution in H1 2025 was affected by significant disposals by Mr. José Abel Martín Sánchez, who had been removed from executive and board positions. These sales are subject to criminal proceedings, as they were allegedly conducted with access to inside information prior to the publication of 2024 results.

5. Internal Control Obligations

The Board of Directors is required to inform the Audit Committee any related party transaction. Internal financial control processes include oversight of financial assets and liabilities and accounting close procedures.

14.

FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES

14. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES

14.1. Audited or unaudited historical financial information covering 2023, 2024 and H1 2025.

14.1.1. Balance Sheet

The consolidated balance sheet of Energy Solar Tech has been prepared in accordance with the accounting principles described in the notes to the consolidated financial statements.

The consolidated financial statements for the financial years ended 31 December 2023 and 31 December 2024 have been audited, while the interim consolidated financial statements for the six-month period ended 30 June 2025 have been prepared under the same recognition and measurement criteria and have been subject to independent limited review by the Group's external auditor.

The figures below are extracted directly from those financial statements (amounts in thousands of euros).

Key consolidated figures

(€ thousands)	31 Dec 2023 (Audited)	31 Dec 2024 (Audited)	30 Jun 2025 (Limited Review)
Intangible assets	25,118	23,090	21,641
Property, plant and equipment	33,129	32,417	32,172
Non-current assets	59,444	56,970	55,346
Inventories	8,531	17,623	15,969
Trade and other receivables	10,722	6,268	13,762
Cash and cash equivalents	10,184	7,162	2,147
Current assets	30,067	32,077	33,717
Total assets	**89,511**	**89,047**	**89,063**
Equity (attributable + NCI)	**47,436**	**46,146**	**46,606**
Non-current liabilities	17,565	12,717	11,774
Current liabilities	24,510	30,183	30,682
Total equity and liabilities	**89,511**	**89,047**	**89,063**

Narrative summary

Between 2023 and 2024, the Group's balance sheet remained broadly stable, with total assets at around €89 million. The composition of assets evolved as follows:

- Inventories increased significantly (from €8.5 million to €17.6 million) due to project execution timing and higher raw-material stock linked to ongoing installations.
- Trade receivables decreased (from €10.7 million to €6.3 million), reflecting improved billing collection cycles and tighter working-capital management.
- Cash and cash equivalents declined to €7.2 million (from €10.2 million) following scheduled investments and debt repayments.
- Intangible assets and property, plant and equipment decreased moderately due to amortisation and the progressive transfer of construction-in-progress assets into operation.

On the liability side, non-current financial debt decreased further from €17.6 million at year-end 2023 to €11.8 million at 30 June 2025, following the scheduled repayments of institutional loans and lease liabilities. This deleveraging trend reflects the Group's continued discipline in debt management and the solid cash generation achieved from operations.

Current liabilities remained broadly stable at around €30.7 million, compared to €30.2 million at year-end 2024, primarily driven by trade and supplier payables associated with the execution of ongoing energy projects.

Equity attributable to the parent company stood at €46.6 million at the end of the first half of 2025 (vs. €46.1 million in 2024 and €47.4 million in 2023). The slight year-on-year increase reflects the consolidated profit of €0.6 million for the first half of 2025 and the positive effect of movements in treasury shares and consolidation reserves.

As of 30 June 2025, total assets stood at €89.1 million and equity at €46.6 million, showing stability compared with year-end 2024. Movements during the interim period primarily reflect the normal seasonality of project execution, temporary build-up of receivables, and cash outflows associated with investments and financing costs.

The Group continues to apply consistent accounting policies across all periods presented, ensuring comparability of financial information.

Incorporation by reference

The detailed consolidated balance sheets and accompanying notes are incorporated by reference to:

- The audited consolidated annual financial statements for the year ended 31 December 2024; and
- The interim consolidated financial statements for the six-month period ended 30 June 2025, subject to limited independent review.

14.1.2. Income statement

The consolidated income statements of Energy Solar Tech Group have been prepared in accordance with the accounting policies described in the notes to the consolidated financial statements. The annual consolidated financial statements for the years ended 31 December 2023 and 31 December 2024 have been audited. The interim consolidated financial statements for the six-month period ended 30 June 2025 have been prepared under the same recognition and measurement criteria and have been subject to independent limited review by the external auditor.

Key consolidated figures

(€ thousands)	FY 2023 (Audited)	FY 2024 (Audited)	H1 2025 (Limited Review)
Revenue	**52,417**	**63,377**	**43,238**
EBITDA	**9,542**	**7,057**	**4,068**
Depreciation & amortisation	(3,900)	(4,473)	(2,232)
EBIT	**5,416**	**2,925**	**1,816**
Net finance result	(1,089)	(1,265)	(547)
Profit before tax	**4,335**	**1,660**	**1,269**
Profit/(loss) for the period	**2,861**	**437**	**579**

Between FY 2023 and FY 2024, revenue increased by 21%, from €52.4 million to €63.4 million, mainly reflecting the expansion of project execution and service activity. EBITDA amounted to €7.1 million, compared to €9.5 million in FY 2023, as higher sales volumes were offset by an increase in cost of sales and depreciation from new assets entering into operation.

The net finance result remained negative at €-1.3 million (vs €-1.1 million in FY 2023), mainly due to interest expenses on financial debt. The consolidated profit for FY 2024 was €0.4 million, compared to €2.9 million in FY 2023, reflecting the Group's investment in growth and scale-up of operations.

For the first half of 2025, revenue reached €43.2 million, with an EBITDA of €4.1 million and an EBIT of €1.8 million. The Group reported a profit of €0.6 million for the period. Figures for H1 2025 are not directly comparable to the full-year results, as they cover a six-month period and are presented on a limited-review basis.

Incorporation by reference

The full consolidated income statements and accompanying notes are incorporated by reference to:

- the audited consolidated annual financial statements for the year ended 31 December 2024 (which include FY2023 comparatives); and
- the interim consolidated financial statements for the six-month period ended 30 June 2025, subject to independent limited review.

14.1.3. Cash Flow statement

The Energy Solar Tech Group's consolidated statements of cash flows have been prepared in accordance with the accounting policies described in the notes to the consolidated financial statements.

The annual consolidated financial statements for the years ended 31 December 2023 and 31 December 2024 have been audited.

The interim consolidated financial statements for the six-month period ended 30 June 2025 have been prepared under the same recognition and measurement criteria and have been subject to independent limited review by the Group's external auditor.

Key consolidated figures

(€ thousands)	FY 2023 (Audited)	FY 2024 (Audited)	H1 2025 (Limited Review)
Operating Cash Flow	7,886	4,070	(3,764)
Investing Cash Flow	(38,983)	(1,464)	(563)
Financing Cash Flow	29,578	(5,628)	(687)
Net increase/(decrease) in cash and cash equivalents	(1,519)	(3,022)	(5,015)
Cash and cash equivalents at end of period	10,184	7,162	2,147

In FY 2023, the Group generated positive operating cash flows of €7.9 million, supported by strong operating margins and effective collection of trade receivables. Cash used in investing activities amounted to €39.0 million, reflecting the execution of the Group's investment plan, primarily the development of new photovoltaic and hybrid-generation assets and the acquisition of engineering subsidiaries. Financing activities generated inflows of €29.6 million, mainly derived from new institutional borrowings and credit facilities arranged to finance the investment program. Consequently, cash and cash equivalents decreased slightly by €1.5 million, closing at €10.2 million as of 31 December 2023.

In FY 2024, the Group maintained positive operating cash flows of €4.1 million, evidencing recurrent cash generation despite higher working-capital requirements associated with project activity. Investing cash outflows declined significantly to €1.5 million, following the completion of the major investment cycle initiated in 2023. Financing activities resulted in net outflows of €5.6 million, primarily reflecting the scheduled repayment of bank borrowings and lease liabilities. As a result, cash and cash equivalents decreased from €10.2 million at 31 December 2023 to €7.2 million at 31 December 2024.

During the first half of 2025, the Group recorded operating cash outflows of €3.8 million, mainly due to an increase in trade and other receivables linked to the timing of project deliveries. Investing cash outflows were limited to €0.6 million, corresponding to minor additions of property, plant and equipment and financial assets. Financing cash outflows amounted to €0.7 million, associated with the repayment of existing debt facilities. Overall, cash and cash equivalents decreased by €5.0 million, reaching €2.1 million at 30 June 2025.

Figures for H1 2025 are presented on a limited-review basis and are not directly comparable with full-year results.

The Group maintains a sound and prudent liquidity position, supported by adequate cash balances and committed credit lines. Its operating cash generation continues to finance investment requirements and working-capital needs, consistent with Energy Solar Tech's policy of sustainable growth and financial discipline.

Incorporation by reference

The full consolidated income statements and accompanying notes are incorporated by reference to:

- the audited consolidated annual financial statements for the year ended 31 December 2024 (which include FY2023 comparatives); and
- the interim consolidated financial statements for the six-month period ended 30 June 2025, subject to independent limited review.

14.1.4. Statement showing either all changes in equity or changes in equity

The consolidated statements of changes in equity of Energy Solar Tech Group have been prepared in accordance with the accounting policies described in the notes to the consolidated financial statements.

The statements reflect movements in equity arising from comprehensive income, capital transactions with shareholders, and other reserves movements during each period presented.

The audited consolidated annual financial statements for the years ended 31 December 2023 and 31 December 2024, as well as the limited reviewed interim consolidated financial statements for the six-month period ended 30 June 2025, provide detailed disclosures of these movements.

(€ thousands)	FY 2023 (Audited)	FY 2024 (Audited)	H1 2025 (Limited Review)
Share capital	80	81	81
Share premium	44,286	44,286	44,286
Reserves	1,008	1,150	1,000
Consolidated reserves	54	2,417	2,847
Treasury shares	(636)	(1,960)	(1,855)
Other comprehensive income (OCI)	(273)	(347)	(315)
Total equity attributable to the parent company	**47,355**	**46,054**	**46,516**
Non-controlling interests	81	92	90
Total equity	**47,436**	**46,146**	**46,606**

During FY2023 and FY2024, the Group's equity movements primarily reflected:

- the recognition of net losses for the period, which reduced retained earnings;
- minor fair value adjustments recognized in Other Comprehensive Income (OCI) related to the Group's interest rate derivative instruments;
- and stable share capital and reserves, with no new share issues or capital reductions.

Throughout the period, the Group maintained a solid equity base, supported by retained earnings generated from ongoing operations and a stable capital structure.

No equity transactions with shareholders took place during the first half of 2025, and changes in total equity were limited to the effects of the period's results and OCI movements.

14.1.5. Accounting policies and explanatory notes

The consolidated financial statements of Energy Solar Tech, S.A. and its subsidiaries have been prepared in accordance with the Spanish Generally Accepted Accounting Principles (Spanish GAAP), as set out in the Spanish General Chart of Accounts ("Plan General de Contabilidad", approved by Royal Decree 1514/2007) and its subsequent amendments.

The same recognition, measurement and presentation criteria have been consistently applied across all periods presented.

The consolidated annual financial statements for the years ended 31 December 2023 and 31 December 2024 have been audited, while the interim consolidated financial statements for the six-month period ended 30 June 2025 have been subject to independent limited review.

All financial information has been prepared on a going-concern basis and under the historical cost convention, except for certain financial instruments and derivative contracts that are measured at fair value in accordance with Spanish GAAP.

Basis of consolidation

The consolidated financial statements include Energy Solar Tech, S.A., as well as all subsidiaries over which the Group exercises control. Control is defined as the power to govern an entity's financial and operating policies in order to obtain benefits from its activities.

All intra-group transactions, balances and unrealised results are fully eliminated on consolidation.

Non-controlling interests are presented separately in both the consolidated equity and the consolidated statement of profit or loss, as detailed in the statements of changes in equity.

Measurement basis and key accounting policies

Assets and liabilities are generally measured at historical cost, except where Spanish GAAP requires fair value measurement.

The main accounting policies applied consistently across the periods are summarised below:

- Revenue recognition: Revenue is recognised at the point in time when control of goods or services is transferred to the customer, in accordance with the terms of the underlying contracts and upon satisfaction of the relevant performance obligations.
- Property, plant and equipment and intangible assets: These assets are recorded at cost, net of accumulated depreciation or amortisation and any impairment losses. Useful lives and residual values are reviewed periodically to ensure they remain appropriate. Expenditure on assets under construction is capitalised until the assets are available for their intended use.
- Leases: The Group recognises right-of-use assets and corresponding lease liabilities in accordance with the leasing requirements established under Spanish GAAP. Depreciation of right-of-use assets and interest on lease liabilities are recognised systematically over the term of the lease.
- Financial instruments:
    - Trade and other receivables: These are measured at amortised cost, net of loss allowances determined in accordance with the expected credit loss model.
    - Borrowings: Borrowings are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method.
    - Derivatives: Derivative instruments are recognised at fair value. Where the relevant criteria are met, hedge accounting is applied, with the effective portions of hedges recorded in Other Comprehensive Income (OCI).
- Inventories: Inventories are measured at the lower cost and net realisable value. Where applicable, cost includes conversion and other directly attributable production expenses.
- Provisions and contingencies: Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made.
- Employee benefits: Short-term employee benefits are recognised as an expense when the related service is rendered. Long-term obligations are measured and recognised in accordance with the requirements of Spanish GAAP.
- Income taxes: Current tax is calculated on the basis of taxable profit for the year. Deferred tax assets and liabilities are recognised for temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases, in accordance with Spanish GAAP.
- Government grants: Grants are recognised when there is reasonable assurance that the Group will comply with the attached conditions and that the grants will be received. They are recorded either as deferred income or deducted from the related asset.
- Foreign currency translation: Transactions denominated in foreign currencies are translated into euros at the exchange rate prevailing on the transaction date. Monetary items are retranslated at closing rates, with exchange differences recognised in profit or loss.

Judgements, estimates and assumptions

The preparation of consolidated financial statements requires management to make judgements and estimates that affect reported amounts of assets, liabilities, income and expenses. Key areas of estimation include:

- useful lives and residual values of property, plant and equipment and intangible assets;
- recoverability of trade receivables and expected credit loss assumptions;
- measurement of provisions and contingencies; and
- fair value of derivative financial instruments.

These estimates are reviewed periodically and adjusted prospectively when necessary.

Consistency and changes in accounting policies

The accounting policies applied in the 2024 audited consolidated financial statements are consistent with those applied in 2023 and have been used without modification in preparing the interim consolidated financial statements for the six months ended 30 June 2025.

During the reporting periods presented, no material changes in Spanish accounting regulations (Spanish GAAP) or new standard adoptions had a significant impact on the Group's consolidated financial statements.

Events after the reporting date

Events occurring after the reporting date that provide additional evidence of conditions existing at the balance sheet date have been adjusted in the consolidated financial statements where applicable.

Material non-adjusting events are disclosed in the notes when relevant.

Incorporation by reference

The full accounting policies and explanatory notes, including detailed disclosures for each of the topics summarised above, are incorporated by reference to:

- the audited consolidated annual financial statements for the year ended 31 December 2024, which include comparatives for 2023; and
- the limited reviewed interim consolidated financial statements for the six-month period ended 30 June 2025.

14.2 Auditing of historical financial information

INDEPENDENT AUDIT REPORT ON CONSOLIDATED ANNUAL ACCOUNTS

Fiscal year ended December 31, 2023

To the shareholders of ENERGY SOLAR TECH, S.A.:

REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of ENERGY SOLAR TECH, S.A. (the Controlling Company) and its dependent companies (the Group), which comprise the consolidated balance sheet on 31 December 2023, the consolidated profit & loss statement, the consolidated statement of changes in net equity, the consolidated cash flow statement and the consolidated notes to the annual accounts for the year then ended.

In our opinion, the consolidated annual accounts attached present, in all material respects, a true and fair view of the Group's equity and financial position at 31 December 2023 and of its consolidated results and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 of the consolidated annual accounts) and, in particular, with the accounting principles and rules contained therein.

Basis of the Opinion

We have conducted our audit in accordance with Spanish auditing standards that are currently in force. Our responsibilities under those standards are described below in the Auditor's responsibility for its audit of consolidated annual accounts section of our report.

We are independent of the Group in accordance with both ethical and independence requirements, applicable to our audit of consolidated annual accounts in Spain as required by the regulations governing the auditing of accounts. In this regard, we have not provided any services other than auditing the accounts, nor have there been any situations or circumstances which, in accordance with the provisions of the aforementioned regulations, have affected and thereby compromised such required independence.

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

March 14, 2024, Madrid
The statutory auditor
AUREN AUDITORES SP, S.L.P. – Emilio Tornos Ramírez

The consolidated annual accounts of Energy Solar Tech, S.A. and its subsidiaries (the "Group") for the financial years ended 31 December 2023 and 31 December 2024, as well as the limited review of the interim consolidated financial statements as of 30 June 2025, have been audited or reviewed by Auren Auditores SP, S.L.P., registered in the Official Register of Auditors of Spain (ROAC No. S1888), acting as the Company's statutory auditor.

Audit opinion – Fiscal year ended 31 December 2023

In the auditor's opinion:

> *"The consolidated annual accounts present, in all material respects, a true and fair view of the Group's equity and financial position as at 31 December 2023, together with its consolidated results and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as set out in Note 2 to the consolidated annual accounts) and, in particular, with the accounting principles and rules contained therein.."*

The audit was conducted in accordance with Spanish auditing standards currently in force. The auditors confirmed their independence and stated that no services other than audit work had been provided. The audit report was signed in Madrid on 14 March 2024 by Emilio Tornos Ramírez, statutory auditor of Auren Auditores SP, S.L.P.

Audit opinion – Fiscal year ended 31 December 2024

In the auditor's opinion:

> *"The consolidated annual accounts present, in all material respects, a true and fair view of the Group's equity, financial position, results and cash flows for the year ended 31 December 2024, in accordance with the applicable financial reporting framework (as set out in Note 2 to the consolidated annual accounts) and, in particular, with the accounting principles and criteria contained therein."*

The audit was performed in accordance with the Spanish regulations governing the audit of accounts, confirming the auditor's independence and the sufficiency and appropriateness of the audit evidence obtained to provide a basis for the opinion. The report was issued in Madrid on 14 March 2025 by Auren Auditores SP, S.L.P.

Limited review conclusion – Interim consolidated financial statements as of 30 June 2025

> *"As a result of our limited review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present, in all material respects, a true and fair view of the consolidated equity, financial position, results and cash flows of Energy Solar Tech, S.A. and its subsidiaries for the six-month period ended 30 June 2025, in accordance with the applicable financial reporting framework in Spain and, in particular, with the accounting principles and criteria set out therein".*

The limited review was conducted in accordance with International Standard on Review Engagements (ISRE 2410) and Spanish regulations applicable to the limited review of financial information. The review involved substantially less scope than an audit and, accordingly, no audit opinion has been expressed.

All opinions issued by the statutory auditor during the periods mentioned above were unqualified.

For the complete audit of the company's consolidated financial statements, please refer to Annexes I and II.

14.3. Interim and other financial information

The next Annual General Meeting of Shareholders of Energy Solar Tech, S.A., following the Company's application for admission to trading on Euronext Growth, is scheduled to be held during the second quarter of 2026, in accordance with Spanish corporate law and the Company's bylaws.

The next publication of consolidated financial information will correspond to the audited consolidated annual accounts for the financial year ending 31 December 2025, which are expected to be approved by the Board of Directors during the first quarter of 2026 and subsequently made available to the public through the Company's website and the relevant market communication channels prior to the General Meeting.

In addition, the Company will publish its limited reviewed interim consolidated financial statements for the six-month period ending 30 June 2026 during the third quarter of 2026, consistent with the Group's established financial reporting calendar and the timing applied for previous reporting periods (2023, 2024, and the first half of 2025).

All financial statements will continue to be prepared under the Spanish General Accounting Plan (Plan General de Contabilidad) and audited or reviewed by Auren Auditores S.P., S.L.P. (ROAC No. S0888), the Company's statutory auditor, in line with prior years.

No changes in the Company's financial reporting policy, audit procedures, or accounting framework are anticipated as of the date of this Information Document.

14.3.1. Date of the first annual general shareholder meeting following the application

The first Annual General Meeting following the Company's admission to trading on Euronext Growth is scheduled for the second quarter of 2026, and the publication of the audited consolidated annual financial statements for the year ended 31 December 2025 is planned for the first quarter of 2026.

14.4. Key Performance Indicators

The Group monitors a number of financial and operational Key Performance Indicators ("KPIs") that are consistent across reporting periods and aligned with the information disclosed in its audited consolidated financial statements for the years ended 31 December 2023 and 31 December 2024, and its limited reviewed interim consolidated financial statements for the six-month period ended 30 June 2025.

All indicators for FY 2023 and 2024 are derived from audited consolidated financial statements. KPIs for H1 2025 are derived from interim consolidated financial statements subject to a limited review by the statutory auditor (ISRE 2410). All indicators are prepared on a comparable basis under Spanish GAAP (Spanish General Chart of Accounts) and the Group's internal reporting policies.

The following KPIs are considered most relevant for assessing the Group's financial performance and operational efficiency:

Key Performance Indicators	FY 2023 (Audited)	FY 2024 (Audited)	H1 2025 (Limited Review)
Revenue Growth (€m)	52.417	63.377	43.238
Revenue Growth (%)	-	+21%	+97% (vs H1-2024)
Gross Margin (%)	39,7%	29,1%	23,5%
EBITDA Margin (%)	18,2%	11,1%	9,4%
Net Profit Margin (%)	5,5%	0,7%	1,3%

Equity / Total Assets (%)	53%	52%	52%
Net Financial Debt (€m)	6,8	6,6	8,8
ROE (%)	6%	1%	1,2% (non-annualised)

Revenue growth remained strong, with consolidated revenue increasing by 21% in FY-2024, following the robust performance of 2023, and by a further 97% in H1-2025 versus H1-2024. This sustained expansion was driven primarily by growth in self-consumption installations and EPC projects, supported by an expanding client base and stable demand in both the industrial and residential segments.

Gross margin declined from 39.7% in 2023 to 29.3% in 2024 and 23.5% in H1-2025, reflecting the increased proportion of large-scale projects with higher material and subcontracting costs, as well as the impact of procurement timing differences. Despite this compression, the Group maintained positive operating leverage through disciplined project execution and cost control.

EBITDA margin decreased from 18.2% in 2023 to 11.1% in 2024, before stabilising at 9.4% in H1-2025, as the Group continued to invest in organisational capacity and expansion initiatives. This evolution illustrates a normalisation of profitability following strong prior-year margins, consistent with the progressive scaling of operations. EBITDA is a non-GAAP measure defined as operating profit before depreciation and amortisation, as presented in the Group's consolidated financial statements.

Net profit margin fell from 5.5 % in 2023 to 0.7 % in 2024, recovering slightly to 1.3 % in the first half of 2025, reflecting the impact of higher cost of goods sold and financing expenses in 2024, partially offset by improved cost discipline and efficiency gains in 2025. The Group maintains a prudent balance between profitability and growth, prioritising sustainable performance over rapid expansion.

The equity ratio remained solid at around 52–53 % throughout the period, underlining the Group's strong capitalisation and conservative financial policy. This high proportion of equity to total assets provides a robust buffer to support ongoing investment and working-capital needs.

Net financial debt debt stood at €6.0 million at year-end 2023, decreased to €5.4 million at year-end 2024, and rose to €8.9 million at 30 June 2025, mainly reflecting temporary working-capital requirements and scheduled repayments of lease liabilities. The Group maintains a prudent leverage profile and adequate liquidity to fund its investment programme.

Return on Equity (ROE) decreased from 6.0 % in 2023 to 0.9 % in 2024, before reaching 1.2 % (non-annualised) for the first half of 2025. This trajectory mirrors the evolution of net profit over the period and demonstrates the Group's ongoing focus on capital efficiency and financial discipline.

In summary, the Group's financial and operating indicators show a consistent pattern of growth, margin enhancement and balance sheet strengthening over the period 2023 to the first half of 2025, fully aligned with its strategic focus on profitable expansion and disciplined capital management.

14.5. Dividend policy

The dividend policy and capital management of Energy Solar Tech is framed within a prudent capital management strategy and the fulfilment of contractual obligations, with the dual objective of safeguarding the going-concern principle and delivering returns to shareholders.

1. General Framework and Capital Management Objectives

The fundamental objective of the Group's capital management is to preserve the capacity of its companies to continue operating under the going-concern principle. Within this framework, the Group retains the discretion to:

- Adjust the amount of dividends payable to shareholders.
- Undertake capital reimbursements.
- Issue new shares.

The Company has consistently pursued a prudent approach to the financing of its assets, recognising that the reinforcement of equity is essential to maintaining solvency and financial balance.

2. Profit Allocation for Financial Year 2024

Profit allocation is determined annually by the General Shareholders' Meeting.

- **Results for 2024:** The parent company, Energy Solar Tech, reported individual profit of €2,785,238 and consolidated profit of €425,247.
- **Approved Distribution** (General Shareholders' Meeting, 20 May 2025):
  - Allocation to legal reserve: €7,16 (individual) / €71 (consolidated).
  - Allocation to voluntary reserves: €2,785,166 (individual) / €2,785,167 (consolidated).

In summary, the results of financial year 2024 were allocated almost entirely to legal and voluntary reserves, with no cash dividend declared for shareholders.

3. Contractual Restrictions on Dividend Distribution

The Group's capacity to distribute dividends is subject to financing agreements. In particular, the project finance arrangements of the subsidiary **Parque Eólico Valdelugo, S.L.** impose covenants requiring:

- A **Debt Service Coverage Ratio (DSCR) above 1,05x annually** throughout the life of the credit facility.
- A **Funds/Loan ratio of 34.71/65.29,** ensuring leverage remains below 65.29%.

Failure to comply with these ratios would constitute a contractual breach, thereby restricting dividend distribution.

4. Alternative Shareholder Return Instruments: Share Buy-Back Programme

As part of its **Strategic Plan for Share Support and Market Activation**, the Company has announced its intention to implement a **Share Buy-Back Programme**, subject to regulatory approval. This initiative is aligned with best practice among companies listed on BME Growth and seeks to address the observed disconnect between share price performance and the Group's economic and financial fundamentals.

The stated objectives of the programme are to:

- Enhance shareholder return, either through share amortisation or the use of treasury stock in incentive schemes.
- Contribute to the stability and efficiency of the share price, aligning market value with the Company's fundamental value.
- Optimise capital structure and resource allocation.

The Board of Directors has proposed a maximum monetary allocation of **€1,000,000** for the repurchase of up to **400,000 shares**, representing approximately 1.5% of the total share capital of 26.951.376 shares. Execution of the programme would be entrusted to **RENTA 4 BANCO, S.A.,** acting with full autonomy. Acquired shares may only be used for amortisation through capital reduction, incentive plans or retention as treasury stock within the statutory limit of 10% of share capital.

5. Dividends Received from Subsidiaries

At Group level, dividend flows have occurred internally. In 2024, the parent company, Energy Solar Tech, recognised financial income of €1,500,000 from a dividend declared by its subsidiary Sarpel Ingeniería, S.L.U.. Dividends from financial assets are recognised as income in the profit and loss account when the shareholder's right to receive them is established.

14.6. Legal and arbitration proceedings

General statement.

As of the date of this Information Document, the Group is not involved in any governmental, judicial, arbitration or administrative proceedings, nor, to the Company's knowledge, are any such proceedings pending or threatened, that have had or may reasonably be expected to have a material adverse effect on its financial position, results or operations, other than the matter described below.

The consolidated financial statements for the years ended 31 December 2023 and 2024, as well as the interim consolidated financial statements for the six-month period ended 30 June 2025, confirm that there are no off-balance-sheet commitments, guarantees or contingencies other than those disclosed.

Sarpel claim (only relevant case identified).

Subsequent to the closing of the 2024 financial year, the former owner of Sarpel Ingeniería, S.L.U. notified a contractual claim seeking the repurchase of 551,470 shares of Energy Solar Tech, S.A. for a total consideration of €3,000,000.

The Company, acting on the advice of its legal counsel, disputes the claim and intends to defend its position before the competent courts, with proceedings expected to commence during 2026.

In accordance with the principle of prudence, the Group has recognised the financial impact of this claim in its 2024 consolidated financial statements as follows:

- Other current financial liabilities: €3,000,000;
- Equity – "Other increases/decreases": (€1,362,131);
- Profit or loss – "Other results": (€1,637,869).

In addition, as the third contingent consideration related to the Sarpel acquisition (amounting to €2,000,000) was not earned due to the non-fulfilment of contractual milestones, the Group derecognised this liability and recorded a gain of €2,000,000 under 'Other results'.

Subsequently, in the interim consolidated financial statements for the six-month period ended 30 June 2025, the Group increased the provision associated with this dispute to €4,500,000, representing the best current estimate of potential exposure, including related legal and financial costs.

Environmental litigation.

The Group has no pending or threatened environmental proceedings or claims that could result in significant contingencies or liabilities.

Subsequent developments and current status.

Up to the date of the interim consolidated financial statements for the six-month period ended 30 June 2025, no additional legal, arbitration or administrative proceedings have been identified that could materially affect the Group. The notes to these financial statements reiterate that no off-balance-sheet commitments, guarantees or contingencies exist beyond those already recognised.

Except for the Sarpel claim, already recognised and subsequently increased in the 2025 interim accounts as a prudent provision, the Company is not involved in any proceedings that, individually or collectively, have had or may have a material adverse effect on its financial position, results, or cash flows.

14.7. Description of any significant change in the Issuer's financial position which has occurred since the end of the last financial period.

As of the date of this information document, there have been no significant changes to the Group's financial position since 30 June 2025, which is the end of the last financial period for which information has been published.

The only material event identified after that date corresponds to the legal claim filed by the former owner of Sarpel Ingeniería, S.L.U., which remains fully covered by the provision of €4.5 million recognised in the Group's consolidated interim financial statements as of 30 June 2025. No additional exposure, subsequent adjustment, or new proceedings have been recorded since that reporting date.

Furthermore, no material new borrowings, capital increases, asset disposals, or other transactions have occurred that would materially affect the Group's financial structure. There have also been no breaches of financial covenants, off-balance-sheet commitments, or guarantees other than those already disclosed in the consolidated financial statements.

This statement is based on a review of the Group's consolidated financial statements for the years ended 31 December 2023 and 2024 and the interim consolidated financial statements for the six-month period ended 30 June 2025, which confirm that no subsequent events requiring financial update or adjustment have been identified.

Accordingly, this section complies with the requirements of Annex A, paragraph 14.7 of Euronext Growth, providing a formal negative statement that there has been no significant change in the issuer's financial position since the end of the last disclosed financial period.

14.8. Evolution of the share – BME Growth MTF Equity

Energy Solar Tech, S.A. has been listed on the BME Growth MTF Equity since 12 December 2022, under ISIN ES0105687000. The Company's shares were first admitted to trading at a reference price of €3.12 per share. Since its market incorporation, the share price has reflected the evolution of Energy Solar Tech's business model and the broader performance of the renewable energy sector in Spain, characterised by strong growth in self-consumption and photovoltaic EPC services.

The following table summarises the main trading indicators for the Company's shares since its incorporation, including figures as of 30 June 2025, which correspond to the most recent financial information included in this Information Document.

	Main Indicators				
	30/06/2025	31/12/2024	31/12/2023	31/12/2022	31/12/2022
Market capitalization	66,839,412	75,463,853	124,504,136	110,293,63	64,562,12
Outstanding shares	26,951,376	26,951,376	26,832,788	20,692,98	20,692,98
Share price	2.48	2.80	4.64	5.3	3.1

Between its first admission in 2022 and 2023, Energy Solar Tech's market capitalisation increased significantly, reaching €124.5 million at year-end 2023, supported by the Group's strong revenue growth and margin expansion.

During 2024, the share price experienced a normalisation trend in line with valuation adjustments observed across the renewable energy segment on BME Growth, closing the year at €2.80 per share.

As of 30 June 2025, the share closed at €2.48, resulting in a market capitalisation of approximately €66.8 million, consistent with the Group's solid equity base and stable financial performance in H1 2025.

The Company's share capital is fully subscribed and paid-up, represented by 26,951,376 ordinary shares of € 0.003 nominal value each, all belonging to a single class of shares with identical voting and dividend rights.

No share split, reverse split, capital increase or dividend distribution has taken place since admission to trading.

All information presented in this section has been obtained from official BME Growth trading records and the Company's consolidated audited and limited review financial statements. Market capitalisation figures are calculated as the closing share price multiplied by the total number of outstanding shares at each reporting date.

14.9. Cash position dating from less than three (3) months

As of 30 June 2025, the Group's consolidated cash and cash equivalents amounted to €2,147,476, according to the limited reviewed interim consolidated financial statements for the six-month period then ended. The limited review was performed by the Group's external auditors in October 2025, in accordance with Spanish auditing standards.

This amount represents the Group's available liquidity at mid-year and reflects temporary working-capital timing effects typical of the Group's EPC project cycle. The figure is consistent with the audited balance of €7,162,074 as of 31 December 2024, confirming that cash generation remains aligned with the Group's operational profile and seasonality of collections.

In compliance with the requirement to provide a reference point dating from less than three months prior to the expected admission, the Group reports a consolidated cash position as at 30th September 2025 of approximately EUR 1.715 million. This figure is derived from the Company's unaudited internal management accounts.

The evolution of the cash position reflects the Group's strategic capital allocation during the third quarter, characterized by the deployment of liquidity into working capital to support project execution. This temporary cash absorption is directly correlated to the concentration of projects advancing into final certification phases. Specifically, as at the date of this Information Document, the Group's financial resources underpin a substantial asset base pending monetization, comprising:

- Approximately EUR 12 million recognized as works in progress pending certification (representing accrued revenue to be converted into cash inflows upon final certification); and
- Approximately EUR 2 million in guarantees committed until 2026.

Therefore, the reported cash position reflects the strictly temporary timing difference between the upfront execution costs and the subsequent cash collection triggered by the final certification of these projects.

The estimated closing cash balance as of December the 31st 2025 is expected to reach €7,416,588 impacted by the payment cycle of the closing works for the end of the year.

Cash Flow projections for the next 12 months

	2025	2026
Opening cash balance	7,162,074 €	7,416,588 €
Operating income (cash inflows)	89,484,123 €	100,484,123 €
Operating expenses (cash outflows)	-82,229,609 €	-92,229,609 €
Net operating cash flow	7,254,514 €	8,254,514 €
Investments (CapEx)	-1,800,000 €	-5,000,000 €
Financing (loans / leasing)	-3,200,000 €	3,600,000 €
Security Deposits / Guarantees	-2,000,000 €	2,000,000 €
Net cash flow for the period	254,514 €	8,854,514 €
Estimated closing cash balance	7,416,588 €	16,271,102 €

According to the cash-flow projections, which are based on the audited 2024 financial statements and the budget approved by the Board of Directors, the estimated closing cash balance for FY2025 is expected to reach €7,416,588 supported by sustained operating profitability and controlled capital expenditure. For FY2026, the Group anticipates a further increase to approximately €16,971,102, consistent with the Group's growth strategy and financing structure.

The Group's management considers that the current and projected liquidity levels are sufficient to cover its operational, investment and financing commitments for at least the next twelve months, in accordance with the Working Capital Statement set out in Section 2.1 of this Information Document.

15.

ADDITIONAL INFORMATION

15. ADDITIONAL INFORMATION

15.1. Share capital and other financial instruments

15.1.1. Capital amount

As of the date of this Information Document, the share capital of Energy Solar Tech amounts to 80,854,128, represented by 26,951,376 ordinary shares with a nominal value of 0.003 euros each, belonging to a single class and series and with equal voting and dividend rights. The share capital of the Company is fully subscribed and paid up.

The Company's share capital is fully subscribed and paid up. All shares are registered and dematerialised, represented by book entries managed by Iberclear (Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.), pursuant to applicable Spanish law.

According to the consolidated financial statements for the year ended 31 December 2024, and the interim consolidated financial statements as of 30 June 2025, no changes have occurred in the Company's share capital since its admission to trading on BME Growth.

The Company has not issued any preferred, convertible, exchangeable, or redeemable securities, nor any warrants or share-based incentive plans

15.1.2. Securities not representative of share capital

As of the date of this Information Document, the Company has not issued any shares or instruments that do not represent share capital. Specifically, the Company has no:

- Non-voting, preferred, redeemable, or savings shares.
- Founders' shares, profit-sharing or participation certificates.
- Any other securities or rights that grant economic or voting entitlements without forming part of the company's legal share capital.
- Partly-paid shares or bearer shares are all registered and dematerialised through Iberclear in book-entry form.

This statement is consistent with the information disclosed in the Company's consolidated financial statements for the years ended 31 December 2023 and 31 December 2024, and in the interim consolidated financial statements as of 30 June 2025, which present only ordinary shares as the sole class of equity securities outstanding.

15.1.3. Number, book value and face value of shares in the Issuer held by or on behalf of the Issuer itself or by subsidiaries of the Issuer

The company holds treasury shares solely within the framework of the liquidity contract entered into with its registered market-making provider.

These shares have no voting or dividend rights and are recorded as a deduction from equity at their acquisition cost, in accordance with applicable accounting principles.

Treasury share position at each reporting date:

Date	Number of shares	Acquisition	Euros per share		%
			Price	Stock market value	
Shares in portfolio 12/31/2022	51,500	3.12	5.34	275,010	0.22
Shares in portfolio 12/31/2023	137,059	3.12	4.64	635,954	0.48
Shares in portfolio 12/31/2024	213,548	3.46	2.80	597,934	0.79
Shares in portfolio 06/30/2025	196,697	2.66	2.48	487,809	0.73

During the year ending 31 December 2023, transactions in treasury shares resulted in a loss of €61,244, which was recognised directly in equity.

The net loss for 2024 amounted to €284,598, while the result for the six-month period ending 30 June 2025 was a loss of €234,830.

These amounts have been recorded under "Other reserves – Treasury shares", as required by the accounting framework.

In addition, as set out in the consolidated financial statements for 2024 and the first half of 2025, the company recognises an option to purchase its own shares, valued at €1,362,131 as of 31 December 2024 and updated again on 30 June 2025.

Each ordinary share has a nominal value of €0.003 and no treasury shares are held by Group subsidiaries.

All transactions are conducted in full compliance with Spanish corporate law, which limits treasury shares to a maximum of 10% of the share capital and suspends all related voting and economic rights.

This information is consistent with that disclosed in the company's 2023 and 2024 annual consolidated financial statements, as well as the interim consolidated financial statements as of 30 June 2025.

15.1.4. Convertible securities, exchangeable securities or securities with warrants

As of the date of this Information Document, the Company has not issued and does not have outstanding any convertible, exchangeable, or warrant-linked securities.

There are no bonds, notes, debentures, options, or similar instruments that confer rights to acquire shares of the Company through conversion, exchange, or subscription mechanisms.

Furthermore, no resolutions or authorisations have been granted by the General Meeting or the Board of Directors for the issuance of such instruments.

Consequently, no procedures, terms, or conditions governing conversion, exchange, or subscription apply.

This statement is consistent with the information disclosed in the consolidated annual financial statements for 2023 and 2024, and in the interim consolidated financial statements as of 30 June 2025, all of which confirm that the Company's share capital is composed exclusively of ordinary shares, fully paid and without any convertible, exchangeable, or warrant-linked components.

15.1.5. Terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital.

There are no rights or obligations in existence in respect of the Company's authorized but unissued share capital, nor has the Company entered any undertaking or arrangement to increase its share capital.

15.1.6. Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate.

No member of the Group has share capital that is, or has been agreed to be, subject to any option, whether conditional or unconditional, and no person has been granted any such option.

15.1.7. A history of share capital, highlighting information about any changes, for the period covered by the historical financial information

Capital increases and other modifications

2020

At the time of the incorporation of the Company, 6,000 shares were issued with a nominal value of 1 euro each. Subsequently, and according to the agreement reached by the Extraordinary General Meeting of Shareholders on August 20, 2020, there was a splitting of the number of shares into 600,000 shares with a nominal value of 0,01 euros each.

On August 21, 2020, a share capital increase took place with a monetary contribution, through the creation of 26,800 shares with a nominal value of 0.01 euros each and a share premium of 12.49 euros for each new share.

On November 6, 2020, a share capital increase took place with a monetary contribution, through the issuance of 117,925 shares with a nominal value of 0.01 euros each and a share premium of 13.36 euros for each new share. On the same day, there was a share capital increase by offsetting credits, through the issuance of 2,243 shares with a nominal value of 0.01 euros each and a share premium of 13.36 euros for each new share.

2021

During the 2021 financial year, on 2 July, a new increase in the share capital took place, through the issuance of 116,667 shares with a nominal value of 0,01 euros each and a share premium of 38.81 euros in the general tranche, 36.48 euros in the 6% subsidized tranche, 32,12 euros in the institutional subsidized tranche, resulting in a total share premium of 4,140,628 euros.

On 3 December 2021, the capital was increased again by 507.11 through the issuance of 50,711 shares with a par value of 0.01 euros each and a share premium of 38.81 euros for each new share in a single tranche. The resulting total share premium is 1,968,094 euros. This extension was registered on July 26, 2022.

2022

During the 2022 financial year, on July 26, 2022, the nominal value of the shares was reduced, without altering the share capital figure (split) in any way. The nominal value of the shares went from having a nominal value of 0.01 euros to a value of 0.0005 euros each, so the share capital went from being represented by 914,346 shares of 0.01 euros to 18,286,920 shares of 0.0005 euros.

On 27 September 2022, its capital was increased by 1,203,03 euros through the creation of 2,406,069 shares with a par value of 0.0005 euros each, with a total assumption premium of 7,499,717 euros, bringing the participation premium to 3.117 euros.

On October 21, 2022, on October 21, 2022, the nominal value of the shares was increased from reserves without altering the number of shares. This increase meant an increase in the share capital figure of 51,732 euros. The nominal value of the shares went from a nominal value of 0.0005 euros to a value of 0.003 euros each charged to reserves. The share capital went from being set at 10,346 euros to 62,079 euros.

On December 19, 2022, the share capital was increased by the sum of 6,892,308 euros through the issuance of 2,297,436 shares with a par value of 0.003 euros each, bringing the participation premium to 3.117 euros, with a total assumption premium of 7,161,108 euros. The share capital was increased from 62,079 euros to 68,971 euros.

2023

On March 29, 2023, the share capital was increased by 5,523 euros through the issuance of 1,841,000 shares with a par value of 0.003 euros each, bringing the share premium to 5,437 euros, with a total assumption premium of 10,009,517 euros.

On April 18, 2023, the share capital was increased by the sum of 3,652 euros through the issuance of 1,217,456 shares with a par value of 0.003 euros each, bringing the share premium to 5,437 euros, with a total assumption premium of 6,619,308 euros.

On August 3, 2023, the share capital was increased by 2,352 euros through the issuance of 783,907 shares with a par value of 0.003 euros each, bringing the share premium to 6,377 euros, with a total assumption premium of 4,998,975 euros.

The table below shows changes in share capital from the Company's incorporation to the date of this Information Document.

2024

On 11 June, the share capital was increased by €356 through the issuance of 118,588 shares with a nominal value of €0.003 each.

The table below sets out the changes in the Company's share capital from its incorporation to the date of this Information Document.

Operation	Date	Shares Issued	Total Shares	Nominal value per share	Premium for each new share	Total Premium Resulting	Share capital
Constitution	February 18, 2020	6,000	6,000	€ 1.00	N/A	N/A	€ 6,000.00
Split	August 20, 2020	N/A	600,000	€ 0.01	N/A	N/A	€ 6,000.00
Increase of share capital through cash contribution	August 21, 2020	26,800	626,800	€ 0.01	€ 12.49	€ 334,732.00	€ 6,268.00
Increase of share capital through cash contribution	November 6, 2020	117,925	744,725	€ 0.01	€ 13.36	€ 1,575,478.00	€ 7,447.25
Increase of share capital through credit offsetting	November 6, 2020	2,243	746,968	€ 0.01	€ 13.36	€ 29,966.48	€ 7,469.68
Increase of share capital through cash contribution	July 2, 2021	116,667	863,635	€ 0.01	- General segment: € 38.81 - Bonds segment: 6% -Institutional bonds segment: € 32.12	€ 4,140,628.00	€ 8,636.35
Increase of share capital through credit offsetting	December 3, 2021	50,711	914,346	€ 0.01	€ 38.81	€ 1,968,093.91	€ 9,143.46

Split	July 26, 2022	N/A	18,286,920	€ 0.0005	N/A	N/A	€ 9,143.46
Increase of share capital through cash contribution	September 27, 2022	2,406,069	20,692,989	€ 0.0005	€ 3.117	€ 7,499,717.07	€ 10,346.49
Transformation to a Public Limited Company - Increase of share capital through charge to reserves	October 21, 2022	N/A	20,692,989	€ 0.003	N/A	N/A	€ 62,078.97
Increase of share capital	December 19, 2022	2,297,436	22,990,425	€ 0.003	€ 3.117	€ 7,161,108.01	€ 68,971.28
Increase of share capital	March 29, 2023	1,841,000	24,831,425	€ 0.003	€ 5.437	€ 10,009,51.00	€ 74,494.28
Increase of share capital	April 18, 2023	1,217,456	26,048,881	€ 0.003	€ 5.437	€ 6,619,308.27	€ 78,146.64
Increase of share capital	August 3, 2023	783,907	26,832,788	€ 0.003	€ 6.377	€ 4,998,975.94	€ 80,498.64
Increase of share capital	June 11, 2024	118,588	26,951,376	€ 0.003	N/A	N/A	€ 80,854.13

15.1.8. Description of any share-based incentive programs

At the General Shareholders' Meeting of Energy Solar Tech held on 27 April 2022, an Employee Stock Incentive Plan for the years 2023, 2024 and 2025 (the PIEA, by its Spanish acronym) was approved. The Plan is directed at certain key employees of the Group and related companies providing services to the Company, as well as external collaborators, as determined by the Board of Directors (the Beneficiaries). It should be noted that the executive director, Mr. Alberto Hernández Poza, is not included in the PIEA.

The purpose of the PIEA is to reward the most valuable and committed employees for their dedication and effort, while supporting the retention of professional talent within the Energy Solar Tech Group.

The PIEA is extraordinary, discretionary and non-consolidable in nature, and is implemented solely at the discretion of the Company. Participation does not create an employment relationship, nor is it considered part of salary or remuneration for the purposes of voluntary termination or dismissal (whether deemed fair, unfair or void).

Under the PIEA, each Beneficiary may be granted the right to receive a specified number of ordinary shares of Energy Solar Tech (the Shares), as set out in the individual invitation letter. Allocation is conditional upon (i) the admission of the Company's Shares to trading, (ii) the achievement of Group objectives, and (iii) the maintenance of a contractual relationship, whether commercial or employment-based, between the Beneficiary and the Company during the relevant period.

Beneficiaries may include all employees and collaborators as defined above, with the exception of founding partner and those deemed ineligible on the basis of performance or category, as determined by the Board of Directors. Beneficiaries will be designated annually and independently for each allocation, and participation will be voluntary.

Distribution among Beneficiaries will be based on the Company's organisational structure and performance evaluation, subject to approval by the Board of Directors through its non-permanent remuneration committee. The Board reserves the absolute right, at its sole discretion, to suspend, amend, cancel or terminate the Plan at any time without compensation.

Shares will be delivered on three delivery dates (the Delivery Dates), provided the conditions of the PIEA are met. The first Delivery Date will occur one year after the first day of trading of the Company's Shares, with the two subsequent Delivery Dates falling on the same day and month in each of the following two years.

The vesting schedule provides for 50% of the allocation to vest in the first year following the Delivery Date, and 25% in each of the second and third years. Accordingly, the duration of the PIEA extends from its approval date until the final Delivery Date. In all cases, delivery of Shares will comply with applicable market abuse regulations, including Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014, and related implementing provisions.

The total number of Shares that may be allocated under the PIEA shall not exceed 2% of the Company's share capital, with the possibility of partial distribution. Of this total, three separate allocations will be made: 50% in 2023, 25% in 2024 and 25% in 2025.

Upon delivery, the Shares will confer on Beneficiaries all rights and obligations inherent to them—economic, political and otherwise. Shares will be delivered at their quoted market value on the Delivery Date, with the Company assuming no responsibility for such value or any subsequent fluctuations.

The Company may apply (i) a reduction (malus) to Shares allocated but not yet delivered, or (ii) a recovery (clawback) of Shares already delivered, or offset such amounts against other remuneration, in the event that, prior to or within one year following the Plan's end date, exceptional circumstances arise affecting the Company's results, or inappropriate conduct by the Beneficiary is identified, in the opinion of the Board of Directors. The Board will determine whether such circumstances exist, the number of Shares to be reduced or recovered, and the manner of enforcement.

In the event of significant internal or external changes requiring a review of the Plan, the Board may amend its terms, including the possibility of cash settlement or early termination.

Should a change of control of Energy Solar Tech occur following the listing of its Shares, or should a corporate event or transaction arise which, in the Company's opinion, could significantly affect the Plan, the Plan will nonetheless continue in accordance with its established vesting and settlement schedule.

15.1.9. Reserves

As of 31 December 2024, the Group's consolidated reserves amounted to €1,934,527, compared with €1,061,883 as of 31 December 2023 and a negative balance of €(455,550) as of 31 December 2022, according to the Notes to the *Consolidated Financial Statements – Equity and Reserves* for each respective year.

The increase in 2024 primarily reflects the allocation of retained earnings from previous years and the capitalization of positive results and consolidation adjustments recorded during the period.

Reserves include the results accumulated from previous fiscal years, as well as other equity variations recorded under Spanish GAAP (*Plan General de Contabilidad),* such as legal reserves, consolidation reserves, and voluntary or other reserves derived from share capital increases and internal equity movements approved by the Board of Directors.

As of 30 June 2025, based on the limited reviewed interim consolidated financial statements, the Group's reserves reached €2,421,885, confirming the continued strengthening of its equity base in line with the Group's profitability and retained earnings policy.

Reserves (€)	30/06/2025	31/12/2024	31/12/2023	31/12/2022
Total reserves	2,421,885	1,934,527	1,061,883	(455,550)
Legal reserves	13,794	13,794	13,794	1,727
Consolidation reserves	57,420	56,882	54,870	16,942
Other reserves	2,350,671	1,863,851	993,219	(474,219)

15.2. Good corporate governance

The corporate governance of **Energy Solar Tech** is founded upon a structured framework and an internal control system designed to ensure **transparency, shareholder protection, and regulatory compliance** in its capacity as a listed company on the BME Growth segment of BME MTF Equity.

Governance Structure and Leadership

The Company's governance model is articulated through three principal bodies, supported by a rigorous internal regulatory framework:

1. **General Shareholders' Meeting (Junta General de Accionistas, JGA):** The JGA is the supreme governing body of the Company, where shareholders debate and adopt resolutions by the legally or statutorily required majority. It is governed by its own regulations, approved in October 2022.
2. **Board of Directors (Consejo de Administración, CA):** The Board is the collegiate, executive, and consultative body with ultimate responsibility for the supervision, control, direction, administration, management, and representation

of the Company. Its duties include the design, implementation, and effective operation of internal control systems to ensure that public information is legitimate, accurate, and provides a true and fair view of the Company's position. The Board meets at least quarterly and is governed by its own Regulations, also approved in October 2022.

3. Audit Committee: The Audit Committee is composed of directors appointed by the Board who possess the requisite capacity, experience, and dedication. It bears full responsibility for internal control and risk management mechanisms relating to financial information, with its work subsequently overseen by the Board. Among its functions, it must report to the Board on the periodic financial information that the Company is required to disclose.

Corporate Governance Transformation (2025)

In line with the Corporate Governance Transformation and Evolution Plan presented to shareholders at the General Meeting of May 2025, the Company has undertaken a significant renewal process. This initiative seeks to reinforce professionalisation through the incorporation of new executive profiles and the partial renewal of the Board of Directors with members possessing extensive experience in listed companies.

Between June and July 2025, several co-opted appointments were made, including individuals with distinguished professional backgrounds such as Mr. Francisco Bengoechea (appointed to lead the Audit Committee), Mr. Bernardo Ubago, and Ms. Laura Lozano, resulting in a Board composed of seven directors.

Commitment to Transparency and Regulatory Compliance

Energy Solar Tech operates under a strict legal and regulatory framework, including Law 6/2023 on Securities Markets and Investment Services (LMVSI), Regulation (EU) No. 596/2014 on Market Abuse (MAR), and the Spanish Companies Act (Ley de Sociedades de Capital, LSC).

- Risk Management Policy: The Group maintains a Risk Management Policy aimed at systematically identifying, analysing, evaluating, managing, and controlling relevant risks. The approach is anticipatory in nature and oriented towards the medium and long term.
- Internal Control over Financial Reporting (ICFR): The Company applies control procedures across all key processes to ensure the proper recording, valuation, and presentation of transactions. Financial and operational information is reviewed at two levels: first by the Finance Department and the Executive Committee, and subsequently by the Audit Committee.
- Internal Code of Conduct: To safeguard the handling of sensitive operational information, the Board approved an Internal Code of Conduct for Securities Markets in October 2022, establishing clear rules regarding privileged information and market conduct.

Protection of Shareholder Rights and Market Integrity

A cornerstone of the Company's governance is its commitment to equal treatment of shareholders and adherence to the takeover bid regime:

- **Takeover Bid Regime (OPA):** The Company is subject to the general takeover bid regime under **Royal Decree 1066/2007**, thereby ensuring **equal rights for all shareholders** and protection against potential abuses. The Company affirms that any acquisition of control in a listed company must be conducted through a formal takeover bid.
- **Transparency Obligations:** The Company's bylaws require shareholders to notify acquisitions or disposals of shares reaching, exceeding, or falling below 5% of the share capital and successive multiples thereof.
- **Governance Disputes:** The Company has taken legal action and made formal communications to the CNMV in response to alleged breaches of transparency and good governance, including attempts at covert or concerted control. These actions involved the intentional omission of disclosure of private share acquisition agreements and voting pacts.

Investor Relations Strategy

To align market perception with its strong growth and profitability trajectory, the Company has implemented a **Share Support and Market Dynamisation Plan**. The key pillars of this Investor Relations (IR) strategy include:

- **Strengthening the Corporate Narrative (Equity Story):** Clearly communicating the business model, value creation capacity, and long-term vision.
- **Proactive IR Activities:** Designed to attract new investor profiles.
- **Appointment of a Director of Investor Relations and Capital Markets:** To design and execute the strategy.
- **Share Buy-Back Programme:** Proposed, subject to regulatory approval, to enhance shareholder returns and contribute to price stability and market efficiency.

The corporate governance of **Energy Solar Tech** is characterised by a **robust compliance framework, a clearly defined governance structure, and a comprehensive system of internal controls.** The Company demonstrates an active stance in defending market integrity and the rights of all shareholders, while pursuing professionalisation of its governing bodies and strengthening its investor relations strategy. This approach underscores its commitment to **long-term value creation, transparency, and equitable treatment of investors.**

16.

IMPORTANT CONTRACTS

16. IMPORTANT CONTRACTS

Pursuant to its transparency and disclosure obligations as a company listed on Euronext Access, the Company has entered into a series of key contracts with third parties, the most relevant of which are summarised below:

- July 2022 – €2.9 million for the Contract for the execution of low voltage electricity work in a new corporate office headquarters.
- March 2023 – €7.8 million for the EPC Contract (Design, Construction, and Commissioning) of the 30/220 kV Renopool Substation Electrical Infrastructures.
- March 2023 – €9.3 million for the Construction of the Shared Electrical Evacuation Infrastructures, covering the design, detailed engineering, supply of components, assembly, and commissioning of the shared Substation and High Voltage Line infrastructure in Balbona.
- August 2023 – €1.9 million for the shielding of Tambre Substation Civil Works and Electromechanical Assembly.
- May 2024 – €8.0 million for the EPC Contract (Engineering, Procurement, and Construction) for the construction of a Vilecha 132kV Transformer Substation, covering the design, detailed engineering, supply of components, assembly, and commissioning.
- May 2024 – €7.0 million for the EPC Contract (Engineering, Procurement, and Construction) for a 132 kV High Voltage Overhead line with an underground final section connecting to the new 400/132 kV Vilecha Substation linked to R.E.E. Vilecha.
- May 2024 – €7.6 million for the EPC Contract (Engineering, Procurement, and Construction) for construction of a Vilecha 132kV Transformer Substation, covering the design, detailed engineering, supply of components, assembly, and commissioning.
- December 2024 – €20.2 million for the construction of the complete electrical installations of a new logistics center for one of the main companies listed on the IBEX 35.
- January 2025 – €1.2 million for the installation of a photovoltaic plant and electrical connection in Bernuy de Porreros, Segovia.

- **February 2025 – €8.3 million** for the EPC Contract (Engineering, Procurement, and Construction) for the Villameca 132/30/30kV Transformer Substation and 132kV underground-overhead Evacuation Line.

- **February 2025 – €1.0 million** for the EPC Contract (Engineering, Procurement, and Construction) for construction of the 132kV Villadangos Substation, covering the design, detailed engineering, supply of components, assembly, and commissioning.

- **February 2025 – €12.0 million (framework total)** for a Framework Agreement for the supply and installation of E-Houses for HV substations in Italy.

- **February 2025 – €2.4 million** for the contract for the supply and installation of 12KV Shielded Cells for the La Floresta Substation in Panamá.

- **April 2025 – €4.2 million** for the Construction of Dulcenoa Evacuation Electrical Infrastructures (Substation and Dulcenoa/Terrer Cluster Line), encompassing design, engineering, supply, assembly, and commissioning.

- **April 2025 – €2.4 million** for the Supply and Installation of 34.5KV and 4.16KV Cells for the Changuinola Substation in Panamá.

- **April 2025 – €0.8 million** for the Supply and Installation of 34.5KV Cell for the El Higo Substation in Panamá.

- **May 2025 – €3.6 million** for the Design, Engineering, Supply, Construction, and Energization of the EDE and Private Substation, and the High Voltage Line (LAT) of the 54.3 MW PV Plant in Arjona (Jaén).

- **November 2025 – €70 million** for the design, engineering, supply, and execution of a new electrical substation project in Veldeldo (León).

17.

OTHER ADDITIONAL INFORMATION FROM THIRD PARTIES, EXPERT STATEMENTS AND INTERNET STATEMENTS

17. OTHER ADDITIONAL INFORMATION FROM THIRD PARTIES, EXPERT STATEMENTS AND INTERNET STATEMENTS

17.1. Other additional information from third parties

17.1 Valuation.

As of the date of this Information Document, no independent valuation, appraisal or fairness opinion prepared by a third party has been issued in respect of the Company's shares, assets or business. Accordingly, no external valuation has been relied upon in determining the Company's financial position or share value.

This statement is consistent with the Company's published consolidated financial statements for FY2023 and FY2024, as well as the interim consolidated financial statements as of 30 June 2025, which reflect the Company's financial position based solely on audited and interim accounting information, without reference to any third-party valuation assessments.

18.

OTHER RELEVANT INFORMATION

18. OTHER RELEVANT INFORMATION

18.1. Other relevant information

Na

19.

GLOSSARY

19. GLOSSARY

(B)

Backlog: The value of contracted projects or services that have been sold but not yet executed or invoiced.

BESS (Battery Energy Storage System): Technology used to store electrical energy (typically from renewable sources) for later use, enhancing grid stability and supply flexibility.

Biogas: Renewable energy source that is produced from the decomposition of organic matter.

Biomass: Renewable energy source that uses organic matter as fuel for energy generation.

BME Growth: Spanish stock market (formerly MAB) designed for SMEs with high growth potential.

Busbars / Busbars: Rigid conductors (usually copper or aluminum bars) used in substations to collect and distribute electricity to different circuits.

(C)

Cogeneration: The simultaneous production of electricity and useful heat from a single fuel source, which significantly increases energy efficiency.

(D)

Data Center: A facility used to house computer systems and associated components, such as telecommunications and storage equipment.

Digital Substation: An electrical substation that uses digital technology (fiber-optic communications, sensors) for remote control, protection, and continuous monitoring.

Distributed Generation: The production of electricity at or near the point of consumption (e.g., solar panels on a rooftop), complementing centralized generation.

DPC (Data Processing Centre): A facility where data processing equipment is centralized; synonymous with Data Center.

(E)

EAAS (Energy As A Service): A long-term energy service model where the provider assumes the design, financing, construction, operation, and risks of energy assets, and the client pays for energy consumed or savings achieved.

E-House: A modular, prefabricated, and transportable substation or electrical room solution that accelerates project execution and deployment.

EPC (Engineering, Procurement, and Construction): A form of "Turnkey" contract where the contractor is responsible for the design, equipment purchase, and complete construction of the project.

(H)

HV (High Voltage): The high electrical potential used for the transmission of electricity over long distances.

HVAC (Heating, Ventilation, and Air Conditioning): Systems used to control the indoor environment. In Data Centers, this refers to cooling systems whose waste heat can be recovered.

Hybridisation: The combination of different power generation technologies (e.g., wind and solar PV) and/or storage (e.g., batteries) at a single facility or connection point.

(K)

kV (Kilovolt): A unit of electrical potential equal to one thousand volts, used for measuring transmission and distribution voltage levels.

kWp (Kilowatt-peak): A unit measuring the maximum power an entire Photovoltaic (PV) system can generate under standard test conditions.

(L)

LV (Low Voltage): The low electrical potential used for the final distribution of electricity to the consumer.

(M)

MVA (Megavolt-ampere): A unit of apparent power, commonly used to rate transformers and other electrical equipment in substations.

MW (Megawatt): A unit of power, equal to one million watts, used to measure the capacity of large-scale power generation facilities.

(O)

Obsolescence Risk: The risk that a client's owned technological assets will become outdated or less efficient due to rapid innovation and market electrification.

Outsourcing Model: A business model where a company assumes the investment, risks (regulatory, technological), and operation of a client's energy assets, allowing the client to focus on their core business.

(P)

PPA (Power Purchase Agreement): A long-term contract for the sale and purchase of electricity between an energy producer (seller) and a buyer, ensuring stable revenue for the producer.

Power Transformer: A device used in substations to change (step up or step down) the voltage level of alternating current (AC) for efficient transmission or distribution.

PV (Photovoltaic): Technology that converts light energy (photons) directly into electricity (voltaic effect), typically using solar panels.

(R)

REE (Red Eléctrica de España):The sole transmission system operator (TSO) in Spain.

(S)

Self-Consumption: The production of electrical energy (e.g., solar) for one's own use, usually on the consumer's premises, often complemented by the grid supply.

Step-up Substation: An electrical substation located near the generation source that increases the voltage of the produced electricity for long-distance transmission.

Substation: A part of a generation, transmission, and distribution system that transforms voltage from high to low, or vice-versa, and performs switching operations.

Switchgear: An assembly of electrical disconnect switches, fuses, or circuit breakers used to control, protect, and isolate electrical equipment.

(T)

Tier I / Tier IV: Reliability and redundancy classifications for data centers.Tier IV indicates the highest availability (99.99%) and fault tolerance.

Turnkey: A project that is delivered to the client completely ready for immediate use or operation, with the contractor assuming full responsibility for design and execution.

(U)

UPS (Uninterruptible Power Supply): A device that provides immediate, short-term backup power to critical load equipment when the primary power source fails.

(V)

Vertical: A key business unit or strategic line within the company's structure (Outsourcing, Projects & Construction, Manufacturing, Generation).

20.

APPENDIX

20. APPENDIX

The articles of association, minutes of general meetings, and other corporate documents of the company, as well as historical financial information and any evaluation or statement made by an expert at the request of the company to be made available to shareholders in accordance with applicable law, can be consulted free of charge at the company's registered office.

Upon admission of the company's shares to trading on the regulated market of Euronext Paris, regulated information within the meaning of the provisions of the General Regulation of the AMF will also be available on the company's website (https://energysolartech.com/).

SECTION 2: ADDITIONAL INFORMATION TO DISCLOSE REGARDING THE TYPE OF SECURITIES

01.

Risk Factors regarding the shares

1. Risk Factors regarding the shares

1.1 Risks Related to Share Listing

Risk Category	Probability	Impact
1.1.1. Cost increases	Medium	Medium-High
1.1.2. Dividend Distribution	Low	Low
1.1.3. Share Liquidity	Medium	Medium
1.1.4. Share Volatility	Medium	Medium
1.1.5. Shareholder Dilution	Low	Medium
1.1.6. Tax Risk	Low	Low
1.1.7. Obligations as a Listed Company	Low	Low

1.1.1 Cost Increases

Following its admission to trading on Euronext Growth, the Issuer will incur incremental recurring and non-recurring costs related to maintaining dual listing status. These include listing and admission fees, audit and legal advisory services, financial reporting and translation costs, investor-relations expenses, and other corporate governance and compliance-related costs (including Market Abuse Regulation procedures and insider-list management). Additionally, one-off expenses associated with the preparation of the Information Document and legal and financial due-diligence processes have been incurred during 2024 and the first half of 2025.

The Company is already listed on BME Growth and has an established compliance framework covering governance, insider information management, periodic financial reporting, and audit oversight. This existing infrastructure allows Energy Solar Tech to absorb most of the compliance and reporting obligations associated with the Euronext Growth listing. The consolidated financial statements for FY2024 and H1 2025 reflect audit, legal and communication costs in line with these obligations.

Incremental compliance and reporting expenses may slightly increase the Group's administrative costs, potentially reducing short-term profitability or management focus. Nevertheless, these additional expenses are not expected to have a material effect on the Group's financial position or results.

The Group's financial projections and working capital plan already include the estimated costs of maintaining dual listing compliance, which are considered manageable and fully covered by current operating cash flows. The Board of Directors periodically reviews these costs to ensure efficiency and proportionality. Furthermore, the expected benefits from enhanced visibility and potential access to new investors are anticipated to offset the incremental expenses in the medium term.

Indicative assessment: Low to Medium (given the Company's prior listed-company experience, existing compliance infrastructure, and confirmed budgetary coverage of incremental obligations).

1.1.2 Dividend Distribution

The Company's ability to distribute dividends in the future will depend on its financial results, cash generation, and investment needs, as well as on applicable legal and contractual restrictions. While dividend payments may be proposed by the Board of Directors and approved by the General Shareholders' Meeting under Spanish law, there can be no assurance that any dividend will be paid in the foreseeable future.

For the fiscal years ended 31 December 2023 and 31 December 2024, the Company's consolidated and individual annual accounts show that no dividends were declared or distributed, with the entire result allocated to voluntary reserves (as disclosed in the Notes on Equity and Proposed Result Allocation). Likewise, for the first half of 2025, no interim dividend has been approved.

The Company is currently in a growth and investment phase, prioritising reinvestment of earnings to fund expansion, innovation, and international development. Consequently, the absence of dividends reflects a strategic decision rather than a financial limitation.

In the short to medium term, shareholders should not expect dividend payments. Any potential future distribution will depend on the Group's profitability, liquidity, and strategic priorities, and may also be influenced by market or regulatory factors.

Risk assessment: Low. Since the Company's non-distribution policy is a deliberate measure consistent with its growth strategy and capital structure.

1.1.3 Share Liquidity

Following the Company's admission to trading on Euronext Growth, the liquidity of its shares may be limited. The Company's free float is low, with a significant portion of the share capital held by strategic and long-term shareholders. As a result, there may not always be sufficient trading volume to allow investors to buy or sell shares easily, which could lead to higher volatility or fluctuations in the market price.

The limited liquidity observed since the Company's initial admission to BME Growth has reflected the nature of growth markets, where trading volumes tend to be lower than on regulated markets. This situation may persist, particularly during periods of low investor activity or limited news flow. The Company's capital structure, as shown in the consolidated financial statements for 2023, 2024 and the first half of 2025, shows stability and no significant changes that could alter the free float composition.

To promote regular trading and market efficiency, the Company has maintained a liquidity contract with Rothschild Martin Maurel, in accordance with Euronext Growth rules. This arrangement aims to facilitate orderly trading and reduce excessive volatility, although it cannot ensure the permanent existence of an active market or price stability.

A limited trading volume could affect the liquidity and valuation of the Company's shares and make it difficult for investors to sell their holdings without materially influencing the market price. However, the Company's growing visibility, its dual listing on Euronext Growth, and the support of a professional liquidity provider are expected to contribute progressively to greater trading activity.

Risk assessment: Medium to Low. Due to the structural characteristics of growth markets but mitigated by the Company's dual listing, investor outreach strategy, and liquidity provider agreement.

1.1.4 Share Volatility

Following the admission to trading on Euronext Growth, the market price of the Company's shares may experience significant fluctuations that are not necessarily linked to the Company's operational or financial performance. As a company listed on a growth market, the Shares may be subject to higher volatility compared with securities traded on regulated markets, particularly given the limited liquidity and the concentration of holdings among long-term shareholders.

Share price fluctuations may result from factors beyond the Company's control, including: changes in macroeconomic or market conditions; variations in energy sector regulation; changes in investor sentiment toward renewable energy or small-cap companies; fluctuations in financial results relative to expectations; changes in analysts' forecasts or target prices; or transactions involving major shareholders.

Periods of sharp price movements or reduced trading activity could negatively affect investors' ability to buy or sell shares at favorable prices, increase perceived investment risk, or affect the Company's ability to raise capital in the future.

The Company maintains a liquidity contract with Rothschild Martin Maurel, in accordance with Euronext Growth rules, to help reduce price volatility and improve trading regularity. Furthermore, the Company's transparent communication practices, audited financial reporting, and consistent publication calendar as reflected in the 2023, 2024, and H1 2025 consolidated financial statements, all contribute to strengthening investor confidence and mitigating the risk of excessive share price volatility.

Risk assessment: Medium to Low. Due to general market conditions typical of growth segments but mitigated by structured communication, audited transparency, and liquidity support mechanisms.

1.1.5 Shareholder Dilution

Future equity financing transactions could dilute the percentage ownership and voting rights of existing shareholders. The Company may, in the future, decide to issue new ordinary shares or equity-linked instruments to finance growth projects, strengthen its balance sheet, or support potential acquisitions. Depending on the structure of such transactions, certain existing shareholders may not have pre-emptive subscription rights, which could result in a higher dilutive impact.

As of the date of this Information Document, the Company has no outstanding convertible, exchangeable or warrant-linked securities, nor any authorisations in force to issue such instruments, as confirmed in sections 15.1.1–15.1.4 and verified against the consolidated annual accounts for 2023 and 2024 and the interim consolidated financial statements for the six months ended 30 June 2025. The treasury shares held under the liquidity contract, disclosed in section 15.1.3, do not carry voting or dividend rights while in treasury.

Any future capital increase or issuance of equity-linked instruments could reduce existing shareholders' proportional ownership and may temporarily affect the market price of the Company's shares.

Any future capital increases or share-based incentive plans would require prior approval by the General Shareholders' Meeting in accordance with Spanish corporate law and the Company's bylaws. The Company is committed to adopting prudent capital-raising strategies aimed at financing sustainable growth while preserving shareholder value and maintaining transparent communication with the market.

Risk assessment: Low to Medium. No active dilution risk exists at present, but the potential remains inherent to listed growth companies.

1.1.6 Tax Risk

The Group is subject to Spanish corporate income tax and other national, regional and local taxes, including VAT, withholding taxes and specific levies applicable to the energy sector. Changes in tax legislation, administrative practice or judicial interpretation in Spain or within the European Union could adversely affect the Group's tax burden, effective tax rate or cash flows.

The Company has recognised deferred tax assets in its consolidated financial statements corresponding mainly to tax loss carry-forwards and deductible temporary differences. The recoverability of these assets depends on the generation of future taxable profits within the applicable time limits. Any deterioration in business performance or amendments to tax legislation could limit or delay their utilisation.

The Group is also exposed to transfer pricing risk arising from intra-group transactions. Although these transactions are conducted in accordance with the arm's length principle, the tax authorities could challenge their valuation and issue additional assessments, interest or penalties.

As of the date of this Information Document, there are no significant ongoing tax litigations or disputes with the Spanish tax authorities, as confirmed by the Company's audited consolidated financial statements for FY2023 and FY2024 and the limited reviewed interim accounts for the first half of 2025.

Future dividends, if distributed, or share repurchases may be subject to withholding taxes depending on the shareholder's tax residence and individual circumstances. Investors are therefore advised to seek their own independent tax advice regarding the acquisition, holding and disposal of the Company's shares.

The Company maintains internal controls and regularly engages external tax advisers to ensure compliance with applicable regulations and monitor legislative developments. While these measures reduce tax exposure, they cannot completely eliminate the inherent uncertainty associated with taxation.

Risk assessment: Low to Medium. The Company operates under a stable Spanish tax regime and has no open tax disputes, but remains exposed to potential changes in legislation or interpretations by the authorities.

1.1.7 Obligations as a Listed Company

Following its admission to trading on Euronext Growth, the Company will be subject to the continuous obligations applicable to issuers on regulated multilateral trading facilities, including those arising from Regulation (EU) No. 596/2014 on Market Abuse ("MAR"), the Delegated Regulation (EU) 2017/565, and other relevant securities laws. These obligations cover, among others, the disclosure of inside information, maintenance of insider lists, prevention of market abuse, publication of periodic financial reports, and ongoing corporate governance and related-party disclosure requirements.

Compliance with these regulations entails both internal and external costs, including strengthening internal control systems, maintaining independent audit processes, ensuring timely publication of regulated information, and dedicating management resources to compliance and investor relations. Failure to comply with these obligations, delays in reporting, or differing interpretations by regulators could result in administrative sanctions, financial penalties, reputational damage, or temporary restrictions on trading of the Company's shares.

The Company has already implemented procedures and internal controls consistent with its status as a listed company on BME Growth, and will extend these to meet the additional requirements of Euronext Growth. This includes periodic training for directors and staff on MAR obligations, the maintenance of a compliance calendar covering all financial and corporate disclosure deadlines, and engagement with external legal and financial advisers to ensure continued alignment with evolving regulations.

As of the date of this Information Document, the Company has not been subject to any sanctions, investigations, or warnings from regulatory authorities and continues to meet its disclosure, governance, and reporting obligations in full compliance with applicable legislation.

1.4. Risk of Not Achieving Full Investment Recovery

Investors in companies that list their shares on Euronext Growth should be aware that this is a market designed for small-cap and growing companies. Therefore, they might assume a higher risk compared to investing in larger-cap companies with a longer track record listed on regulated markets, such as the Stock Exchange. Consequently, investing in companies listed on Euronext Growth should be done with the appropriate advice from an independent professional. Additionally, it is recommended that the investor thoroughly and properly reads this Information Document before making any investment decisions related to the securities.

1.5. Risks Related to the Analysis of Company Shares

The release of unfavorable analyses about the Company or the sector could lead to a decline in the stock price. It's also important to note that a lack of publication could be detrimental due to the low liquidity and its impact on price formation.

1.6. No Assurance of Future Dividend Distribution

The Company's ability to distribute dividends could be influenced by the risks outlined in this Information Document. Dividends rely on income, financial standing, obligations from financial contracts, liquidity requirements, regulatory demands, and other relevant factors. Therefore, there's no assurance that dividends will be distributed in the future.

02.

Essential information

2. Essential information

2.1 Working Capital Statement

The Company confirms that, in its opinion, the working capital available to the Group is sufficient to meet its present requirements for at least the next twelve (12) months from the date of this Information Document.

This assessment is based on the analysis of the Group's audited consolidated financial statements for FY2023 and FY2024, and the interim consolidated financial statements as of 30 June 2025, which show a solid liquidity position and a balanced maturity profile of financial debt. The evaluation also considers the Group's internal liquidity projections, expected cash flows from operations, and available undrawn committed credit facilities with maturities extending beyond the next twelve months.

As of 30 June 2025, the Group had no material liquidity shortfalls identified, and management continues to actively monitor cash generation and working capital performance through ongoing optimisation of receivables, inventories, and payables.

This statement has been prepared in accordance with Euronext Growth's disclosure requirements and reflects the Directors' reasonable judgement based on information available as of the date of this document.

Cash Flow projections for the next 12 months

	2025	2026
Opening cash balance	7,162,074 €	7,416,588 €
Operating income (cash inflows)	89,484,123 €	100,484,123 €
Operating expenses (cash outflows)	-82,229,609 €	-92,229,609 €
Net operating cash flow	7,254,514 €	8,254,514 €
Investments (CapEx)	-1,800,000 €	-5,000,000 €
Financing (loans / leasing)	-3,200,000 €	3,600,000 €
Security Deposits / Guarantees	-2,000,000 €	2,000,000 €
Net cash flow for the period	254,514 €	8,854,514 €
Estimated closing cash balance	7,416,588 €	16,271,102 €

03.

Information concerning the securities to be offered / admitted to trading

3. Information concerning the securities to be offered / admitted to trading

3.1 Type and class

The securities to be admitted to trading on Euronext Growth Paris are ordinary shares of Energy Solar Tech, S.A., registered under Spanish law and represented in book-entry form. All shares carry equal voting and dividend rights and are freely transferable.

ISIN: ES0105687000

LEI: 894500YQF1XJ6L8L8T23

Current Trading Venue and Ticker: BME Growth (Spain) – "ETC"

Number of Shares Outstanding: 26,951,376 ordinary shares

Nominal Value per Share: EUR 0.003

Reference Price for Admission: Last closing price on BME Growth prior to the technical admission on Euronext Growth Paris

Central Securities Depositary: IBERCLEAR – Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.

Settlement System: Iberclear (Spain) within the T2S framework

Admission Type: Technical admission (dual listing) without a capital increase

Listing Sponsor: LKS Financial Solutions & Corporate, S.L.

Paying Agent: RENTA 4 BANCO, S.A

3.2 Expected issue date

No new shares will be issued in connection with the technical admission to trading on Euronext Growth Paris. Accordingly, there is no expected issue date.

The expected date of admission to trading is scheduled for 18th of December 2025, subject to the approval of Euronext Paris and the completion of customary regulatory procedures.

3.3 Restrictions on the free transferability of the Securities

The legal framework applicable to the Company's shares, in particular, is governed by the Spanish Capital Companies Act, the consolidated text of the Securities Market Act approved by Royal Decree 4/2015 of October 23, the Royal Decree-Law

21/2017 on urgent measures to adapt Spanish law to European Union regulations in the securities market, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse ("Market Abuse Regulation"), and Royal Decree 878/2015 of October 2, on the registration, clearing, and settlement of negotiable securities represented by book entries, on the legal framework for central securities depositories and central counterparty entities, and on transparency requirements for issuers of securities admitted to trading on an official secondary market, as well as any other regulations that develop, modify, or replace the aforementioned rules.

The Company's shares are represented by book entries and registered in the corresponding accounting records managed by Iberclear (located at Plaza de la Lealtad, 1, Madrid) and its Participating Entities.

The Company's shares are freely transferable in accordance with Spanish corporate law and the Company's By-laws. Pursuant to Article 6 of the By-laws, the shares and any economic rights derived therefrom may be transferred by any means permitted by law.

The only restriction provided for under the By-laws applies in the event of a change of control, whereby a shareholder receiving an offer that would result in the acquirer holding more than 50 % of the share capital may not transfer such holding unless the acquirer offers to purchase all shares from the remaining shareholders under the same conditions.

Apart from this statutory provision, there are no contractual, judicial or regulatory restrictions limiting the free transferability of the Company's shares. Transfers remain subject solely to the general rules applicable to listed securities under Spanish and European securities laws (including market abuse and insider dealing regulations).

3.4 Mandatory takeover bids, squeeze-out and sell-out rules

The Company is incorporated under Spanish law. Consequently, any mandatory takeover bid, squeeze-out, or sell-out procedure is governed by Royal Decree 1066/2007 of 27 July 2007 on takeover bids for securities and by the Spanish Securities Markets and Investment Services Act 6/2023.

Under this framework, any natural or legal person who, directly or indirectly, acquires control of the Company must launch a mandatory public offer to purchase 100% of its voting share capital at an equitable price, subject to authorization and supervision by the CNMV (Comisión Nacional del Mercado de Valores). Control is deemed to exist when a person holds at least 30% of the voting rights or is able to appoint or remove more than half of the members of the Board of Directors within a twenty-four-month period.

Following the completion of a takeover bid, if the bidder holds at least 90% of the voting rights and the bid has been accepted by holders of at least 90% of the voting rights to which it was addressed, the bidder may exercise a squeeze-out right to acquire the remaining shares at the same price and terms. Conversely, any remaining minority shareholder may exercise a sell-out right, requiring the bidder to purchase its shares on equivalent conditions.

The Company's By-laws (as amended on April 16th, 2024) do not contain any provisions that modify or restrict the general takeover bid regime established under Spanish law. The shares are freely transferable, belong to a single class with equal voting and dividend rights, and there are no preferential rights, redemption clauses, or restrictions that would alter the application of the Spanish takeover rules.

3.5 Rationale of the listing

The admission to trading of the Company's shares on Euronext Growth Paris is being carried out through a technical listing, with no new shares being issued and no capital increase being conducted in connection with this admission.

This dual listing aims to enhance the visibility and liquidity of Energy Solar Tech's shares within the European capital markets, while broadening its investor base and facilitating greater access to institutional and qualified investors aligned with the energy transition and sustainability sectors.

Internationalization
Gain visibility and reputation to implement business internationalization plans where France is key priority market.

Value liquidity and cap table expansión
Facilitate greater liquidity of the security through a higher volume market.

The listing also supports the Company's medium-term growth and investment strategy, as presented in its consolidated financial statements for 2023, 2024 and H1 2025, which reflect strong operational performance and a solid capital structure. Admission to Euronext Growth Paris strengthens the Group's ability to access European capital markets, should it consider future financing initiatives subject to market conditions and corporate approvals.

Raising Capital
Asset management business in constant growth

Additionally, the listing reinforces the Company's corporate governance, transparency and market discipline, ensuring compliance with the reporting and disclosure obligations established under the EU Market Abuse Regulation (MAR) and other applicable securities laws.

This admission does not entail any modification to shareholders' rights or voting structure as set out in the Company's By-laws (April 16th, 2024), nor does it alter the accounting framework under which the Group prepares its consolidated financial statements.

04.

Information on the issuer/offer/distribution sale that will be carried out in connection with the listing

4. INFORMATION ON THE ISSUER/OFFER/DISTRIBUTION SALE THAT WILL BE CARRIED OUT IN CONNECTION WITH THE LISTING

Na

05.

Admission to trading and dealing arrangements

5. INFORMATION CONCERNING THE OPERATION

5.1 Other trading platforms or markets in which the securities are already admitted

Energy Solar Tech has been listed on the Spanish capital market, BME Growth since December 12, 2022. During this period, it has fulfilled all requirements and obligations agreed upon by BME Growth, including but not limited to, its reporting and information disclosure obligations.

Being part of BME Growth has granted Energy Solar Tech access to a broader universe of investors and provided an indication of how the market evaluates its business model. Therefore, based on the goal of continuing the company's growth and positioning, Energy Solar Tech has decided to initiate the process of dual listing to trade on the European market of Euronext Growth Paris.

This decision is part of the ongoing evolution, growth, and enhancement of the professionalization of the Company, which acknowledges the strategic advantages associated with pursuing a dual listing in multiple stock exchanges. This initiative allows Energy Solar Tech to diversify its investor base and mitigate risks associated with reliance on a single market, aligning with its commitment to sustainable growth and resilience.

Furthermore, being listed on the Euronext Growth Paris market reinforces the company's reputation and credibility on the global stage, attracting new investors and fostering valuable business relationships worldwide. Access to diverse sources of capital through dual listing facilitates the company's ability to fund growth initiatives, strengthen operational capabilities, and pursue strategic opportunities, ultimately driving long-term shareholder value and solidifying its position as a leader in renewable energy solutions.

5.2 Entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity

The Company maintains a liquidity contract with Rothschild Martin Maurel, in accordance with Euronext Growth rules, to help reduce price volatility and improve trading regularity.

06.

Listing Sponsors and other advisors

6. LISTING SPONSOR AND OTHER ADVISORS

6.1 Statement of the capacity

Energy Solar Tech designated LKS Financial Solutions & Corporate, S.L. as a Listing Sponsor in order to lead the incorporation to Euronext Growth of the Issuer. It was authorised by the Euronext Listing Board on the 16th of October 2025.

6.2 Ownership interest in the Issuer held by the Listing Sponsor, its beneficial owners or managers

LKS confirms that it does not have any ownership interest in Energy Solar Tech.

6.3 Identity of Listing sponsor and Liquidity provider

6.3.1. Listing Sponsor

LKS Financial Solutions & Corporate, S.L.

Address: Calle Don Diego López de Haro 33, 3ª planta 48009 Bilbao, Spain

Telephone: +34 943 038 714

Web: https://www.lksnext.com/es/servicios/financial-corporate/

LKS is domiciled in Don Diego López de Haro 33, 3ª planta 48009 Bilbao, Spain, registered in the Mercantile Registry, with Identification Code: B95650107. It is represented in this operation by Mr. Mariano Colmenar, Managing Director of the firm.

LKS Finanial Solutions & Corporate is represented by a multidisciplinary team of professionals with high experience in security issuance and overall capital markets activities both in public as well as in private markets. No other consultants concur in the incorporation process or in the preparation of this information document.

6.3.2. Liquidity Provider

Rothschild & Co España, S.A

Address: P.º de la Castellana, 35, Chamberí, 28046 Madrid

Telephone: +34 917 02 26 00

Web: https://www.rothschildandco.com/es/

07.

Large transactions

7. LARGE TRANSACTIONS

Na

08.

Articles of Association

8. ARTICLES OF ASSOCIATION

For the complete audit of the company's Articles of Association, please refer to Annex III.

09.

Issuers without documented earnings capacity

9. ISSUERS WITHOUT DOCUMENTED EARNINGS CAPACITY

Na

10.

Other significant matters

10. OTHER SIGNIFICANT MATTERS

Na

ANNEX I

Consolidated Financial Statements and Audit Report of the consolidated financial statements issued by an independent auditor for the year ended December 31, 2023, of Energy Solar Tech, S.L.

aureN

ENERGY SOLAR TECH, S.A.
AND DEPENDENT COMPANIES

Audit report, Consolidated annual accounts as at 31 December 2023 and Management Report for the financial year 2023

Member of
Antea
Alliance of independent firms

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

INDEPENDENT AUDIT REPORT ON CONSOLIDATED ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

To the shareholders of ENERGY SOLAR TECH, S.A.:

REPORT ON CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of ENERGY SOLAR TECH, S.A. (the Controlling Company) and its dependent companies (the Group), which comprise the consolidated balance sheet at 31 December 2023, the consolidated profit & loss statement, the consolidated statement of changes in net equity, the consolidated cash flow statement and the consolidated notes to the annual accounts for the year then ended.

In our opinion, the consolidated annual accounts attached present, in all material respects, a true and fair view of the Group's equity and financial position at 31 December 2023 and of its consolidated results and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 to the consolidated annual accounts) and, in particular, with the accounting principles and rules contained therein.

Basis of the opinion

We have conducted our audit in accordance with Spanish auditing standards that are currently in force. Our responsibilities under those standards are described below in the *Auditor's responsibility for its audit of consolidated annual accounts* section of our report.

We are independent of the Group in accordance with both ethical and independence requirements, applicable to our audit of consolidated annual accounts in Spain as required by the regulations governing the auditing of accounts. In this regard, we have not provided any services other than auditing the accounts, nor have there been any situations or circumstances which, in accordance with the provisions of the aforementioned regulations, have affected and thereby compromised such required independence.

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

Key audit issues

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

Recognition of income

Description Recognition of income is a significant issue, particularly at year-end in relation to the appropriate timing of attribution, and we have therefore considered this as a key audit matter.

Our response In response to this, we have performed, inter alia, the following audit procedures:

- We obtained an understanding and assessment of the controls over internal control procedures that the Group has in place in the income recognition process.
- We have obtained external confirmations for a sample of clients by performing, where necessary, alternative verification procedures by checking subsequent credits or back-up documentation.
- We have performed substantive tests on a sample of recognised income.
- A check has also been carried out as to whether transactions were recorded in the appropriate period.
- We have assessed whether the information disclosed in the consolidated annual accounts complies with the requirements of the applicable financial reporting framework.

Valuation of stocks in progress

Description As indicated in Notes 4 and 9 to the consolidated annual accounts attached, the costs incurred, including estimated margins based on the degree of progress and specific circumstances of each ongoing project, are attributed as work in progress. Income recognition is related to transfer of control over each asset (project) to the client in fulfilment of previously signed contracts. This transfer of control occurs at certain points during the project's execution (milestones). Due to the high degree of judgment inherent to these estimates, this aspect has been considered as a key issue in our audit.

Our response

In response to this, we have performed, inter alia, the following audit procedures:

- We have obtained an understanding and assessment of the controls over internal control procedures that the Group has in place in the valuation process of stocks in progress.
- We have obtained economic information for each of the projects recognised as stocks (work) in progress.
- We have performed detailed tests of the costs attributed to projects recognised as stocks (work) in progress.
- A study was also carried out on a case-by-case basis on estimates of the degree of project compliance and progress on the basis of the information obtained.
- We have assessed whether the information disclosed in the consolidated annual accounts complies with the requirements of the applicable financial reporting framework.

Value impairment of non-current assets

Description

As indicated in Notes 4 and 7 to the consolidated annual accounts attached, the Group has recognised property, plant and equipment amounting to Euros 33,129 thousand at 31 December 2023. The Group assesses at year-end whether or not there is any indication of impairment in assets treated as a single cash-generating unit, for the purpose of determining their recoverable amount. Due to the high degree of judgment, the uncertainty associated with such assessments and the significance of the net book value of property, plant and equipment, this has been considered a key audit matter.

Our response

In response to this, we have performed, inter alia, the following audit procedures:

- We have obtained an understanding and assessment of the controls over internal control procedures that the Group has in place in the recoverability assessment process for property, plant and equipment.
- We have analysed recoverability of the Group's assets through the fulfilment of its business plan, analysing each of the estimated future cash flows that the Group expects to generate.
- We have assessed whether the information disclosed in the consolidated annual accounts complies with the requirements of the applicable financial reporting framework.

Other information: Consolidated management report

Other information comprises exclusively the consolidated management report for the year ended 31 December 2023, the preparation of which is the responsibility of the Controlling Company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility for the consolidated management report, as required by auditing regulations, is to assess and report on the consistency of the consolidated management report with the consolidated annual accounts, based on our knowledge of the Group obtained in the course of our audit of the consolidated annual accounts, and to assess and report on whether the content and presentation of the consolidated management report comply with applicable regulations. If, based on our work, we conclude that material misstatements exist, we are required to report them.

On the basis of our work, as described in the previous paragraph, the information contained in the consolidated management report is consistent with that of the consolidated annual accounts for the year ended 31 December 2023 and its content and presentation comply with applicable regulations.

Responsibility of the Controlling Company’s directors and of the audit committee for the consolidated annual accounts

The Controlling Company's directors are responsible for the preparation of the consolidated annual accounts attached so that they provide a true and fair view of the consolidated equity, financial position and results of the Group, in accordance with the regulatory financial reporting framework applicable to the Group in Spain, and of any internal control deemed necessary to prepare the consolidated annual accounts free of any material misstatement, due to fraud or error.

In preparing the consolidated annual accounts, the directors of the Controlling Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as appropriate, going concern matters and using the going concern accounting principle unless the directors intend to liquidate the Group or to cease operations, or there is no realistic alternative.

The audit committee of the Controlling Company is responsible for overseeing the process of preparing and presenting the consolidated annual accounts.

Auditor's responsibility for its audit of consolidated annual accounts

Our objectives are to obtain reasonable assurance that the consolidated annual accounts as a whole are free of any material misstatement, due to fraud or error, and to issue an audit report that includes our opinion.

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

As part of an audit in accordance with current regulations governing the auditing of accounts in Spain, we apply our professional judgment and remain professionally sceptical throughout the audit. Also:

- We identify and assess the risks of material misstatement in the consolidated annual accounts, due to fraud or error, design and perform audit procedures as a response to such risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than for a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, deliberate misstatements, intentional misrepresentations, or the circumvention of internal control.

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

- We assess the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Controlling Company's directors.

- We reach a conclusion on the appropriateness of how the Controlling Company's directors have used the going concern accounting principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to express a qualified opinion. Our conclusions are based on evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to be a going concern.

- We assess the overall presentation, structure and content of the consolidated annual accounts, disclosures included, and whether the consolidated annual accounts represent the underlying transactions and events in such a way as to provide a true and fair view.

- We obtain sufficient and appropriate evidence regarding financial information of the entities or business activities within the group to express an opinion on the consolidated annual accounts. We are responsible for the management, supervision and performance of the group’s audit. We are solely responsible for our audit opinion.

We communicate with the audit committee of the Controlling Company regarding, inter alia, the scope and scheduled timing of the audit and significant audit findings, as well as any significant deficiencies in internal control identified in the course of the audit.

We also provide the audit committee of the Controlling Company with a statement of compliance with applicable ethical and independence requirements, and have communicated with the audit committee to report matters that could reasonably threaten our independence and, where appropriate, related safeguards.

Among the issues that have been reported to the audit committee of the Controlling Company, we have identified those of greatest significance in our audit of the consolidated annual accounts for the current period and which, consequently, constitute key audit issues.

We describe these matters in our audit report unless legal or regulatory provisions prohibit us from publicly disclosing the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Additional report to the audit committee

The opinion expressed in this report is consistent with our additional report to the audit committee of the Controlling Company dated 14 March 2024.

Term of office

The Ordinary General Shareholders' Meeting held on 26 July 2022 appointed us as auditors for a three-year term, as of the year ended 31 December 2022.

AUREN AUDITORES SP, S.L.P.
Registered at the Official Register
of Chartered Accountants (ROAC) No. S2347

Original signed in Spanish by
Emilio Tornos Ramírez
ROAC Member No. 21653

March 14, 2024

Consolidated Financial Statements

Energy Solar Tech, S.A. and subsidiaries

Fiscal year 2023

Index

Consolidated balance sheet

ACTIVE	Reference	31/12/2023	31/12/2022
(A) NON-CURRENT ASSETS		59.444.392	20.539.583
Intangible fixed assets	Note 6	25.117.650	418.588
Goodwill	Note 6	24.915.079	350.774
Computer Software		140.066	35.175
Other intangible fixed assets		62.505	32.639
Property, plant and equipment	Note 7	33.128.609	11.063.743
Technical installations, machinery, tools, furniture and other fixed assets		29.172.950	7.520.412
Fixed assets under construction and advances		3.955.659	3.543.331
Long-term investments in Group companies and associates		-	8.351.782
Equity shares	Note 8	-	8.351.782
Long-term financial investments	Note 13	1.107.280	683.732
Equity Instruments		32.141	12.020
Other Financial Assets		1.075.139	671.712
Deferred tax assets	Note 16	90.853	21.738
(B) CURRENT ASSETS		30.066.737	9.297.217
Inventories	Note 9	8.531.258	1.240.350
Non-current trade and other current assets	Note 10, 13	10.721.971	987.411
Sales and service customers		9.922.868	637.904
Other debtors		5.855	-
Other credits with the Public Administrations	Note 16	793.248	349.507
Current financial assetss	Note 13	572.904	178.314
Other Financial Assets		440.761	178.314
Debt securities		132.143	-
Short-term accruals and accruals		57.025	-
Cash and cash equivalents	Note 11	10.183.579	6.891.142
TOTAL ASSETS (A+B)		89.511.129	29.836.800

The accompanying explanatory notes form an integral part of the consolidated balance sheet.

EQUITY AND LIABILITIES	Reference	31/12/2023	31/12/2022
(A) OWN FUNDS		47.436.382	24.219.630
Capital	Note 12	80.498	68.971
Share premium	Note 12	44.285.792	22.657.991
Reserves of consolidated companies	Note 12	1.061.883	(455.551)
Legal Reserve		13.794	1.727
Other Bookings		993.219	(474.219)
Consolidation Reserves		54.870	16.942
Own shares and equity holdings	Note 12	(635.954)	(275.010)
Profit for the year		2.836.496	2.223.228
Adjustments for change in value	Note 13	(188.302)	-
Conversion Diferencies		(84.907)	-
External Partners	Note 12	80.876	-
(B) NON-CURRENT LIABILITIES		17.565.064	2.531.976
Long-term provisions	Note 15	104.813	-
Long-term debts	Note 13	17.454.141	2.531.976
Debts to credit institutions		13.892.208	2.174.623
Other financial liabilities		3.561.933	357.353
Deferred tax liabilities		6.110	-
(C) CURRENT LIABILITIES		24.509.683	3.085.194
Short-term provisions	Note 15	36.210	21.038
Short-term debts	Note 13	6.173.559	759.713
Debts to credit institutions		2.905.007	416.607
Other financial liabilities		3.268.552	343.106
Trade Creditors and Other Payables	Note 14, 16	18.249.233	2.304.443
Suppliers		15.977.284	1.875.067
Miscellaneous creditors		658.921	75.433
Customer Advance		4.797	-
Personnel		718.324	2.192
Current tax liabilities		442.246	279.748
Other debts to public administrations		447.661	72.003
Short-term accruals and accruals		50.681	-
TOTAL EQUITY AND LIABILITIES (A+B+C)		89.511.129	29.836.800

The accompanying explanatory notes form an integral part of the consolidated balance sheet.

Consolidated Profit and Loss Statement

	Reference	2023	2022
Net turnover	Note 17	52.416.732	13.274.701
Revenues		4.851.355	305.787
Provision of services		47.565.377	12.968.914
Inventories change	Note 9	2.062.512	-
Work carried out by the company for its asset	Note 17	677.464	533.107
Supplies	Note 17	(33.676.357)	(8.751.545)
Consumption of goods		(9.631.069)	(8.510.929)
Consumption of raw materials and other consumables		(13.699.423)	-
Work carried out by other companies		(10.345.865)	(240.616)
Other Operating Income	Note 17	175.027	3.770
Personnel expenses	Note 17	(7.271.716)	(1.017.780)
Wages and salaries		(5.930.128)	(796.301)
Employer social security costs		(1.341.588)	(221.479)
Other operating expenses	Note 17	(4.841.454)	(1.029.898)
External services		(3.513.465)	(742.672)
Taxes		(1.019.223)	(4.200)
Losses, impairments and changes in provisions for commercial operations	Note 10	(306.553)	(282.287)
Other current management costs		(2.213)	(739)
EBITDA	Note 2	9.542.208	3.012.355
Depreciation of fixed assets	Note 6, 7	(3.899.667)	(395.705)
Impairment and profit or loss on disposals of fixed assets		(184.580)	(234.796)
Other results		(42.116)	112.439
OPERATING RESULT		5.415.845	2.494.293
Profit sharing (losses) of companies placed in equity	Note 8	8.555	51.758
Finance Income	Note 17	29.072	59
Finance Expenses	Note 13, 17	(1.197.915)	(113.788)
Conversion Differences	Note 17	(38.932)	56.084
Other financial results	Note 17	118.332	-
FINANCIAL RESULT		(1.089.443)	(57.645)
PROFIT BEFORE TAX		4.334.957	2.488.406
Income tax	Note 16	(1.473.785)	(265.178)
CONSOLIDATED PROFIT FOR THE YEAR		2.861.172	2.223.228
Profit attributable to the Parent Company		2.836.496	2.223.228
Result attributable to external partners		24.676	-

The accompanying explanatory notes form an integral part of the consolidated income statement.

Consolidated Statement of Recognized Income and Expenses

	Reference	2023	2022
(A) PROFIT OR LOSS OF THE CONSOLIDATED INCOME STATEMENT		2.861.172	2.223.228
Income and expenses charged directly to consolidated equity:		-	-
By Valuation of Financial Instruments		(251.069)	152.120
Financial assets at fair value through changes in equity	Note 13	(251.069)	152.120
Other Income/Expenses		-	-
By hedging cash flows		-	-
Grants, Donations and Bequests Received		-	-
For actuarial gains and losses and other adjustments		-	-
Non-current assets and related liabilities held for sale		-	-
Conversion Diferencies		(84.907)	-
Income tax impact	Note 13	62.767	-
(B) TOTAL INCOME AND EXPENSES CHARGED DIRECTLY TO CONSOLIDATED EQUITY:		(273.209)	-
Transfers to the consolidated profit and loss account:		-	-
By Valuation of Financial Instruments		-	-
Available-for-sale financial assets		-	-
Other Income/Expenses		-	-
By hedging cash flows		-	-
Grants, Donations and Bequests Received		-	-
Non-current assets and related liabilities held for sale		-	-
Conversion Diferencies		-	-
Income tax impact		-	-
(C) TOTAL TRANSFERS TO THE CONSOLIDATED INCOME STATEMENT:		-	-
TOTAL CONSOLIDATED INCOME AND EXPENSES RECOGNIZED		2.587.963	2.375.348
Consolidated income and expenses attributable to the Parent Company		2.587.963	2.375.348
Consolidated income and expenses attributable to external partners		-	-

The accompanying explanatory notes form an integral part of the consolidated statement of recognised income and expenditure.

Consolidated Statement of Changes in Equity

	Total Net Worth	Attributable to the shareholders of the Parent Company								External Partners
		Share capital	Share premium	Reserves	Consolidated Reserves	Own shares	Adjustments for change in value	Conversion diferencies	Results of the year	
Balance as of December 31, 2022	24.219.629	68.971	22.657.991	(472.493)	16.942	(275.010)	-	-	2.223.228	-
Total Recognized Income and Expenses	2.587.963	-	-	-	-	-	(188.302)	(84.907)	2.836.496	24.676
Other Changes in Equity	20.628.790	11.527	21.627.801	1.479.506	37.928	(360.944)	-	-	(2.223.228)	56.200
Capital increases (Note 12)	21.044.460	11.527	21.627.801	(594.868)	-	-	-	-	-	-
Transactions with treasury shares (net)	(422.188)	-	-	(61.244)	-	(360.944)	-	-	-	-
Increase (decrease) equity business combinations	56.200	-	-	-	-	-	-	-	-	56.200
Other Increases or Decreases	(49.682)	-	-	350	(50.032)	-	-	-	-	-
Distribution of results	-	-	-	2.135.268	87.960	-	-	-	(2.223.228)	-
Balance as of December 31, 2023	47.436.382	80.498	44.285.792	1.007.013	54.870	(635.954)	(188.302)	(84.907)	2.836.496	80.876

	Total Net Worth	Share capital	Share premium	Reserves	Consolidated Reserves	Own shares	Adjustments for change in value	Conversion diferencies	Results of the year	External Partners
Balance as of December 31, 2021	5.858.825	8.636	6.080.805	(461.341)	19.846	-	-	-	210.879	-
Total Recognized Income and Expenses	2.223.228	-	-	-	-	-	-	-	2.223.228	-
Other Changes in Equity	16.137.576	60.335	16.577.186	(11.152)	(2.904)	(275.010)	-	-	(210.879)	-
Capital increases (Note 12)	16.260.563	60.335	16.577.186	(376.958)	-	-	-	-	-	-
Transactions with treasury shares (net)	(122.890)	-	-	152.120	-	(275.010)	-	-	-	-
Other Increases or Decreases	(97)	-	-	-	(97)	-	-	-	-	-
Distribution of results	-	-	-	213.687	(2.807)	-	-	-	(210.879)	-
Balance as of December 31, 2022	24.219.629	68.971	22.657.991	(472.493)	16.942	(275.010)	-	-	2.223.228	-

The accompanying explanatory notes form an integral part of the consolidated statement of changes in equity

Consolidated Statement of Cash Flows

(Expressed in euros)	Reference	2023	2022
Profit before tax for the year		4.334.957	2.488.406
Adjusting the Result		5.611.289	735.460
Depreciation of fixed assets	Note 6, 7	3.899.666	395.705
Valuation changes for impairment		306.553	282.287
Profit or loss from retirements and disposals of fixed assets		184.580	234.796
Financial Income	Note 17	(38.127)	(51.817)
Financial Expenses	Note 17	1.197.915	113.788
Exchange Differences	Note 17	38.932	(56.084)
Other income and expenses		21.768	(183.215)
Changes in current capital		1.275.480	204.658
Inventories	Note 9	(814.225)	(1.089.120)
Accounts receivable and other accounts receivable	Note 10	(1.972.641)	(61.653)
Other current assets	Note 13	(152.086)	(166.336)
Accounts payable and other accounts payable	Note 14	4.043.066	1.403.737
Other current liabilities	Note 13	171.366	118.030
Other cash flows from operating activities		(3.335.575)	(113.729)
Interest Payments		(923.654)	(113.729)
Interest charges		27.279	59
Receipts/Payments, Income Taxes		(2.439.199)	-
CASH FLOW FROM OPERATING ACTIVITIES		7.886.152	3.314.795
Investment Payments		(39.487.318)	(15.721.087)
Payments for investments in intangible assets	Note 6	(168.269)	(337.118)
Payments for investments in property, plant and equipment	Note 7	(3.384.272)	(6.118.445)
Payments for investments in financial assets	Note 13	(35.866.465)	(8.626.792)
Payments for investments in other assets	Note 13	(68.312)	(638.732)
Divestment Expenses		504.077	92.644
Charges for investments in financial assets	Note 13	504.077	92.644
CASH FLOW FROM INVESTING ACTIVITIES		(38.983.242)	(15.628.443)
Issuance of equity instruments	Note 12	21.639.327	14.663.311
Issuance of Loans and other payables	Note 13	6.474.839	2.300.000
Issuance of debts with related entities		105.090	-
Issuance of other debts	Note 13	5.782.517	120.000
Repayment and repayment of Loans and other payables		(3.871.029)	(52.228)
Repayment and amortization of debts with Group companies and associates		(553.075)	(122.611)
Repayment and repayment of other debts		-	(120)
CASH FLOWS FROM FINANCING ACTIVITIES		29.577.670	16.908.352
Effect of changes in exchange rates		(6)	56.084
Effects of change in the scope of consolidation		4.811.856	-
Net change in cash or cash equivalents		(1.519.420)	4.650.788
CASH OR CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		6.891.142	2.240.354
CASH OR CASH EQUIVALENTS AT THE END OF THE YEAR		10.183.579	6.891.142

The explanatory notes are an integral part of the consolidated statement of cash flows.

Explanatory notes to the consolidated financial statements

Nota 1. Introduction & Overview

Energy Solar Tech, S.A., with NIF A-88607841 [hereinafter the Parent Company, or the Company] is the parent company of a Group formed by it and five subsidiaries. The parent company and its subsidiaries make up the Energy Solar Tech Group [hereinafter referred to as the Energy Solar Tech Group or Group]. The Company's registered office is at Calle Ruso, 18, in Las Rozas de Madrid (Madrid). The parent company was incorporated on February 18, 2020 by means of a public deed.

On December 31, 2020, Energy Solar Tech, S.A., acquired 100% of the capital of Agais Servicios Energéticos, S.L.U. On October 27, 2022, it acquired 100% of the capital of the company Utusol Beta, S.L.U. On December 5, 2022, it acquired 49% of the capital of the company Parque Eólico Valdelugo, S.L., a company in which it increases its stake to 98% on January 15, 2023. On March 3, 2023, it acquired 100% of the capital of the company Sarpel Ingeniería, S.LU. This subsidiary, in turn, has a direct 100% stake in the company Sarpel Ingeniería Chile, SPA.

The breakdown of the companies belonging to the Group is as follows:

Society	Domicile	Activity	Consolidation Method Applied	% Direct Participation	
				2023	2022
Agais Servicios Energéticos, S.L.U.	Madrid: C/ Ruso 18 Las Rozas	Electric Power Trading	Global Integration	100%	100%
Utusol Beta, S.L.U.	Madrid: Avda. General Perón 36	Electrical energy production	Global Integration	100%	100%
Parque Eólico Valdelugo, S.L.	León: Avda. Gómez Nuñez 2 Ponferrada	Electrical energy production	Global Integration	98%	49%
Sarpel Ingeniería, S.L.U.	A Coruña: C/Arquímedes 12	Engineering	Global Integration	100%	-
Sarpel Ingeniería Chile, SPA	Santiago de Chile: Av. Apoquindo 3600	Engineering	Global Integration	100%	-

In the 2023 financial year, all the companies described above are consolidated using the global integration method from the dates indicated for the acquisition of control. In the 2022 financial year and until the date of the acquisition of control, the company Parque Eólico Valdelugo, S.L., was integrated into the consolidated by the equity method since December 5, 2022. See details in Notes 5 and 8.

The Group's functional currency is the euro.

Nota 2. Basis for Presentation of Consolidated Financial Statements

a) Faithful image

The consolidated financial statements have been prepared by the Board of Directors of the parent company in such a way as to give a true and fair view of the consolidated equity and consolidated financial position of the Company and subsidiaries as of December 31, 2023 and of the consolidated financial performance, its consolidated cash flows and changes in consolidated equity for the year ended on that date.

These financial statements, prepared by the Company's Board of Directors at the meeting held on March 13, 2024, are prepared on the basis of the individual records of the Company and its dependents, which, together with the Company, make up the Energy Solar Tech Group. Each company prepares its financial statements following the accounting principles and criteria in force, specifically RD 1515/2007, the Resolution of 26/02/2016 of the DGRN and the Capital Companies Law, as they are all national companies.

The historical cost approach has been used for the preparation of these consolidated financial statements, except for financial assets measured at fair value through change in other comprehensive income, financial assets measured at fair value through profit or loss, and other financial instruments measured at fair value through profit or loss. The aforementioned consolidated financial statements are expressed in euros, which is the functional and presentation currency of the parent company.

b) Principles of Consolidation

The consolidated financial statements have been prepared using the comprehensive integration method for all subsidiaries over which the parent has control.

In the consolidation process, the investment of the parent company with the corresponding percentage of equity of its subsidiaries has been eliminated, assigning the differences that have arisen, as far as this was feasible, to the assets and liabilities of the companies whose fair value at the time of the first consolidation has differed from the record in the books. The remaining amounts, if any, have been charged to consolidation goodwill or to negative consolidation reserve.

The Group's member companies apply essentially the same accounting policies in their individual financial statements and close their fiscal year as of December 31, 2023. Reciprocal balance sheet and profit and loss balances, as well as significant unrealised margins, have been eliminated.

c) Comparison of information and main variations in the scope of consolidation

In accordance with commercial law, the accounting policies applied in the preparation of the annual accounts for the financial year 2023 are consistent with those used in the preparation of the annual accounts for the financial year 2022 that are presented for comparative purposes.

Likewise, the structure and content of the documents that make up the consolidated financial statements are in accordance with the models approved by regulation and have not been modified with respect to the previous year.

d) Accounting Principles

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles and valuation standards described in note 4 to these explanatory notes. There is no mandatory accounting principle that has been discontinued.

e) Critical Aspects of Uncertainty Assessment and Estimation

There are no significant changes in any accounting estimates that affect the current or future years of the Group.

The Group's management is not aware of any uncertainties that may cast doubt on the possibility of the company continuing to function normally.

Estimates, such as the useful life of tangible and intangible assets, have been used to measure these consolidated financial statements. At the same time, estimates have been made of the fair value, value in use and present value of the financial instruments.

Although these estimates have been made based on the best information available to date on the facts analysed, it is possible that events that may take place in the future will require them to be modified (upwards or downwards) at the end of the 2023 financial year or in subsequent years; This would be done, if necessary, prospectively, recognising the effects of the change in estimate in the consolidated profit and loss account for the years concerned.

f) Grouping of games

In order to facilitate the understanding of the consolidated balance sheet, the consolidated profit and loss account, the statement of changes in consolidated equity and the consolidated statement of cash flows, certain headings are presented in a grouped manner, and the analyses required are presented in the sections corresponding to these explanatory notes.

g) Changes in Accounting Criteria

In the preparation of these consolidated financial statements, there have been no changes in the accounting criteria with respect to the 2022 financial year.

h) Bug fixes

No existing errors have been detected as of December 31, 2023 that would require a restatement of the consolidated financial statements, if events occurring after closing were detected, which could advise adjustments in the estimates as of December 31, 2023, they would be commented on in their corresponding sections.

i) Going concern

There is no uncertainty regarding the normal functioning of the Group, nor that there is any indication that a bankruptcy process may arise from the going concern principle.

j) Alternative Measures of Performance

The Group's management uses a number of measures for decision-making, as it considers that they provide useful information to assess the Group's performance, solvency and liquidity. These measures should be evaluated together.

Earnings Before Interest, Taxes Depreciation and Amortization.

Operating income before interest, taxes, amortization, and depreciation (hereinafter, EBITDA) is a financial indicator of gross operating profit, which shows the evolution of the business's own operations, excluding non-ordinary impacts that could alter the comparability of the periods.

By dispensing with financial and tax magnitudes, as well as accounting expenses that do not entail cash outflows, it is used by management to evaluate the company's results over time

The following table details the Company's EBITDA for 2023 and 2022:

	2023	2022
EBITDA	9.542.208	3.012.355

Debt Indicators

Net financial debt is calculated by the group considering debts, provided that they have a financial component, deducting short-term financial assets and cash and cash equivalents.

The following table details the reconciliation between gross financial debt according to the consolidated statement of financial position and net financial debt, at the end of the 2023 and 2022 financial years.

	2023	2022
Long-term debts	17.454.141	2.531.976
Short-term debts	6.173.559	759.713
Non-financial debt	(6.000.000)	-
Gross Financial Debt	17.627.700	3.291.689
Current financial assetss	(572.904)	(178.314)
Cash and cash equivalents	(10.183.579)	(6.891.142)
Net financial debt	6.871.217	(3.777.767)

Regarding the above indicator of net financial debt, the group's management uses the ratio of net financial debt to equity and EBITDA for its evaluation:

Ratios	2023	2022
DFN on Equity	0,14	-0,15
DFN on EBITDA	0,72	-1,25

Nota 3. Proposal for the distribution of results

During the 2022 financial year, the Universal General Meeting of shareholders of Energy Solar Tech, S.A. agreed to distribute the result charged to reserves. The proposed distribution of results for the 2023 financial year for the parent company Energy Solar Tech, S.A., which amounted to 1,356,399 euros, will be approved by the General Meeting of Shareholders of Energy Solar Tech, S.A. on April 16, 2024, with the following distribution basis:

	2023	2022
Profit and loss account balance	1.356.399	2.163.257
Application		
A legal reservation	2.306	12.067
To voluntary reserves	1.354.093	2.151.190

Nota 4. Registration and Valuation Standards

The accounting criteria applied in relation to the different items are as follows:

Intangible fixed assets

The different intangible fixed assets are recognized as such because they meet the definition of assets and the accounting recording or recognition criteria contained in the Conceptual Framework of Accounting. In addition, they meet the criterion of identifiability, since they are separable elements arising from legal or contractual rights, regardless of whether those rights are transferable or severable.

Intangible fixed assets are valued at their cost, whether this is the acquisition price or the cost of production, without prejudice to the provisions of the specific rules on this type of fixed assets.

Indirect taxes levied on intangible fixed assets have only been included in the acquisition price or cost of production when they have not been recoverable directly from the Treasury.

Depreciation has been established in a systematic and rational manner based on the useful life of intangible fixed assets and their residual value, considering the depreciation they have normally suffered due to their operation, use and enjoyment, without prejudice to also considering the technical or commercial obsolescence that could affect them. Where valuation changes have been recognized, the depreciation of impaired fixed assets for subsequent years has been adjusted, considering the new carrying amount.

	Years of estimated useful life
Computer Software	3
Goodwill	10
Patents and trademarks	10

An impairment loss on an intangible fixed asset occurs when its carrying amount has exceeded its recoverable amount.

There are no intangible fixed assets with an indefinite useful life in the Group's balance sheets.

Consolidation Business and Goodwill Combinations

Business combinations in which a company acquires control of one or more businesses through the merger or spin-off of several companies or through the acquisition of all the assets of a company or a part constituting one or more businesses, are recorded by the acquisition method, which involves accounting, at the date of acquisition, the identifiable assets acquired and the liabilities assumed at their fair value, provided that this can be reliably measured.

The difference between the cost of the business combination and the value of the identifiable assets acquired minus the value of the liabilities assumed is recorded as goodwill, if it is positive, or as income in the profit and loss account, if it is negative.

Business combinations for which the valuation process required to apply the acquisition method has not been completed at the year-end date are accounted for using provisional values. These values must be adjusted within a maximum period of one year from the date of acquisition. Any adjustments that are recognized to complete the initial posting are made retroactively, so that the resulting values are those that would have been derived if the information had been initially available, thus adjusting the comparative figures.

In accordance with Rule 2a of Article 46 of the Commercial Code, goodwill represents the positive difference between the carrying amount of the shareholding of the companies of the subsidiary Group and the value attributable to such shareholding of the fair value of the assets acquired and the liabilities assumed in accordance with Recording and Valuation Standard 19a of the General Chart of Accounts.

In accordance with Royal Decree 602/2016 of 2 December 2016, amending the General Chart of Accounts approved by Royal Decree 1514/2007 of 16 November 2007 and the Rules for the Preparation of Consolidated Financial Statements approved by Royal Decree 1159/2010 of 17 September, goodwill will be amortized during its useful life. The useful life shall be determined separately for each cash-generating unit to which goodwill has been allocated, it being assumed, in the absence of proof to the contrary, that the useful life is ten years and that its recovery is linear.

Impairment adjustments recognised in consolidation goodwill are not subject to reversal in subsequent years.

Property, plant, and equipment

Property, plant, and equipment has been valued at cost, either the purchase price or the cost of production, without prejudice to the provisions of the specific rules on this type of fixed assets.

Indirect taxes levied on property, plant and equipment have only been included in the purchase price or cost of production when they have not been recoverable directly from the Treasury.

The initial estimate of the present value of the obligations assumed arising from the dismantling or retirement and other associated obligations, such as rehabilitation costs, have also been included as part of the value of property, plant, and equipment, provided that these obligations have given rise to the recording of provisions.

In the case of property, plant and equipment that have required a period of more than one year to be in working condition, the acquisition price or cost of production has included the financial expenses that have accrued before the commissioning and that have been drawn by the supplier or correspond to some type of external financing attributable to the acquisition. fabrication or construction of the asset. Depreciation has been established in a systematic and rational manner based on the useful life of property, plant and equipment and their residual value, considering the depreciation that they have normally suffered due to their operation, use and enjoyment, without prejudice to also considering the technical or commercial obsolescence that could affect them. When valuation changes have been recognized, they have been adjusted to the depreciation of the impaired fixed assets in subsequent years, considering the new carrying amount.

	Years of estimated useful life
Technical installations	25
Machinery & Tooling	4 -10
Furniture, fixtures and computer equipment	4 -10
Other Immobilized	4 -10

An impairment loss on property, plant and equipment occurs when it carrying amount has exceeded its recoverable amount. The impairment adjustment and its reversal have been recognized as an expense or income, respectively, in the income statement. The limitation of the reversal of impairment was the carrying amount of the fixed assets that would have been recognised on the reversal date if the impairment had not been recorded.

The costs of renovating, expanding, or improving property, plant and equipment have been incorporated into the asset as a higher value of the asset to the extent that they have led to an increase in capacity, productivity or extension of its useful life, and the book value of the items that have been replaced has been written off.

In determining the amount of property, plant and equipment, the incidence of costs related to major repairs has been considered. The amount equivalent to these costs has been amortized differently from the rest of the item during the period leading up to the major repair. When carrying out a major repair, its cost has been recognised in the carrying amount of the fixed assets as a replacement, provided that the conditions for its recognition have been met.

The Group did not sign any financial lease agreements during the year.

Financial assets and liabilities

Financial assets have been considered to consist of cash, equity instruments of other companies or contractual rights to receive cash or another financial asset. Contractual rights to exchange financial assets or liabilities with third parties on potentially favorable terms have also been included.

Financial assets, for the purposes of their valuation, have been classified into the following categories:

- Financial assets at amortised cost: this category of financial assets includes, on the one hand, receivables from commercial operations, arising from the sale of goods and the provision of services for traffic operations and, on the other hand, other financial assets which, not being equity instruments or derivatives, have no commercial origin and their receipts are of a determined or determinable amount. The financial assets included in this category have initially been measured at cost, which is equal to the fair value of the consideration paid plus transaction costs.
- Financial assets held for trading: This section includes financial assets that have been originated or acquired for the purpose of short-term sale, or financial assets that are part of a portfolio of financial instruments for the purpose of short-term gains. Derivative financial instruments without a financial collateral contract and without designation as a hedging instrument have also been included. These financial assets have been measured at cost, which is equivalent to the fair value of the consideration paid.
- Financial assets at cost: this category includes investments in the equity of Group companies, multi-group companies and associates, as well as other equity instruments not included in the category of "Financial assets held for trading". These financial assets have initially been measured at cost, i.e. the fair value of the consideration delivered plus any transaction costs directly attributable to it.

Liabilities that have entailed a contractual obligation, directly or indirectly, to deliver cash or another financial asset, or to exchange financial assets or liabilities with third parties under potentially unfavorable conditions, or that give the holder the right to demand redemption from the issuer on a certain date and for a specified amount, have been classified as financial.

Financial liabilities, for the purposes of their valuation, have been classified into the following categories:

- Financial liabilities at amortized cost: debits for commercial transactions, which have originated in the purchase of goods and services for traffic operations, and debits for non-commercial operations, which, not being derivative instruments, have no commercial origin. These financial liabilities were initially measured at cost, which is the fair value of the consideration received adjusted for directly attributable transaction costs.
- Financial liabilities held for trading: this section includes derivative financial instruments, provided that they are not financial collateral contracts, nor have they been designated as hedging instruments. These financial liabilities were initially measured at cost, which is the fair value of the consideration received adjusted for the transaction costs directly attributable to them.

The criteria used to determine the existence of an impairment have been different depending on the category of each financial asset:

- Financial assets at amortised cost: at least at the end of the year, the existence of some objective evidence has been verified that the value of a financial asset or a group of financial assets with similar risk characteristics has deteriorated as a result of one or more events that have occurred after its initial recognition and that have caused a reduction in estimated future cash flows. The impairment loss on these financial assets has been the difference between the carrying amount and the present value of the future cash flows that are estimated to be generated. Where appropriate, the present value of cash flows has been replaced by the quoted value of the asset, provided that this has been sufficiently reliable. Impairment adjustments, as well as their reversal, have been recognized as an expense or income in the income statement.
- Financial assets held for trading: after their initial valuation, these types of assets have been measured at their fair value, without deducting any transaction costs that may be incurred in their disposal. Any changes that may have occurred in fair value have been charged to the profit and loss account for the year.
- Financial assets at cost: at least at the end of the financial year, the existence of some objective evidence has been verified that the carrying amount of an investment has not been recoverable. The amount of the valuation changes was the difference between the carrying amount and the recoverable amount. Impairment adjustments and their reversal have been recorded as an expense or income in the income statement for the year.

Financial assets, or part thereof, are derecognized when contractual rights have been terminated or assigned, provided that the assignor has divested itself of the risks and benefits inherent in the ownership of the asset. In the case of divestiture transactions in which the financial asset has not been derecognized, a financial liability derived from the amounts received has also been recorded.

Regarding financial liabilities, they have been derecognized when the obligation has been extinguished. The company's own financial liabilities have also been written off, albeit with the intention of relocating them in the future. The difference between the carrying amount of the financial liability and the consideration paid, including attributable transaction costs, has been recognised in the profit and loss account for the period in which it occurred.

Investments that have complied with the requirements set out in Rule 11 of the preparation of consolidated financial statements have been included in the category of investments in Group companies, multi-group companies and associates. These types of investments have been initially recorded at cost and subsequently also at cost, minus, where applicable, the cumulative amount of impairment adjustments.

At least at the end of the financial year, the necessary valuation changes have been made, provided that there has been objective evidence that the carrying amount of an investment will not be recoverable. The amount of the valuation changes will be the difference between it carrying amount and the recoverable amount. Impairment adjustments and, where applicable, their reversal, have been recorded as an expense or an income, respectively, in the profit and loss account. The limitation of the impairment reversal is the carrying amount of the investment that would have been recognized on the reversal date if the impairment had not been recorded.

Interest and dividends on financial assets accrued after the time of acquisition have been recognized as income in the income statement. Interest has been recognised using the effective interest rate method and dividends when the shareholder's right to receive it has been declared.

The financial instruments included in an insolvency proceeding, with the date of the order, and under favorable conditions that allow their timely compliance to be visualized, are valued considering whether the credits/debts subject to the insolvency proceedings have undergone significant changes.

Those in which the present value of the cash flows pending collection/payment after applying, the haircut and waiting clauses contained in the agreement, suffer changes of at least 10% of their amount, on the credit/debt existing before the agreement, are registered, cancelling the previous one and taking the differences, against the new account, "Financial expenses/income derived from creditors' arrangements".

In cases where the difference between the present value of the cash flows of the new debt/credit, including expenses and fees, and the present value of the original cash flows, differ by less than 10%, they are recorded, triggering the corresponding income/expense, adjusting the value of the original debt/credit.

Equity instruments

The amount of equity instruments has been recorded in equity as a change in equity. Expenses arising from transactions with equity instruments (capital increases) have been recorded against equity as less reserves.

Inventories

The goods and services in the inventory have been valued at their cost, either the purchase price or the cost of production. The purchase price has included the amount invoiced by the seller after deducting any discounts, price reductions or other similar items, as well as interest incorporated into the nominal amount of the debits, and any additional expenses incurred until the goods are located for sale have been added.

In inventories that have required a period of more than one year to be in a position to be sold, financial expenses have been included in the purchase or production price, as indicated in the section on property, plant and equipment included in this report.

Where value has had to be assigned to individual goods that are part of an inventory of interchangeable goods, the weighted average price or average cost method has generally been adopted. The FIFO method has also been accepted.

When the net realisable value of inventories has been lower than their purchase price or cost of production, the appropriate valuation changes have been made and recognised as an expense in the profit and loss account.

If the circumstances that caused the adjustment in the value of inventories cease to exist, the amount of the correction is reversed by recognising it as income in the profit and loss account.

The costs incurred corresponding to milestones in the execution of works, including the margin associated with the degree of progress estimated with the best available information at the end of the year, not invoiced and included in the different contracts for the provision of services that are maintained with customers, and that are in the process of execution, are accounted for as inventories of work in progress. The completion of each performance milestone set out in the contracts is the point at which control of the assets is deemed to be transferred. For this purpose, control of the asset (project) is transferred to the client at that time because:

- The client assumes the significant risks and rewards inherent in owning the asset.
- Physical possession of the asset has been transferred to the client.
- The client has received (accepted) the asset in accordance with the contractual specifications.
- You have a right to collect for transferring the asset.
- The customer has ownership of the asset.

Transactions in foreign currency

The initial valuation of transactions in foreign currency has been carried out by applying the exchange rate used in transactions with immediate delivery, between both currencies, on the date of the transaction, to the amount in foreign currency. An average exchange rate for the period (as a monthly maximum) has been used for all transactions that have taken place during that interval.

For the subsequent valuation of transactions in foreign currency, three main categories have been distinguished:

- Monetary items: At the end of the year, they have been valued by applying the closing exchange rate. Exchange differences, both positive and negative, that have arisen have been recognised in the profit and loss account for the year in which they arise.
- Non-cash items valued at historical cost: These have been valued using the exchange rate of the transaction date. When an asset denominated in foreign currency has been depreciated, the depreciation provisions have been calculated on the amount in functional currency by applying the exchange rate on the date on which it was initially recorded. The valuation thus obtained has in no case exceeded the amount recoverable at each subsequent closing.
- Non-cash items measured at fair value: They have been measured at the exchange rate on the date of determination of the fair value, with any exchange differences included in gains or losses arising from changes in valuation being recorded in profit or loss.

Taxes on profits

The income tax expense represents the sum of the income tax expense for the year, as well as the effect of changes in assets and liabilities for anticipated taxes, deferred taxes, and tax credits.

The income tax expense for the year is calculated by the sum of the current tax resulting from the application of the tax rate on the taxable base for the year, after applying the deductions that are admissible for tax purposes, plus the change in assets and liabilities for anticipated/deferred taxes and tax credits, both for negative tax bases and for deductions.

In general, a deferred tax liability is recognized for all taxable temporary differences, unless they arose from the initial recognition of goodwill, the initial recognition of an asset or liability in a transaction that is not a business combination, and also did not affect either the accounting result or the taxable income of the tax or investments in subsidiaries. associates and joint ventures provided that the investor has been able to control the timing of the reversal of the difference and further, it has been likely that such difference will not reverse in the foreseeable future.

Deferred tax assets are recognized as such to the extent that it is likely that future taxable gains will be available that would allow the application of these assets. If the above condition is met, in general terms it is considered a deferred tax asset when: there are deductible temporary differences, rights to be offset in subsequent years, tax losses, deductions and other unused tax advantages that remain pending tax application.

Deferred tax assets and liabilities are measured according to the tax rates expected at the time of their reversal, according to the regulations that are in force or approved and pending publication at the end of the year, and according to the way in which the recovery or payment of the asset or liability is rationally prevented.

Income and Expenses

Revenue has been recognized as a result of an increase in resources, and provided that the amount of revenue could be reliably determined. Expenses have been recognized as a result of a decrease in resources, and provided that their amount could also be reliably valued or estimated.

Revenue from the provision of services has been recognized when the result of the transaction can be reliably estimated, considering the percentage of performance of the service at the year-end date. Income from the provision of services has only been accounted for under the following conditions: when the amount of the income could be reliably measured, provided that the Company has received profits or returns from the transaction, and this transaction has been able to be reliably measured at the end of the year, and finally when the costs incurred in the provision of services, as well as those that remain to be incurred have been reliably assessed.

The method used during the year to determine the percentage of performance in the provision of services was the percentage of completion method.

Provisions and contingencies

Liabilities have been recognised as provisions which, in compliance with the definition and accounting recording criteria contained in the conceptual framework of accounting, have been found to be indeterminate with respect to their amount or the date on which they will be cancelled. The provisions have been determined by a statutory or contractual provision or by an implied or implied obligation.

Provisions have been measured at the year-end date at the present value of the best possible estimate of the amount necessary to cancel or transfer the obligation to a third party, with the adjustments arising from the updating of the provision being recorded as a financial expense as they have accrued. In the case of provisions with a maturity equal to or less than one year, no discount has been made.

Grants, Donations & Bequests

Non-refundable grants, donations and bequests have been initially accounted for as income directly charged to equity and will be recognised in the profit and loss account as income on a systematic and rational basis in a manner correlated with the expenditure arising from the grant, gift, or legacy, i.e. according to its purpose.

Grants, donations, and bequests of a monetary nature have been valued at the fair value of the amount granted, and those of a non-monetary nature have been valued at the fair value of the property received.

For the purposes of allocating to the profit and loss account, a distinction has been made between the following types of grants, donations, and bequests: when they have been granted to ensure a minimum return or to compensate for operating deficits, they have been charged as income for the year in which they were granted, unless they relate to future years. Where they have been granted to finance specific expenditure, they have been charged as expenditure in the same year in which the expenditure was incurred. When they have been granted to acquire assets or cancel liabilities, they have been charged as income for the year to the extent that the disposal took place or in proportion to the provision for depreciation made. Finally, when monetary amounts have been received without allocation to a specific purpose, they have been allocated as revenue for the year in which they were recognized.

Joint Ventures

A joint venture is considered to be an economic activity jointly controlled by two or more natural or legal persons; This includes joint ventures that do not manifest themselves through the incorporation of a company, or a permanent establishment such as temporary unions of companies and communities of property.

In the cases detailed in the preceding paragraph, the assets have been recorded in the balance sheet in the proportional part corresponding to them, depending on the percentage of participation, of the jointly controlled assets and the liabilities incurred jointly, as well as the assets subject to joint operation that are under their control, and the liabilities incurred as a result of the joint venture. In addition, the corresponding portion of the revenue generated, and expenses incurred by the joint venture has been recognized in the income statement.

Criteria Used in Related-Party Transactions

Transactions between companies in the same group, regardless of the degree of relationship between the participating group companies, have been accounted for in accordance with the general rules, i.e. at the initial time at fair value. In the event that the agreed price for a transaction has differed from the fair value, the difference has been recorded according to the economic reality of the transaction.

The subsequent valuation is carried out in accordance with the provisions of the relevant regulations.

Nota 5. Business Combinations

Parque Eólico Valdelugo, S.L.

On December 5, 2022, Energy Solar Tech, S.A. acquired 49% of the company Parque Eólico Valdelugo. S.L., whose main asset is an 18MW wind farm, which has been in operation since March 10, 2022, and in the solar hybridization phase through the installation of 16 MW of photovoltaic panels, the park being an asset with state-of-the-art technology and with 3.6MW General Electric generators capable of producing an average of 3,800 hours per year per MW installed. In addition, the hybridization planned for the third quarter of 2024 will generate an additional 1,500 hours per MW installed. Currently, the estimated wind energy production is 68,400,000 kWh and it is estimated that with the production of solar hybridization it will reach 24,000,000 kWh.

On January 15, 2023, it acquired an additional 49% of the company, acquiring control of the company by holding 98% of the share capital. From that date on, it is consolidated by the global integration method. At the end of the 2022 financial year, it was integrated using the equity method (see Note 8) as the Company held 49% of its share capital and did not exercise effective control.

The transaction allows the Company to become independent, to a certain extent, of the purchase of mains energy, stabilize its cost base and increase profitability by selling directly to the end customer. It is also a complementary source of generation since the solar curve is a positive diurnal parabola while the wind curve is a negative parabola (the result of the sum of both is a homogeneous production throughout the 24 hours of the day and reasonably stable throughout the 365 days of the year).

The consideration that the group's parent company, Energy Solar Tech, S.A., assumed for the acquisition of this company, amounts to an amount of €16,018,548, €8,300,024 for the first 49% acquired in 2022 and €7,718,524 for the second 49% acquired on January 15, 2023.

The following table summarizes the consideration, fair values of identifiable assets acquired, and liabilities assumed at the time of acquisition and goodwill:

Consideration	16.018.548
Property, plant and equipment	20.223.413
Long-term financial investments	644.728
Non-current trade and other current assets	830.191
Short-term accruals and accruals	30.347
Cash and cash equivalents	2.210.396
Long-term provisions	(104.813)
Long-term debts	(10.588.550)
Debts with companies of the Group and associated with l/p	(8.297.998)
Short-term debts	(828.456)
Debts with companies of the Group and associated with c/p	(51)
Trade Creditors and Other Payables	(1.291.722)
Fair Value of Net Assets	2.827.485
Reclassification of investment put into equivalence	60.314
Minority Interests	56.550
Goodwill (Note 6)	13.307.927

Sarpel Ingeniería, S.L.U.

On March 3, 2023, Energy Solar Tech, S.A., acquired 100% of the share capital of the company Sarpel Ingeniería, S.L.U., an engineering company with more than 30 years of experience in the energy sector.

This company has more than 120 employees and has carried out more than 5,000 projects, including the provision of engineering services and the construction of solar plants, wind farms, hydroelectric plants, cogeneration plants, biomass plants, electrical substations, and a multitude of energy engineering projects in the industrial and business fields. being an official supplier to some of the main IBEX 35 companies.

This integration will lead to additional improvements in efficiency and quality of management after the unification of engineering and operations resources under the same organization and leadership, which will significantly increase the quality of management, organization, processes, and operational tools.

The following table summarizes the consideration, fair values of identifiable assets acquired, and liabilities assumed at the time of acquisition and goodwill:

Consideration	19.574.843
Intangible fixed assets	19.497
Property, plant and equipment	606.977
Long-term financial investments	196.339
Deferred tax assets	15.750
Inventories	6.846.740
Non-current trade and other current assets	7.736.624
Current financial assetss	155.916
Cash and cash equivalents	2.413.139
Deferred tax liabilities	(39.160)
Short-term debts	(228.909)
Trade Creditors and Other Payables	(11.824.006)
Fair Value of Net Assets	5.898.907
Goodwill (Note 6)	13.675.936

Nota 6. Intangible fixed assets

The composition and movements of net intangible assets in 2023 and 2022 were as follows:

	31/12/2022	Registrations and endowments	Transfers	Business Combinations	31/12/2023
Gross intangible assets	455.381	27.152.131	(3.772)	90.563	27.694.303
Goodwill	378.763	26.983.862	-	-	27.362.625
Computer Software	43.979	138.403	(3.772)	90.563	269.173
Other intangible fixed assets	32.639	29.866	-	-	62.505
Accumulated depreciation	(36.793)	(2.471.713)	2.919	(71.066)	(2.576.653)
Goodwill	(27.989)	(2.419.557)	-	-	(2.447.546)
Computer Software	(8.804)	(52.156)	2.919	(71.066)	(129.107)
Net fixed assets Intangible balance	418.588	24.680.418	(853)	19.497	25.117.650

	31/12/2021	Registrations and endowments	Transfers	Business Combinations	31/12/2022
Gross intangible assets	118.263	337.118	-	-	455.381
Goodwill	118.263	260.500	-	-	378.763
Computer Software	-	43.979	-	-	43.979
Other intangible fixed assets	-	32.639	-	-	32.639
Accumulated depreciation	-	(36.793)	-	-	(36.793)
Goodwill	-	(27.989)	-	-	(27.989)
Computer Software	-	(8.804)	-	-	(8.804)
Net fixed assets Intangible balance	118.263	300.325	-	-	418.588

Fully depreciated items as of December 31, 2023 amount to a gross amount of €64,981, corresponding to computer software. As of December 31, 2022, there were no fully amortized items.

Goodwill

On January 15, 2023, control of 98% of the shares of the company Parque Eólico Valdelugo, S.L. was acquired, giving rise to a consolidation goodwill of 13,307,927 euros (See Note 5). As of December 31, 2023, the net value of the same amounts to 12,034,659 euros.

On March 3, 2023, 100% of the shares of the company Sarpel Ingenieria, S.L.U. were acquired, resulting in consolidation goodwill of 13,675,936 euros (See Note 5). As of December 31, 2023, the net value of the same amounts to 12,567,494 euros.

In addition, the heading includes the goodwill associated with Utusol Beta, S.L.U. for an amount of 230,142 euros, and Agais Servicios Energéticos for an amount of 82,784 euros.

Throughout 2023 and 2022, no impairment was recorded.

Nota 7. Property, plant and equipment

The composition and movements of net property, plant and equipment in 2023 and 2022 were as follows:

	31/12/2022	Registrations and endowments	Low	Transfers	Exchange Diferencies	Business Combinations	31/12/2023
Gross property, plant and equipment	**11.643.525**	**3.419.912**	**(589.697)**	**(589.576)**	**(1.822)**	**22.443.197**	**36.325.539**
Technical installations	7.968.747	968.820	(548.620)	1.609.516	-	21.352.960	31.351.424
Machinery & Tooling	26.389	53.330	(7.077)	(178.190)	(1.721)	732.931	625.662
Furniture and computer equipment	52.864	70.844	(1.099)	(138.361)	(101)	307.117	291.264
Transport items and other property, plant and equipment	52.194	26.077	-	(26.930)	-	50.189	101.530
Property, plant and equipment under construction	3.515.443	2.110.660	(32.901)	(1.637.542)	-	-	3.955.659
Advances for property, plant and equipment	27.888	190.181	-	(218.069)	-	-	-
Accumulated depreciation	**(579.782)**	**(1.427.954)**	**54.086**	**368.551**	**976**	**(1.612.807)**	**(3.196.930)**
Technical installations	(555.650)	(1.296.475)	48.110	28.027		(848.215)	(2.624.203)
Machinery & Tooling	(2.483)	(74.574)	(13.226)	177.973	886	(445.275)	(356.699)
Furniture and computer equipment	(12.582)	(39.359)	1.064	147.189	90	(275.509)	(179.107)
Transport items and other property, plant and equipment	(9.067)	(17.546)	18.138	15.362	-	(43.808)	(36.921)
Net property, plant and equipment	**11.063.743**	**1.991.958**	**(535.611)**	**(221.025)**	**(846)**	**20.830.390**	**33.128.609**

	31/12/2021	Registrations and endowments	Low	Transfers	Exchange Diferencies	Business Combinations	31/12/2022
Gross property, plant and equipment	6.028.362	6.598.661	(983.498)	-	-	-	11.643.525
Technical installations	4.127.773	2.999.866	(356.771)	1.197.879	-	-	7.968.747
Machinery & Tooling	3.552	22.837	-	-	-	-	26.389
Furniture and computer equipment	36.962	15.902	-	-	-	-	52.864
Transport items and other property, plant and equipment	21.825	30.369	-	-	-	-	52.194
Property, plant and equipment under construction	1.196.684	3.501.799	(29.625)	(1.153.415)	-	-	3.515.443
Advances for property, plant and equipment	641.566	27.888	(597.102)	(44.464)	-	-	27.888
Accumulated depreciation	(225.127)	(358.911)	4.256	-	-	-	(579.782)
Technical installations	(219.115)	(340.791)	4.256	-	-	-	(555.650)
Machinery & Tooling	(261)	(2.222)	-	-	-	-	(2.483)
Furniture and computer equipment	(3.079)	(9.503)	-	-	-	-	(12.582)
Transport items and other property, plant and equipment	(2.672)	(6.395)	-	-	-	-	(9.067)
Net property, plant and equipment	5.803.235	6.239.750	(979.242)	-	-	-	11.063.743

The most significant item under the heading Property, plant and equipment corresponds to technical installations. The significant increase in this item is mainly due to the takeover of Parque Eólico Valdelugo, S.L.U. (see Note 5), whose main facility corresponds to the 18 MW wind farm, which is owned by that company.

The group has taken out two insurance policies (Civil Liability Insurance and Flexible All Risk Property Damage Insurance) with Axa Seguros Generales, S.A. de Seguros y Reaseguros, to cover the risks to which the equipment of the Valdelugo Wind Farm that makes up the property, plant and equipment is subject. The coverage of these policies is considered sufficient. In addition, these facilities are affected by the loan agreement with Banco Sabadell, whose outstanding nominal value as of December 31, 2023 is 8,789,850 euros.

The rest of the significant items under this heading and the registrations for the period correspond mainly to energy efficiency equipment and elements installed in different projects. Each time the Group acquires a new energy outsourcing project, it has an installation period that varies depending on its characteristics. During this period, the Group records the acquisitions of fixed assets as property, plant, and equipment in progress, and once the project is in operation, a transfer is made to technical facilities.

Throughout 2023, the Group completed energy outsourcing projects that have been accounted for as technical installations, amounting to €2,542,447 (€4,186,126 in 2022), of which €1,637,542 were classified as fixed assets in progress and advances on fixed assets at the beginning of the year (€1,197,879 in the previous year).

During the year, there were cancellations due to sales of turnkey installations amounting to €23,901 (€29,625 in 2022).

Finally, the Group has had other registrations not associated with technical installations amounting to €114,610 (€69,107 in 2022), which have been recorded as transport elements, machinery and tools, furniture and information processing equipment and other property, plant, and equipment.

Fully depreciated items as of December 31, 2023 amount to a gross amount of €262,511, of which €147,127 correspond to machinery and tools, and €115,384 to furniture, computer equipment and other fixed assets. As of December 31, 2022, there were no fully amortized items.

Nota 8. Holdings in companies placed in equity

As of December 31, 2023, the Group has no holdings in companies placed in equity format. In the 2022 financial year, this heading recorded the investment for the acquisition of 49% of the share capital of the company Parque Eólico Valdelugo, S.L. On January 15, 2023, Energy Solar Tech, S.A. increased its stake to 98% of the share capital, obtaining control of the company (See Note 5), so it was integrated from that moment on by global integration.

The Group used 5 December 2022 as the date of first consolidation, recording the participation in companies by equity for a value of €8,300,024. The 49% profit for the year generated by the company from that date to December 31, 2022 was 51,758 euros, an amount recorded in the consolidated income statement for the year 2022 under the heading "Participation in profits (losses) of companies put in equity position". In addition, a profit of €8,555 has been recorded in the consolidated income statement for the 2023 financial year, corresponding to 49% of the company's profit or loss from 1 January 2023 to 15 January 2023, the date on which control was acquired and integrated using the global integration method.

The movement from the date of acquisition is as follows:

	Parque Eólico Valdelugo, S.L.
Beginning Balance	8.300.024
Profit sharing of companies put in equity	51.758
Balance as of 31/12/2022	8.351.782
Profit sharing of companies put in equity	8.555
Change of Consolidation Method	(8.360.337)
Balance as of 31/12/2023	-

Nota 9. Inventories

Given the activity of the Group's companies during the 2022 financial year, this heading included items mainly associated with the supply of materials related to photovoltaic installations, as well as other materials associated with installations in customers whose purpose is to generate energy savings in them. Additionally, in 2023, after the acquisition of the company Sarpel Ingeniería S.L.U., it also includes electrical material associated with the company's projects.

The breakdown of the 2023 and 2022 financial years under the heading Inventories in the accompanying consolidated financial statements is as follows:

	31/12/2023	31/12/2022
Inventories	8.531.258	1.240.350
Raw materials and other supplies	1.219.800	799.334
Ongoing Products	7.267.433	-
Advances to suppliers	44.025	441.016

Raw materials and supplies mainly include the materials associated with the facilities described above.

The change in the value of works in progress inventories, as defined in Note 4 of this report, which amounts to €2,062,512, is shown under the heading Change in inventories of finished products and products in process of manufacture in the profit and loss account. It corresponds entirely to the engineering activity.

The companies of the Group carry out a periodic analysis to calculate the value adjustments associated with inventories based on the following assumptions:

- Ageing deterioration, where percentages are used according to inventories turnover.
- Impairment due to excess inventories, based on estimated consumption in the coming years.

As of December 31, 2023 and December 31, 2022, the Group has not recorded inventory impairment.

The Group has taken out insurance policies that guarantee the recoverability of the net book value of inventories of raw materials and other consumable products.

Nota 10. Non-current trade and other current assets

As of December 31, 2023 and December 31, 2022, the breakdown of Trade receivables and other receivables in the consolidated financial statements is as follows:

	31/12/2023	31/12/2022
Trade Receivables	10.721.971	987.411
Business Customers	10.519.339	927.993
Personnel	5.855	-
Valuation changes for impairment	(596.471)	(290.089)
General government (Note 16)	793.248	349.507

There is no concentration of credit risk with respect to trade receivables, given that the Group has an increasing number of customers.

During the financial years 2023 and 2022, ordinary proceedings have been opened against commercial debtors for outstanding balances amounting to €306,553 and €282,297 respectively. In this case, the Group has provisioned part of the debt with these customers pending resolution as of December 31, 2023.

Nota 11. Cash and cash equivalents

These financial assets are recorded at fair value, which is essentially the same as their market value, mainly current accounts.

	31/12/2023	31/12/2022
Cash & Banks	10.183.579	6.891.142

The carrying amounts of the treasury of the companies of the Group are denominated in the following currencies:

	31/12/2023	31/12/2022
Cash and cash equivalents	10.183.579	6.891.142
Euros	9.087.717	6.891.142
Dollars	1.004.873	-
Chilean Peso	90.989	-

As of the date of these financial statements, the Group has granted formal and undrawn credit policies amounting to €5,175,000.

There are no restrictions on the availability of these balances.

Nota 12. Equity

a) Capital Risk Management

The Group's objectives in relation to the management of the capital of its companies are to safeguard the ability of the companies to continue with the "going concern principle", to ensure a return for the shareholders and to maintain an optimal capital structure and reduce its cost.

In order to maintain or adjust the capital structure, the Group could adjust the amount of dividends to be paid to shareholders, repay capital or issue new shares.

b) Equity attributed to the parent company

Amount of share capital

As of December 31, 2023, the share capital of Energy Solar Tech, S.A., is estimated at €80,498.364, represented by 26,832,788 ordinary shares with a par value of €0.003 each, fully paid up.

At the time of the incorporation of the Company, 6,000 shares were issued with a nominal value of 1 euro each. Subsequently, and according to the agreement reached by the Extraordinary General Meeting of Shareholders on August 20, 2020, there was a splitting of the number of shares into 600,000 shares with a nominal value of 0.01 euros each.

On August 21, 2020, a share capital increase took place with a monetary contribution, through the creation of 26,800 shares with a nominal value of €0.01 each and an share premium of €12.49 for each new share.

On November 6, 2020, a share capital increase took place with a monetary contribution, through the issuance of 117,925 shares with a nominal value of 0.01 euros each and an share premium of 13.36 euros for each new share. On the same day, there was a share capital increase by offsetting credits, through the issuance of 2,243 shares with a nominal value of €0.01 each and an share premium of €13.36 for each new share.

During the 2021 financial year, on 2 July, a new increase in the share capital took place, through the issuance of 116,667 shares with a nominal value of €0.01 each and an share premium of €38.81 in the general tranche, €36.48 in the 6% subsidised tranche, 32.12 euros in the institutional subsidised tranche, resulting in a total share premium of 4,140,628 euros.

On 3 December 2021, the capital was increased again by €507.11 through the issuance of 50,711 shares with a par value of €0.01 each and an share premium of €38.81 for each new share in a single tranche. The resulting total share premium is €1,968,094. This extension was registered on July 26, 2022.

During the 2022 financial year, on July 26, 2022, the nominal value of the shares was reduced, without altering the share capital figure (split) in any way. The nominal value of the shares went from having a nominal value of €0.01 to a value of €0.005 each, so the share capital went from being represented by 914,346 shares of €0.01 to 18,286,920 shares of €0.005.

On 27 September 2022, its capital was increased by €1,203.03 through the creation of 2,406,069 shares with a par value of €0.005 each, with a total assumption premium of €7,499,717, bringing the participation premium to €3,117.

On October 21, 2022, on October 21, 2022, the nominal value of the shares was increased from reserves without altering the number of shares. This increase meant an increase in the share capital figure of 51,732 euros. The nominal value of the shares went from a nominal value of €0.005 to a value of €0.003 each charged to reserves. The share capital went from being set at €10,346 to €62,079.

On December 19, 2022, the share capital was increased by the sum of €6,892.308 through the issuance of 2,297,436 shares with a par value of €0.003 each, bringing the participation premium to €3.117, with a total assumption premium of €7,161,108. The share capital was increased from €62,079 to €68,971.

On March 29, 2023, the share capital was increased by €5,523 through the issuance of 1,841,000 shares with a par value of €0.003 each, bringing the share premium to €5,437, with a total assumption premium of €10,009,517.

On April 18, 2023, the share capital was increased by the sum of €3,652 through the issuance of 1,217,456 shares with a par value of €0.003 each, bringing the share premium to €5,437, with a total assumption premium of €6,619,308.

On 3 August 2023, the share capital was increased by €2,352 through the issuance of 783,907 shares with a par value of €0.003 each, bringing the share premium to €6.377, with a total assumption premium of €4,998,975.

Own equity instruments

Treasury shares are limited to the context of the requirements of the contract with the Liquidity Provider. As of December 31, 2023 and December 31, 2022, Energy Solar Tech, S.A. held treasury shares, as detailed in the table below:

			Euros per share		
	Number of shares	Acquisition	Trading share	Market Value	%
Treasury shares 31/12/2022	51.500	3,12	5,34	275.010	0,22
Treasury shares 31/12/2023	137.059	3.12	4,64	635.954	0,48

During the year to 31 December 2023, transactions for treasury shares generated a negative result of €61,244 (€152,120.21 positive result in 2022).

Reserves

The reserve accounts show a positive balance of €1,061,883 (negative balance of €455,550 in 2022). In addition to the results of previous years, they include the expenses associated with the capital increases carried out by the company during the 2023 financial year and previous years, collected as voluntary reserves.

	31/12/2023	31/12/2022
Reserves	1.061.883	(455.550)
Legal Reserve	13.794	1.727
Consolidation Reserves	54.870	16.942
Other Bookings	993.219	(474.219)

External Partners

The heading of External shareholders includes the profit attributable to minority shareholders corresponding to 2% of the company Parque Eólico Valdelugo, S.L. amounting to 80,876 euros as of December 31, 2023.

Nota 13. Financial assets and liabilities

a) Financial Assets

Financial assets on December 31, 2023 and December 31, 2022 are classified into the following categories:

	Financial assets at amortised cost		Financial assets at fair value through P&L		Financial assets at cost	
Categories	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Non-current financial assets	-	-	73.477	18.411	1.033.803	665.321
Other Financial Assets (Surety Bonds)	-	-	41.336	-	1.033.803	665.321
Financial Investments in Equity Instruments	-	-	32.141	12.020	-	-
Current financial assets	132.143	-	440.761	178.314	20.112.302	7.529.046
Customers by sale and provision of services (Note 10)	-	-	-	-	9.928.723	637.904
Other Financial Assets	132.143	-	440.761	178.314	10.183.579	6.891.142

Other non-current financial assets mainly include guarantees amounting to €324,000 with Enerfia, S.L. (see Note 18). These guarantees are associated with those required by Red Eléctrica Española (REE) managed by the Official Market of Futures and Financial Options in Spain (MEFF) to operate in the activity of marketing electricity and the guarantees for energy demanded in the wholesale market before the Iberian Energy Market Operator (OMIE).

Other current financial assets mainly include the Group's treasury, which represents €10,183,579 (€6,891,142 in 2022). It also includes short-term bonds for access to and connection to energy distribution networks amounting to €121,040.00 (€158,120.00 in 2022).

b) Financial liabilities

The information on financial liabilities as of December 31, 2023 and December 31, 2022 is classified below into the following categories:

	Financial liabilities at amortised cost or cost		Hedging derivatives, other	
Categories	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Long-term financial liabilities	13.892.208	2.174.623	3.666.746	357.353
Long-term provisions (Note 15)	-	-	104.813	-
Debits and payables	13.892.208	2.174.623	-	-
Other financial liabilities	-	-	3.561.933	357.353
Short-term financial liabilities	2.905.007	416.607	20.664.087	2.316.836
Short-term provisions (Note 15)	-	-	36.211	21.038
Debts to credit institutions	2.905.007	416.607	-	-
Other Trade Receivables			17.359.324	1.952.692
Other financial liabilities	-	-	3.268.552	343.106

The breakdown of the main refinancing transactions with credit institutions as of 31 December 2023 and 31 December 2022 in nominal terms is as follows:

	Nominal Live				
Group Company / Description	Current Limit	31/12/2023	31/12/2022	Date of Signature	Expiration
Energy Solar Tech, S.A.		8.159.544	2.555.000		
Credit Policy		910.234	-	07/06/2023	30/06/2028
Institutional Loan		500.000	-	27/04/2023	27/04/2028
Bilateral Loans		2.422.716	-	04/10/2023	04/10/2028
Bilateral Loans		888.888	-	03/08/2023	10/08/2026
Bilateral Loans		1.272.288	-	03/02/2023	03/02/2028
Institutional Loans		833.334	1.000.000	16/02/2022	16/02/2027
Institutional Loans		833.334	1.000.000	10/11/2022	10/11/2027
Institutional Loans		243.750	300.000	20/01/2022	20/01/2027
Institutional Loan		255.000	255.000	07/10/2021	31/12/2027
Parque Eólico Valdelugo, S.L.		8.789.850			
Project finance		8.789.850	-	12/05/2021	30/06/2038

The project finance associated with the construction of the wind farm had an initial nominal amount of 14,000,000 euros. In December 2022, the early repayment of €2,000,000 was made. In June 2023, an additional €2,000,000 was repaid early. No amount is included in the column of December 31, 2022 given that the company has been integrated by global consolidation since the 2023 financial year.

These loans and other payables have generated financial expenses and interest amounting to €1,197,915, mainly associated with the project finance associated with Parque Eólico Valdelugo, S.L. (€113,788 in 2022).

The obligations assumed by Parque Eólico Valdelugo, S.L. by virtue of the Project Finance and the VAT credit agreement are explained below.

Among the obligations stipulated in the Project Finance contracts is the preparation of a statement of cash flow generation for the immediately preceding year, as well as the calculation of the Debt Service Coverage Ratio (DSCR) and the commitment to maintain it above certain limits. Throughout the life of the Loan, the company must comply with a DSCR of more than 1.05x per annum. In addition, the company undertakes to maintain the Equity/Credit ratio between 34.71/65.29, i.e. leverage must be less than 65.29%. Failure to comply with these financial ratios will be understood as a breach of contract for all purposes.

In order to comply with the requirements, set out in the previous financial transactions, the company has provided the following guarantees:

- Pledge of project contracts.
- Pledge of project account balances.
- Pledge of VAT account balances.
- Pledge of credit rights against the Treasury for VAT refunds.
- Mortgage security commitments on project assets and other commitments.
- Fulfilment of certain criteria for dividend distribution

Other financial liabilities include mainly debts owed to related parties (see Note 18). The breakdown is as follows:

- Globaltelco Franquicias, S.L. granted a loan to Energy Solar Tech, S.A. on July 1, 2020, for a nominal amount of 400,000 euros and a grace period of two years. As of December 31, 2023, the outstanding balance is €229,576, €330,776 as of December 31, 2022. In the 2023 financial year, an amount of 50,000 euros has been repaid early.
- Globaltelco Franquicias, S.L. granted a loan to Agais Servicios Energéticos, S.L.U. on October 29, 2020 for a nominal amount of 143,000 euros and a grace period until January 29, 2023. As of December 31, 2023, the outstanding balance is €121,196, €143,000 as of December 31, 2022.

  These debts with Globaltelco Franquicias, S.L. have generated interest amounting to €15,306 in 2023 (€36,808 in 2022).
- Debt for the purchase of the company Sarpel Ingeniería S.L.U. for an amount of 6,000,000 euros. The payment schedule for this amount is conditional on the achievement of EBITDA for the years 2023, 2024 and a final payment in 2026 conditional on the absence of tax, legal or labor contingencies in the preceding years.
- Erbienergía Inversiones, S.L. has granted a subordinated loan and a subordinated equity loan, associated with the conditions of the project finance. At the end of each period, the debt reflected includes the outstanding principal plus the accrued interest pending payment, which amount to €149,000 and €25,961 respectively. The amount of financial expenses accrued in the period amounted to 244,681 euros.

Of the total debts reflected in the balance sheets, there are none with collateral.

There are no late loans or loans defaulted prior to the date of preparation of the consolidated financial statements.

The amount of debts due in each of the following five years, and the remainder until maturity are detailed in the following table:

	2024	2025	2026	2027	More than 5	Total Long Term	Total
Short-term provision	36.210	-	-	-	104.813	104.813	141.023
Debts to credit institutions	2.905.007	2.963.758	2.525.024	1.959.416	6.444.009	13.892.207	16.797.215
Other debts	3.268.552	3.111.462	-	-	450.471	3.561.933	6.830.486
Trade Creditors and Other Payables	17.359.325	-	-	-	-	-	17.359.325
Suppliers	15.977.284	-	-	-	-	-	15.977.284
Miscellaneous creditors	658.920	-	-	-	-	-	658.920
Personnel	718.324	-	-	-	-	-	718.324
Customer Advances	4.797	-	-	-	-	-	4.797
Total	23.569.094	6.075.220	2.525.024	1.959.416	6.999.293	17.558.953	41.128.048

	2023	2024	2025	2026	More than 5	Total Long Term	Total
Short-term provision	21.038	-	-	-	-		21.038
Debts to credit institutions	416.608	821.882	808.871	473.684	70.185		2.591.230
Other debts	343.106	235.472	121.881	-	-		700.459
Trade Creditors and Other Payables	1.952.692	-	-	-	-		1.952.692
Suppliers	1.875.067	-	-	-	-		1.875.067
Other creditors	77.625	-	-	-	-		77.625
Total	2.733.444	1.057.354	930.752	473.684	70.185		5.265.419

Currently, the Group has guarantee lines for a total amount of €24,300,000, of which €7,639,333 were issued as of December 31, 2023. These are intended to cover customer advances, ensure compliance, and guarantee the operation of ongoing projects associated with engineering services.

Other financial liabilities include an amount of €275,509 corresponding to the fair value of a financial derivative, while other current financial assets contain €24,441 of fair value associated with the same instrument. In 2023, Parque Eólico Valdelugo has contracted a swap in order to partially cover the risk of variation in interest rates of the financing operation for the project loan of a nominal amount of 9,179,409 euros at the time of contracting. The initial notional amount of the contracted derivative amounts to €6,425,586, i.e. 70% of the nominal amount of the project finance loan. This is an interest rate swap whereby the company and the financial institution agree to exchange interest flows on nominal capital on a regular basis. During the duration of the loan, the company will pay a six-monthly fixed rate of 3.191%, while it receives from the bank a variable rate equal to the reference rate of the financing operation to be covered, the 6-month Euribor.

Short-term and long-term interest rates have been considered for the calculation of the fair value of the derivative. During the short term, the fixed rate agreed by the company is below the reference rate, thus obtaining an estimated positive amount of 24,440 euros, giving rise to a deferred liability of 25% of the amount of 6,110 euros. In the long term, it is estimated that the fixed rate agreed by the company will be above the reference rate, with a negative amount estimated at €275,509, with a deferred asset of 25% of the amount of €68,877.

The fair value of swaps is based on the market values of equivalent derivative financial instruments at the balance sheet date. All interest rate swaps are effective as cash flow hedges.

c) Financial Risk Management Policy

The purpose of the Group's Risk Management Policy is to establish the principles and guidelines to ensure that relevant risks that could affect the objectives and activities of the Energy Solar Tech Group are identified, analyzed, evaluated, managed and controlled, and that these processes are carried out systematically and with uniform criteria.

The main guidelines, contained in this policy, can be summarized as follows:

- Risk management must be fundamentally anticipatory, also oriented to the medium and long term and taking into account the possible scenarios in an increasingly globalized environment.
- In general, risk management should be carried out with criteria of coherence between the importance of the risk (probability/impact) and the investment and means necessary to reduce it.
- The management of financial risks should be aimed at avoiding undesired variations in the Group's fundamental value, not aimed at obtaining extraordinary profits.

The Group's financial managers are responsible for managing financial risks, ensuring their coherence with the Group's strategy, and coordinating their management in the different companies, identifying the main financial risks and defining actions on them based on the establishment of different financial scenarios.

The methodology for identifying, measuring, monitoring, and controlling these risks, as well as the management indicators and the specific measurement and control tools for each risk, are implemented in the Group's Comprehensive Risk Management System.

Nota 14. Trade Creditors and Other Payables

The breakdown of this heading of the consolidated financial statements as of December 31, 2023 and December 31, 2022 is as follows:

	31/12/2023	31/12/2022
Trade Creditors and Other Payables	18.249.233	2.304.443
Suppliers	15.977.284	1.875.067
Miscellaneous creditors	658.921	75.433
Personnel	718.324	2.192
Current tax liabilities (Note 16)	442.246	279.748
Other debts owed to general government (Note 16)	447.661	72.003
Customer Advances	4.797	-

The Suppliers heading corresponds to amounts pending due for the purchase of goods and services for traffic operations, mainly debts arising from construction work associated with ongoing engineering and outsourcing projects, as well as the purchase of energy.

Customer advances are all amounts received for ongoing engineering projects.

Information on the average period of payment to suppliers. Third Additional Provision. "Duty of information" of Law 15/2010, of 5 July

The Resolution of January 29, 2016, of the Institute of Accounting and Auditing of Accounts, on the information to be included in the explanatory notes to the financial statements in relation to the average period of payment to suppliers in commercial transactions, clarifies and systematizes the information that commercial companies must include in the explanatory notes to the individual and consolidated financial statements, for the purposes of the duty of information provided for in the third additional provision of Law 15/2010, of July 5, 2010, amending Law 3/2004, of December 29, 2004, which establishes the measures to combat late payment in commercial transactions.

Commercial companies that prepare consolidated financial statements are also included in the scope of application of this resolution, although exclusively with respect to companies located in Spain that are consolidated by the global or proportional integration method outside the financial reporting framework in which the aforementioned financial statements are prepared.

The information on the average period of payment to suppliers for the financial year 2023 and the financial year 2022 is as follows:

	2023	2022
	Days	Days
Weighted Average Maturity Period (Days)	24	22
Ratio of payments	28	20
Ratio of outstanding invoices (%)	17%	14%
	Euros	Euros
Total payments made	50.147.040	44.156.997
Outstanding invoices	16.765.376	16.343.144

	2023	2022
Monetary Volume Paid	17.906.861	23.283.835
% of total payment to suppliers	51%	44%
Paid invoices	6.888	6.835
% of total invoices paid to suppliers	51%	52%

Nota 15. Provisions

The breakdown of provisions as of December 31, 2023 and December 31, 2022 is as follows:

	31/12/2023			31/12/2022		
	Short Term	Long-term	Total	Short Term	Long-term	Total
Provisions	36.210	104.813	141.023	21.038	-	21.038
Employee Benefits	35.032	-	35.032	19.860	-	19.860
Dismantling of property, plant and equipment	-	104.813	-	-	-	-
Other provisions	1.178	-	105.991	1.178	-	1.178

The amount recorded in the long term corresponds to the provision for the dismantling of the Valdelugo Wind Farm, as of December 31, 2023, the only movement of which is the registration for the integration of that company into the Group. As of December 31, 2023, the estimate of the amount of the future disbursement for decommissioning is updated, and it is not necessary to change the provision.

Nota 16. Tax Matters

The Tax Group, of which Energy Solar Tech, S.A. is the parent company, has been taxed under the Tax Consolidation Regime in Spain since 2022. In addition to the parent company, the companies Agais Servicios Energéticos, S.L.U. and Utusol Beta, S.L.U. are part of the Tax Group. In the 2023 financial year, the companies Sarpel Ingeniería, S.L.U. and Parque Eólico Valdelugo, S.L. are not part of the Tax Group.

Deferred Tax Assets

The deferred tax assets in the consolidated financial statements include tax credits for tax losses on tax losses, active deductions pending application and temporary asset differences recorded at the end of each period.

	31/12/2023	31/12/2022
Deferred tax assets	90.853	21.738
Tax credits for negative tax bases	3.998	-
Temporary Asset Differences	86.855	21.738

Public Administrations

The Group's short-term balances with the General Government as of December 31, 2023 and December 31, 2022 are as follows:

	31/12/2023	31/12/2022
Debtor Public Administrations	793.248	349.507
Public Treasury debtor for Corporate Income Tax	321.642	-
Public Treasury debtor for VAT	471.606	349.507

	31/12/2023	31/12/2022
Current tax liabilities	442.247	279.748
Public Treasury creditor for Corporate Income Tax	442.247	279.748
Other debts to public administrations	447.661	72.003
Personal income tax withholdings	109.934	38.681
Withholdings of movable capital, VAT and others	190.841	376
Employer Social Security Creditor Organizations	146.886	32.946

The reconciliation of the net amount of income and expenses for the year with the taxable base of the tax on profits of the Tax Group is summarized in the following table:

	Profit and Loss Statement	
	Increases	Decreases
Accounting profit before tax	5.103.304	-
Corporate Income Tax of the Tax Group	1.473.785	-
Capital increase expenses (reserves)	-	594.868
Consolidation expenses attributable to corporate income tax for goodwill	-	18.924
Permanent Differences	27.277	59.853
Temporary differences:	-	-
- Originating in exercise	-	-
- Originating in previous years	-	-
Previous taxable income	-	-
Capitalization Reserve Generated	-	-
Applied	-	-
Pending for the next fiscal year	-	-
Offsetting of Negative Tax Bases	-	-
Taxable base (tax result)	-	5.930.721

The reconciliation of the Corporate Income Tax expense is shown below:

	2023
Profit for the year	6.577.090
Rate of tax	24%
Result	1.578.029
Corporate Income Tax	1.473.785
Difference	(104.244)
Permanent Differences	(100.756)
Temporary Differences	(1.396)
- Originating in exercise	-
- Originating in previous years	(1.396)
Offsetting of tax losses for previous years	(2.092)
Final Difference	-

The tax rate at which the parent company is taxed is 15%, while the companies Agais Servicios Energéticos, S.L.U., Sarpel Ingeniería, S.LU., Parque Eólico Valdelugo, S.L. and Utusol Beta, S.L.U. are taxed at 25%. The subsidiary Sarpel Ingeniería Chile, SPA is taxed at 27%.

Exercises open to inspection

According to the legislation in force, taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities or the four-year limitation period has expired. As of December 31, 2023, the companies of the Group have opened for inspection the 2019 and subsequent years of Corporate Income Tax, and for the other taxes that are applicable to them, or since their incorporation, if it is after those years.

Nota 17. Income and Expenses

a) Net turnover

The breakdown of the heading Net turnover is as follows:

	31/12/2023	31/12/2022
Net turnover	52.416.732	13.274.701
Revenues	4.851.355	305.787
Provision of services	47.565.377	12.968.914

The revenues heading mainly includes energy revenues made to the market by Parque Eólico Valdelugo, S.L.

The heading Provision of services includes income from outsourcing, as well as projects of the engineering company.

b) Work carried out by the Group for its fixed assets and other income

The breakdown of other income is as follows:

	31/12/2023	31/12/2022
Other Income/Expenses	852.491	536.877
Work carried out by the Group for fixed assets	677.464	533.107
Other Operating Income	175.027	3.770

The work carried out by the Group for its fixed assets corresponds mostly to work carried out by the group's engineering companies for installations of the group's parent company.

The amount of other operating income corresponds to the cancellation of the debt that Energy had with the partners.

c) Procurement and other operating expenses

The breakdown of the Procurement heading is as follows:

	31/12/2023	31/12/2022
Supplies	(33.676.357)	(8.751.545)
Consumption of goods	(9.631.069)	(8.510.929)
Consumption of raw materials and other consumables	(13.699.423)	-
Work carried out by other companies	(10.345.865)	(240.616)

Other operating expenses include mainly expenses arising from the maintenance, repair and upkeep of the facilities, as well as other expenses for computer services, consultancies and other services.

	31/12/2023	31/12/2022
Other operating expenses	(4.841.454)	(1.029.898)
Leases and royalties	(1.107.220)	(87.716)
Independent Professional Services	(822.991)	(378.103)
Other external services	(1.582.249)	(276.853)
Taxes	(1.019.222)	(4.200)
Losses, impairments, and changes in provisions for commercial operations Taxes	(294.114)	(282.287)
Other current management costs	(15.658)	(739)

The wind farm has leases for the land on which it is located expiring in 2051, updated annually based on the CPI for an approximate annual cost of 73,378 euros. The amount of minimum future payments for non-cancellable operating leases between 1 and 5 years is €312,193, and for more than 5 years €2,434,361. In addition, the group has minimum future payments of €419,719 mainly associated with the leasing of vehicles and industrial warehouses, of which the non-cancellable amount for one year is €205,158 and between 1 and 5 years for €214,571.

The amount recorded in taxes includes 951,219 euros corresponding to the reduction for the remuneration of gas according to Royal Decree 17/2021 associated with the production of the wind farm. It should be noted that Royal Decree 8/2023 has not extended this measure, so the reduction mechanism for the 2024 financial year is abolished.

d) Personnel expenses

The breakdown of staff costs is as follows:

	31/12/2023	31/12/2022
Personnel expenses	(7.271.716)	(1.017.780)
Wages and salaries	(5.930.128)	(796.301)
Employer social security	(1.341.588)	(221.479)

e) Finance result

The breakdown of the Group's Finance results is as follows:

	31/12/2023	31/12/2022
Finance result	(1.089.443)	(57.645)
Finance Income	29.072	59
Finance Expenses	(1.197.915)	(113.788)
Conversion Differences	(38.932)	-
Other Finance results	118.332	56.084

The Group's finance expenses correspond mainly to the interest associated with the debts to Finance institutions described in Note 13.

Nota 18. Transactions with related companies

In the following sections, the movements by transactions with related parties are detailed, broken down according to the type of relationship.

Specification of related party transactions

In order to provide sufficient information to understand the transactions with related parties that have been carried out, the following list identifies the persons or companies with which this type of transaction has been carried out, expressing the nature of the relationship with each party involved:

Name or company name	Nature of the link
Key Management, S.L.	Related company
Globalteco Franquicias, S.L.	Related company
Enerfia, S.L.	Related company
Erbienergía Inversiones, S.L.	Related company
Energías Renovables del Bierzo, S.L.	Related company

The balances as of December 31, 2023 and December 31, 2022 and the transactions carried out during the year ended December 31, 2023 and December 31, 2022 of the companies of the Energy Solar Tech Group with the related companies are shown in the following tables:

	31/12/2023	31/12/2022
Long-term bonds in favour of related companies (Note 13)	324.000	644.000
Advances to related companies	-	440.253
Debtors with related companies	924.068	-
Trade creditors with related companies (Note 14)	35.311	299.188
Business debts to related companies	312.915	-
Other long-term debts to related companies (Note 13)	286.423	357.353
Other short-term debts owed to related companies (Note 13)	162.307	343.196

	31/12/2023	31/12/2022
Operating income from related companies	925.988	1.920
Acquisitions of fixed assets from related companies	208.988	148.377
Operating expenses with related companies	4.193.806	4.381.754
Finance expenses with related companies	271.148	36.808

Remuneration to the Board of Directors

Counsellors	Salaries	Fixed remuneration	Other concepts	31/12/2023
Executive Directors	200.000	4.000	119.200	323.200
Independent Directors	-	13.500	-	13.500
Proprietary Counselor	-	1.500	-	1.500

Counsellors	Salaries	Fixed remuneration	Other concepts	31/12/2022
Executive Directors	189.478	-	-	189.478
Independent Directors	-	3.000	-	3.000
Proprietary Counselor	-	1.000	-	1.000

Nota 19. Environmental Information

The companies of the Group do not have disputes in matters of protection and improvement of the environment from which it is estimated that relevant contingencies may arise. Likewise, during the 2023 and 2022 Finance years, the Group's companies have not received environmental subsidies.

Nota 20. Other Information

Employees

The average and final number of employees during the 2023 Finance year and the 2022 Finance year are as follows:

	Final 2023 Squad			Average Headcount 2023		
Category	Women	Man	Total	Women	Man	Total
Directors	1	5	6	1	5	6
Managers	2	14	16	2	13	15
Team Leaders	2	11	13	2	13	15
Technicians, assistants	21	110	131	19	111	130
Total	26	140	166	24	142	166

	Final 2022 Squad			Average Headcount 2022		
Category	Women	Man	Total	Women	Man	Total
Directors	1	2	3	1	3	4
Managers	-	3	3	-	3	3
Team Leaders	-	4	4	-	4	4
Technicians, assistants	8	20	28	8	11	19
Total	9	29	38	9	21	30

Auditor Fees

The services contracted to the auditors comply with the independence requirements set out in Law 22/2015, of 20 July, on the Audit of Accounts in Spain. The remuneration by the Company to Auren Auditores, S.L.P., the auditing firm of Energy Solar Tech, S.A. and its subsidiary, Agais Servicios Energéticos S.L.U., during the Finance years 2023 and 2022 has amounted to:

	31/12/2023	31/12/2022
Audit Services	70.893	25.000
Audit-related services	14.000	13.000
Total	84.893	38.000

Segmented information

The net turnover is broken down by line of business as follows:

Lines of Business	2023	2022
Outsourcing and energy consulting	11.624.527	12.968.914
Engineering and project revenue	35.815.612	305.787
Power Generation	4.976.593	-
Total	52.416.732	13.274.701

The net turnover by geography is broken down below:

Geographical division	2023	2022
Spain	49.359.118	13.274.701
Chile	3.015.593	-
Other Countries	42.021	-
Total	52.416.732	13.274.701

Agreements

There are no resolutions of the Company that do not appear in the balance sheet, or about which information has not been incorporated in another section of the annual report.

Grants, Donations & Bequests

During the year, no grants, donations and/or bequests were received from third parties other than the partners.

Finance Commitments

There are no Finance commitments, guarantees or contingencies that are not on the balance sheet.

Subsequent developments

From the closing date, and until the preparation of these annual accounts, there have been no significant subsequent events

Consolidated Management Report

Energy Solar Tech, S.A., the parent company of the Group, is a Spanish public limited company domiciled at C/ Ruso 18, Las Rozas de Madrid 28290 (Madrid). The company was incorporated under the name Energy Solar Tech, S.L. on February 18, 2020.

On October 17, 2022, the Extraordinary General Meeting of the company's shareholders approved the transformation of the Company into a public limited company. This agreement was made public on October 21, 2022.

Energy Solar Tech is a technology company in the energy sector. Its mission is to facilitate the energy transition of companies to reduce their energy costs, contributing to making a more sustainable world without CO2 emissions.

It was founded by Alberto Hernández (former general manager of Apple in Spain) and Abel Martín (entrepreneur in the energy sector) with the aim of revolutionizing the status quo of the traditional energy landscape, putting at the service of its clients all the necessary technologies to transform their energy model at the lowest possible cost through a differential outsourcing proposal.

Outsourcing guarantees Energy Solar Tech's customers the lowest energy cost without having to assume investment, management, regulatory and technological risks. With this model, customers can put 100% of the focus on their business, freeing up resources and capital by delegating to Energy Solar Tech's expertise and specialization all the necessary actions to optimize their energy perimeter.

This differential model is based on 3 key verticals of services and capabilities:

- Distributed generation: analysis of the company's energy perimeter to develop and deploy self-consumption projects that maximise energy savings through all the necessary technologies (photovoltaic systems, micro and mini wind, hybrid cogeneration, hydrogen, biogas or biomass).
- Centralised generation: development of its own generation assets that allow Energy Solar Tech to provide energy from the grid not covered by self-consumption (wind, photovoltaic, biogas, biomass, pumped hydro and storage, etc.).
- Specialized engineering: thanks to the specialized engineering team and the most advanced technologies, Energy Solar Tech designs and integrates tailor-made solutions to maximize efficiency and transform the customer's entire energy model.

Energy Solar Tech has managed to adapt the outsourcing model so widespread in the technology industry to the electricity sector, a sector that is still very traditional in its commercial approaches. The company has the capabilities to cover the entire value chain and its own technology and manufacturing, which constitute a unique and differential value proposition to those existing in the energy sector.

The Group has developed its activity only in the Spanish market, a stable economy within the European Union, focusing its activity on industries of high economic resilience, thus being able to reduce the risk associated with economic cycles. Since the acquisition of Sarpel Ingeniería, S.L.U., the Group has also operated in the Chilean market.

Generation Assets

Energy Solar Tech acquired 49% of the company Parque Eólico Valdelugo S.L. in December 2022. In the 2023 Finance year, an additional percentage of the wind farm has been acquired, obtaining control of the company, whose main asset is an 18MW wind farm, which has been in operation since March 10, 2022 and is in the process of processing a solar hybridization through the installation of 16 MW of photovoltaic panels. The wind farm is an asset with state-of-the-art technology and 3.6MW General Electric-137 wind turbines capable of producing an average of 3,800 hours per year per MW installed.

Likewise, the hybridization planned for the second quarter of 2024 will generate an additional 1,500 hours per MW installed. Currently, the estimated wind production is 68,400,000 kWh and solar hybridization production from the second quarter of 2024 is expected to reach 24,000,000 kWh. The following table details the currently installed power/hour (estimated wind energy production) and the one it will be able to produce from the second quarter of 2024 (estimated solar hybridization production):

Concept	Units	Measure
Installed wind power capacity	18	MW
Wind Equivalent Hours	3.800	h/MW
Solar Hybrid Power	18	MW
Equivalent Hours of Solar Hybridization	1.500	h/MW
Estimated wind energy production	68.400.000	Kwh
Estimated solar hybridization production	27.000.000	Kwh
Total annual production	95.400.000	Kwh

Economically, this transaction makes it possible to reduce selling costs (increasing EBITDA and net cash generation) and reduce market guarantees and advances for the purchase of energy. Thus, it will improve cost competitiveness and price stability by allowing Energy Solar Tech's supply to customers to be decoupled from market variabilities, reducing their exposure to the risk of energy price rises and allowing for more aggressive commercial capture actions. The Company's main figures prior to the acquisition of the Company were as follows:

	2022
Active	23.978.696
Own resources	2.810.025
Passive	21.168.671
Revenue	8.799.683
EBITDA	5.335.022

Sarpel Ingeniería S.L.

In March 2023, 100% of the share capital of an engineering company with more than 30 years of experience in the sector was acquired. This company has more than 120 employees and has carried out more than 5,000 projects, including the provision of engineering services and the construction of solar plants, wind farms, hydroelectric plants, cogeneration plants, biomass plants, electrical substations, and a multitude of energy engineering projects in the industrial and business fields. being an official supplier to some of the main IBEX 35 companies.

The company believes that this transaction will have a significant financial impact on Energy Solar Tech's accounts, in accordance with the annual accounts already prepared (in the process of being audited) of the company to be integrated, as well as the forecast of its results for the current year. That forecast is based on the fact that the company to be merged has signed all the contracts linked to it, the expected result being entirely dependent on the ability to execute them.

The company's main figures, prior to the acquisition, were as follows:

Concept	2022
Revenue	32.798.118
EBITDA	2.591.305
Own resources	6.749.743

At the time of the acquisition, the company to be merged has no loans and other payables or similar, and has sufficient liquidity to carry out its activity, as well as credit lines granted for a combined amount exceeding seven million euros, which means, in the Company's view, a very solid liquidity position for the exercise of the activity of the company to be merged.

Lines of business (go-to-market models)

- Energy Outsourcing: The Company analyzes, develops, builds and maintains the assets at the client's establishment (the assets being owned by the company) and sells all the energy generated by the assets to the client. When there is an efficiency that reduces the cost of the asset or consumption, the savings are shared with the customer. Finally, it sells the energy from the grid (the company has a trading license) to the customer at a margin. All this under an outsourcing project, with a series of services and value-added elements, which is what is billed to the client on a monthly basis. This is a long-term recurring income.
- Sale of tailor-made projects:
    - Sale of self-consumption projects: This line of business consists of the sale of projects, where customers become owners of the assets. Energy Solar Tech calculates how much its customers could save, designs the project, and makes them an offer for the customer to purchase the asset. With the proceeds from the sale of these projects, additional assets are built for the company's own network. It is important to note that panels are not sold directly, but a complete installation is carried out, using them to obtain greater energy efficiency and reduce costs.
    - Sale of engineering projects: Services specialized in the engineering and construction of high-value energy projects for industrial clients and for the electricity industry itself, such as solar plants, wind farms, hydroelectric plants, cogeneration plants, biomass plants, electrical substations, and a multitude of energy engineering projects in industrial and business areas.
- Power generation: This is the business associated with the production of energy from centralized generation assets, i.e., wind, photovoltaic, hydroelectric, biomass facilities, etc. This line of business was started at the end of the 2022 financial year and will have an effect on the 2023 income statement. The Group plans to continue with the acquisition and development of this type of asset in the current financial year.

Main magnitudes

Below are the main business figures for the year ended December 31, 2023 and the full years 2022 and 2021.

	Main Magnitudes					
	Annualized 2023	2023	2022	Variation 2023 vs 2022	2021	2022 vs 2021 Variation
Revenue	55.892.507	52.411.351	13.274.701	x3.9 YoY	4.232.328	x3.1 YoY
EBITDA	10.133.292	9.542.209	3.012.355	x3.2 YoY	449.846	x6.7 YoY
Active	-	89.545.777	29.836.800	x3.0 YoY	9.391.415	x3.2 YoY
Equity	-	47.436.383	24.219.630	x1.9 YoY	5.858.826	x4.1 YoY

Throughout the 2023 financial year, the Group has tripled the EBITDA figure obtained in the 2022 financial year, from 3,012,355 euros to 9,542,209 euros, 10,133,292 euros annualized.

Revenue has multiplied by 4 compared to the 2022 financial year.

It should be noted that:

- Regarding the inclusion of the company Sarpel Ingeniería S.L.U. in the scope of consolidation, it has only been considered for consolidation purposes since March 3.

- The company Parque Eólico Valdelugo is only considered for the purposes of consolidating Revenues and EBITDA from 15 January, the effective date of the takeover of the company. The results for the first half of January are included in the "Profit sharing of companies by equity ratios", which is included below the EBITDA line.
- Likewise, during the period of consolidation of the company Parque Eólico Valdelugo, S.L., the plant has suffered a shutdown as a result of the breakdown in the Red Eléctrica de España network that has affected the production of the wind farm for 21 days.

In the 2023 financial year, the wholesale price of energy (OMIE) was €91.36/MWh, compared to the price in the same period of 2022, which amounted to €214.9/MWh

The results obtained comply with the Group's Strategic Plan thanks to a recurring business model with a solid diversification of revenue sources and zero exposure to the residential business, which has shown lower activity in 2023

Regarding the average price of energy, it has suffered strong downward volatility in the 2023 financial year, and has been compensated by higher than expected wind energy production.

These results confirm the Company's technological diversification strategy, which will intensify in the coming years.

Evolution of the action

From December 12, 2022, Energy Solar Tech's shares began trading on the BME Growth MTF Equity trading segment at a price of €3.12 per share on that date. The average share price during the 2023 financial year was €7.17 per share.

The evolution of the main figures since the market launch on December 12, 2022 is shown below.

	Main Magnitudes		
	31/12/2023	31/12/2022	12/12/2022
Market capitalization	124.504.136	110.500.561	64.562.126
Shares Outstanding	26.832.788	20.692.989	20.692.989
Trading share	4,64	5,34	3,12

In Madrid, on March 13, 2023, giving its consent by signature:

Mr. Alberto Hernández Poza
Chief Executive Officer and Chairman of the Board of Directors

Mr. José Abel Martín Sánchez
Executive Director and Deputy Secretary of the Board of Directors

Mr. Alfredo García Flores
Independent Director and Chairman of the Audit Committee

Mr. Juan Joaquín Bonilla Hidalgo
Independent Director

Mr. Alberto Mazagatos Uriarte
Independent Director

Don Diego Lamelas Pombriego
Proprietary Director

Mr. Antonio García-Urgeles
Independent Director

ANNEX II

Consolidated Financial Statements and Audit Report of the consolidated financial statements issued by an independent auditor for the year ended December 31, 2024, of Energy Solar Tech, S.L.

ENERGY SOLAR TECH, S.A.
AND DEPENDENT COMPANIES

Audit report, Consolidated annual accounts as at 31 December 2024 and Management Report for the financial year 2024

Member of

Alliance of
independent firms

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

INDEPENDENT AUDIT REPORT ON CONSOLIDATED ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

To the shareholders of ENERGY SOLAR TECH, S.A.:

REPORT ON CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of ENERGY SOLAR TECH, S.A. (the Controlling Company) and its dependent companies (the Group), which comprise the consolidated balance sheet at 31 December 2024, the consolidated profit & loss statement, the consolidated statement of changes in net equity, the consolidated cash flow statement and the consolidated notes to the annual accounts for the year then ended.

In our opinion, the consolidated annual accounts attached present, in all material respects, a true and fair view of the Group's equity and financial position at 31 December 2024 and of its consolidated results and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 to the consolidated annual accounts) and, in particular, with the accounting principles and rules contained therein.

Basis of the opinion

We have conducted our audit in accordance with Spanish auditing standards that are currently in force. Our responsibilities under those standards are described below in the *Auditor's responsibility for its audit of consolidated annual accounts* section of our report.

We are independent of the Group in accordance with both ethical and independence requirements, applicable to our audit of consolidated annual accounts in Spain as required by the regulations governing the auditing of accounts. In this regard, we have not provided any services other than auditing the accounts, nor have there been any situations or circumstances which, in accordance with the provisions of the aforementioned regulations, have affected and thereby compromised such required independence.

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

Key audit issues

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

Recognition of income

Description	Recognition of income is a significant issue, particularly at year-end in relation to the appropriate timing of attribution, and we have therefore considered this as a key audit matter.
Our response	In response to this, we have performed, inter alia, the following audit procedures: • We obtained an understanding and assessment of the controls over internal control procedures that the Group has in place in the income recognition process. • We have obtained external confirmations for a sample of clients by performing, where necessary, alternative verification procedures by checking subsequent credits or back-up documentation. • We have performed substantive tests on a sample of recognised income. • A check has also been carried out as to whether transactions were recorded in the appropriate period. • We have assessed whether the information disclosed in the consolidated annual accounts complies with the requirements of the applicable financial reporting framework.

Valuation of stocks in progress

Description	As indicated in Notes 4 and 9 to the consolidated annual accounts attached, the costs incurred, including estimated margins based on the degree of progress and specific circumstances of each ongoing project, are attributed as work in progress. Income recognition is related to transfer of control over each asset (project) to the client in fulfilment of previously signed contracts. This transfer of control occurs at certain points during the project's execution (milestones). Due to the high degree of judgment inherent to these estimates, this aspect has been considered as a key issue in our audit.

Our response

In response to this, we have performed, inter alia, the following audit procedures:

- We have obtained an understanding and assessment of the controls over internal control procedures that the Group has in place in the valuation process of stocks in progress.
- We have obtained economic information for each of the projects recognised as stocks (work) in progress.
- We performed control testing related to costs incurred in connection with project execution milestones, including the evaluation of estimates regarding the degree of project progress based on the information obtained and verified through controls.
- We have performed detailed tests of the costs attributed to projects recognised as stocks (work) in progress.
- A study was also carried out on a case-by-case basis on estimates of the degree of project compliance and progress on the basis of the information obtained.
- We have assessed whether the information disclosed in the consolidated annual accounts complies with the requirements of the applicable financial reporting framework.

Value impairment of non-current assets

Description

As indicated in Notes 4 and 7 to the consolidated annual accounts attached, the Group has recognised property, plant and equipment amounting to Euros 32,417 thousand at 31 December 2024. The Group assesses at year-end whether or not there is any indication of impairment in assets treated as a single cash-generating unit, for the purpose of determining their recoverable amount. Due to the high degree of judgment, the uncertainty associated with such assessments and the significance of the net book value of property, plant and equipment, this has been considered a key audit matter.

Our response

In response to this, we have performed, inter alia, the following audit procedures:

- We have obtained an understanding and assessment of the controls over internal control procedures that the Group has in place in the recoverability assessment process for property, plant and equipment.
- We have analysed recoverability of the Group's assets through the fulfilment of its business plan, analysing each of the estimated future cash flows that the Group expects to generate.
- We have assessed whether the information disclosed in the consolidated annual accounts complies with the requirements of the applicable financial reporting framework.

Other information: Consolidated management report

Other information comprises exclusively the consolidated management report for the year ended 31 December 2024, the preparation of which is the responsibility of the Controlling Company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility for the consolidated management report, as required by auditing regulations, is to assess and report on the consistency of the consolidated management report with the consolidated annual accounts, based on our knowledge of the Group obtained in the course of our audit of the consolidated annual accounts, and to assess and report on whether the content and presentation of the consolidated management report comply with applicable regulations. If, based on our work, we conclude that material misstatements exist, we are required to report them.

On the basis of our work, as described in the previous paragraph, the information contained in the consolidated management report is consistent with that of the consolidated annual accounts for the year ended 31 December 2024 and its content and presentation comply with applicable regulations.

Responsibility of the Controlling Company's directors and of the audit committee for the consolidated annual accounts

The Controlling Company's directors are responsible for the preparation of the consolidated annual accounts attached so that they provide a true and fair view of the consolidated equity, financial position and results of the Group, in accordance with the regulatory financial reporting framework applicable to the Group in Spain, and of any internal control deemed necessary to prepare the consolidated annual accounts free of any material misstatement, due to fraud or error.

In preparing the consolidated annual accounts, the directors of the Controlling Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as appropriate, going concern matters and using the going concern accounting principle unless the directors intend to liquidate the Group or to cease operations, or there is no realistic alternative.

The audit committee of the Controlling Company is responsible for overseeing the process of preparing and presenting the consolidated annual accounts.

Auditor's responsibility for its audit of consolidated annual accounts

Our objectives are to obtain reasonable assurance that the consolidated annual accounts as a whole are free of any material misstatement, due to fraud or error, and to issue an audit report that includes our opinion.

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

As part of an audit in accordance with current regulations governing the auditing of accounts in Spain, we apply our professional judgment and remain professionally sceptical throughout the audit. Also:

- We identify and assess the risks of material misstatement in the consolidated annual accounts, due to fraud or error, design and perform audit procedures as a response to such risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than for a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, deliberate misstatements, intentional misrepresentations, or the circumvention of internal control.

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

- We assess the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Controlling Company's directors.

- We reach a conclusion on the appropriateness of how the Controlling Company's directors have used the going concern accounting principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to express a qualified opinion. Our conclusions are based on evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to be a going concern.

- We assess the overall presentation, structure and content of the consolidated annual accounts, disclosures included, and whether the consolidated annual accounts represent the underlying transactions and events in such a way as to provide a true and fair view.

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

We communicate with the audit committee of the Controlling Company regarding, inter alia, the scope and scheduled timing of the audit and significant audit findings, as well as any significant deficiencies in internal control identified in the course of the audit.

We also provide the audit committee of the Controlling Company with a statement of compliance with applicable ethical and independence requirements, and have communicated with the audit committee to report matters that could reasonably threaten our independence and, where appropriate, related safeguards.

Among the issues that have been reported to the audit committee of the Controlling Company, we have identified those of greatest significance in our audit of the consolidated annual accounts for the current period and which, consequently, constitute key audit issues.

We describe these matters in our audit report unless legal or regulatory provisions prohibit us from publicly disclosing the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Additional report to the audit committee

The opinion expressed in this report is consistent with our additional report to the audit committee of the Controlling Company dated 27 March 2025.

Term of office

The Ordinary General Shareholders' Meeting held on 26 July 2022 appointed us as auditors for a three-year term, as of the year ended 31 December 2022.

AUREN AUDITORES SP, S.L.P.
Registered at the Official Register
of Chartered Accountants (ROAC) No. S2347

Original signed in Spanish by
Emilio Tornos Ramírez
ROAC Member No. 21653

March 27, 2025

Consolidated Financial Statements

Energy Solar Tech, S.A. and its Subsidiaries

energy solar tech

Financial Year 2024

Index

Consolidated Balance Sheet

ASSETS	Notes	31/12/2024	31/12/2023
A) NON-CURRENT ASSETS		56.970.162	59.444.392
Intangible assets	Note 6	23.089.998	25.117.650
Goodwill	Note 6	22.906.402	24.915.079
Computer software		150.039	140.066
Other intangible assets		33.557	62.505
Property, plant and equipment	Note 7	32.417.315	33.128.609
Technical installations, machinery, tools, furniture and other tangible assets		29.995.223	29.172.950
Assets under construction and prepayments		2.422.092	3.955.659
Non-current financial investments	Note 12	1.377.511	1.107.280
Equity instruments		32.141	32.141
Other financial assets		1.345.370	1.075.139
Deferred tax assets	Note 15	85.338	90.853
B) CURRENT ASSETS		32.076.627	30.066.737
Inventories	Nota 8	17.622.609	8.531.258
Trade and other receivables	Note 9, 12	6.267.947	10.721.971
Trade receivables for sales and services rendered		4.233.192	9.922.868
Other receivables		6.000	5.855
Other accounts receivable from public authorities	Note 15	2.028.755	793.248
Current financial investments	Note 12	1.000.192	572.904
Other financial assets		830.773	440.761
Debt securities		99.093	132.143
Derivatives		70.326	-
Prepayments and accrued income		23.805	57.025
Cash and cash equivalents	Note 10	7.162.074	10.183.579
TOTAL ASSETS (A+B)		89.046.789	89.511.129

The accompanying notes form an integral part of the consolidated balance sheet.

EQUITY AND LIABILITIES	Notes	31/12/2024	31/12/2023
A) EQUITY		46.146.251	47.436.381
Share capital	Note 11	80.854	80.498
Share premium	Note 11	44.285.791	44.285.791
Reserves of consolidated companies	Note 11	3.568.841	1.061.883
Legal reserve		16.100	13.794
Other reserves		1.135.396	993.219
Consolidation reserves		2.417.345	54.870
Treasury shares	Note 11	(1.960.066)	(635.954)
Profit/(loss) for the year		425.248	2.836.496
Valuation adjustments	Note 12	(346.757)	(188.302)
Hedging transactions		(202.080)	-
Translation differences		(144.677)	(84.907)
Non-controlling interests	Note 11	92.340	80.876
B) NON-CURRENT LIABILITIES		12.717.416	17.565.064
Non-current provisions	Note 14	155.287	104.813
Non-current borrowings	Note 12	12.562.129	17.454.141
Bank borrowings		10.918.952	13.892.208
Finance lease liabilities		31.824	-
Derivatives		231.000	-
Other financial liabilities		1.380.353	3.561.933
Deferred tax liabilities		-	6.110
C) CURRENT LIABILITIES		30.183.122	24.509.683
Current provisions	Note 14	12.442	36.210
Current borrowings	Note 12	6.820.746	6.173.559
Bank borrowings		2.971.371	2.905.007
Finance lease liabilities		4.420	-
Other financial liabilities		3.844.955	3.268.552
Trade and other payables	Note 13, 15	23.322.083	18.249.233
Trade payables		21.667.587	15.977.284
Other payables		610.115	658.921
Advances from customers		7.878	4.797
Personnel		397.339	718.324
Current tax liabilities		2.161	442.246
Other accounts payable to public authorities		637.003	447.661
Accruals and deferred income (short-term)		27.851	50.681
TOTAL EQUITY AND LIABILITIES (A+B+C)		89.046.789	89.511.129

The accompanying notes form an integral part of the consolidated balance sheet.

Consolidated Income Statement

	Notes	2024	2023
Revenue	Note 16	63.376.946	52.416.732
Sales		3.537.717	4.851.355
Rendering of services		59.839.229	47.565.377
Change in inventories	Note 8	8.567.261	2.062.512
Own work capitalised	Note 16	959.515	677.464
Supplies	Note 16	(53.498.520)	(33.676.357)
Consumption of goods		(6.966.684)	(9.631.069)
Consumption of raw materials and other consumables		(23.694.281)	(13.699.423)
Work performed by other companies		(22.819.967)	(10.345.865)
Impairment and variation in provisions for supplies		(17.588)	-
Other operating income	Note 16	208.325	175.027
Staff costs	Note 16	(7.679.889)	(7.271.716)
Wages and salaries		(6.026.663)	(5.930.128)
Social security contributions		(1.653.226)	(1.341.588)
Other operating expenses	Note 16	(4.876.990)	(4.841.454)
External services		(4.248.620)	(3.513.465)
Taxes		(355.546)	(1.019.223)
Losses, impairment and variation in provisions for trade operations	Note 19	(272.681)	(306.553)
Other current management expenses		(143)	(2.213)
EBITDA	Note 2	7.056.648	9.542.208
Depreciation and amortisation	Note 6, 7	(4.473.064)	(3.899.667)
Impairment and gains/(losses) on disposals of fixed assets		(21.634)	(184.580)
Other results		362.921	(42.116)
OPERATING PROFIT		2.924.871	5.415.845
Share in profit/(loss) of associates	Note 5	-	8.555
Finance income	Note 16	95.098	29.072
Finance expenses	Note 12, 16	(1.285.018)	(1.197.915)
Exchange differences	Note 16	85.338	(38.932)
Other financial results	Note 16	(160.674)	118.332
FINANCIAL RESULT		(1.265.256)	(1.089.443)
PROFIT/(LOSS) BEFORE TAX		1.659.615	4.334.957
Income tax	Note 15	(1.222.904)	(1.473.785)
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		436.711	2.861.172
Attributable to the Parent Company		425.247	2.836.496
Attributable to non-controlling interests		11.464	24.676

The accompanying notes form an integral part of the consolidated income statement.

Consolidated Statement of Recognised Income and Expense

	Notes	2024	2023
A) RESULT FROM THE CONSOLIDATED INCOME STATEMENT		436.711	2.861.172
Income and expenses recognised directly in consolidated equity:		-	-
Valuation of financial instruments		(284.598)	(61.244)
Financial assets measured at fair value through equity	Note 12	(284.598)	(61.244)
Other income/expenses		-	-
Cash flow hedges		(18.371)	(251.069)
Government grants, donations and bequests received		-	-
Actuarial gains and losses and other adjustments		-	-
Non-current assets and liabilities held for sale		-	-
Translation differences		(59.770)	(84.907)
Income tax effect	Note 12	4.593	62.767
B) TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN CONSOLIDATED EQUITY:		(358.146)	(334.453)
Transfers to the consolidated income statement:		-	-
Changes in value of financial instruments		-	-
Available-for-sale financial assets		-	-
Other income/expenses		-	-
Cash flow hedges		-	-
Government grants, donations and bequests received		-	-
Non-current assets and liabilities held for sale		-	-
Translation differences		-	-
Income tax effect		-	-
C) TOTAL TRANSFERS TO THE CONSOLIDATED INCOME STATEMENT:		-	-
TOTAL CONSOLIDATED RECOGNISED INCOME AND EXPENSE:		78.565	2.526.719
Attributable to the Parent Company		78.565	2.526.719
Attributable to non-controlling interests		-	-

The accompanying notes form an integral part of the consolidated statement of recognised income and expense.

Consolidated Statement of Changes in Equity

	Total equity	Attributable to owners of the Parent Company								Non-controlling interests
		Share capital	Share premium	Reserves	Consolidated reserves	Own actions	Valuation adjustments	Translation differences	Profit/(loss) for the year	
Balance at 31 December 2023	47.436.381	80.498	44.285.791	1.007.013	54.870	(635.954)	(188.302)	(84.907)	2.836.496	80.876
Total recognised income and expense	78.565	-	-	(284.598)	-	-	(13.778)	(59.770)	425.247	11.464
Other changes in equity	(1.368.695)	356	-	429.081	2.362.475	(1.324.111)	-	-	(2.836.496)	-
Capital increases (Note 11)	356	356	-	-	-	-	-	-	-	-
Treasury share transactions (net)	38.020	-	-	-	-	38.020	-	-	-	-
Increase (decrease) in net worth business combinations	-	-	-	-	-	-	-	-	-	-
Other increases or decreases	1.631.540	-	-	2.993.671	-	(1.362.131)	-	-	-	-
Distribution of results	(3.038.611)	-	-	(2.564.590)	2.362.475	-	-	-	(2.836.496)	-
Balance at 31 December 2024	46.146.251	80.854	44.285.791	1.151.496	2.417.345	(1.960.065)	(202.080)	(144.677)	425.247	92.340

	Total equity	Atribuible a los socios de la Sociedad dominante								Non-controlling interests
		Share capital	Share premium	Reserves	Consolidated reserves	Own actions	Valuation adjustments	Translation differences	Profit/(loss) for the year	
Balance at 31 December 2022	24.219.629	68.971	22.657.991	(472.493)	16.942	(275.010)	-	-	2.223.228	-
Total recognised income and expense	2.526.719	-	-	(61.244)	-	-	(188.302)	(84.907)	2.836.496	24.676
Other changes in equity	20.690.033	11.527	21.627.800	1.540.750	37.928	(360.944)	-	-	(2.223.228)	56.200
Capital increases (Note 11)	21.044.459	11.527	21.627.800	(594.868)	-	-	-	-	-	-
Treasury share transactions (net)	(360.944)	-	-	-	-	(360.944)	-	-	-	-
Increase (decrease) in net worth business combinations	56.200	-	-	-	-	-	-	-	-	56.200
Other increases or decreases	(49.682)	-	-	350	(50.032)	-	-	-	-	-
Distribution of results	-	-	-	2.135.268	87.960	-	-	-	(2.223.228)	-
Balance at 31 December 2023	47.436.381	80.498	44.285.791	1.007.013	54.870	(635.954)	(188.302)	(84.907)	2.836.496	80.876

The accompanying explanatory notes form an integral part of the statement of changes in consolidated equity.

Consolidated Statement of Cash Flows

(Expressed in euros)	Notes	2024	2023
Profit/(loss) before tax		1.659.615	4.334.957
Adjustments for:		5.707.147	5.611.289
Depreciation and amortisation	Notes 6, 7	4.473.064	3.899.666
Impairment adjustments		276.635	306.553
Results on disposals and derecognition of fixed assets		21.634	184.580
Finance income	Note 16	(95.083)	(38.127)
Finance costs	Note 16	1.445.692	1.197.915
Exchange differences	Note 16	(85.338)	38.932
Other income and expenses		(329.458)	21.768
Changes in working capital:		(620.269)	1.275.480
Inventories	Note 8	(9.108.939)	(814.225)
Trade and other receivables	Note 9	3.254.353	(1.972.641)
Other current assets	Note 12	(396.872)	(152.086)
Trade and other payables	Note 13	5.940.191	4.043.066
Other current liabilities	Note 12	(309.002)	171.366
Other cash flows from operating activities:		(2.676.467)	(3.335.575)
Interest paid		(1.676.526)	(923.654)
Interest received		58.571	27.279
Income tax (paid)/refunded		(1.058.513)	(2.439.199)
Cash flows from investing activities:		4.070.026	7.886.152
Payments for investments		(1.878.989)	(39.487.318)
Payments for investments in intangible assets	Note 6	(38.531)	(168.269)
Payments for investments in property, plant and equipment	Note 7	(906.339)	(3.384.272)
Payments for investments in financial assets	Note 12	(971.338)	(35.866.465)
Payments for investments in other assets	Note 12	37.219	(68.312)
Proceeds from disposals		415.271	504.077
Proceeds from disposals of financial assets	Note 12	415.271	504.077
Net cash flows from investing activities		(1.463.718)	(38.983.242)
Proceeds from issue of equity instruments	Note 11	356	21.639.327
Proceeds from issue of debt instruments	Note 12	43.819	6.474.839
Proceeds from borrowings from group companies		-	105.090
Proceeds from other borrowings	Note 12	-	5.782.517
Derivative financial instruments	Note 12	(131.131)	-
Other proceeds		(2.425.379)	-
Repayments and redemptions of borrowings from credit institutions		(2.893.218)	(3.871.029)
Repayments and redemptions of borrowings from group companies		(222.268)	(553.075)
Net cash flows from financing activities		(5.627.821)	29.577.670
Effect of exchange rate fluctuations		10	(6)
Effect of changes in the scope of consolidation		-	4.811.856
Net increase/(decrease) in cash and cash equivalents		(3.021.505)	(1.519.420)
Cash and cash equivalents at beginning of year		10.183.579	6.891.142
Cash and cash equivalents at end of year		7.162.074	10.183.579

The accompanying notes form an integral part of the consolidated statement of cash flows.

Notes to the Consolidated Financial Statements

Note 1. Introduction and General Information

Energy Solar Tech, S.A., with Tax Identification Number (NIF) A-88607841 (hereinafter, the "Parent Company" or the "Company"), is the parent company of a Group composed of itself and five subsidiaries. The Parent Company and its subsidiaries together form the Energy Solar Tech Group (hereinafter, the "Group" or the "Energy Solar Tech Group"). The Company's registered office and tax domicile are located at Calle Ruso 18, Las Rozas de Madrid (Madrid). The Parent Company was incorporated on 18 February 2020 by means of a public deed.

As of 31 December 2020, Energy Solar Tech, S.A. acquired 100% of the share capital of Agais Servicios Energéticos, S.L.U. On 27 October 2022, it acquired 100% of the share capital of Utsoul Beta, S.L.U. On 5 December 2022, it acquired 49% of the share capital of Parque Eólico Valdelugo, S.L., subsequently increasing its ownership interest to 98% on 15 January 2023. On 3 March 2023, it acquired 100% of the share capital of Sarpel Ingeniería, S.L.U. This subsidiary, in turn, holds a direct 100% ownership interest in Sarpel Ingeniería Chile, SpA.

Details of the companies comprising the Group are as follows:

Company	Registered Office	Activity	Consolidation Method Applied	% Direct Ownership	
				2024	2023
Agais Servicios Energéticos, S.L.U.	Madrid: C/ Ruso 18 Las Rozas	Electricity trading	Global integration	100%	100%
Utusol Beta, S.L.U.	Madrid: Avda. General Perón 36	Electrical energy production	Global integration	100%	100%
Parque Eólico Valdelugo, S.L.	León: Avda. Gómez Nuñez 2 Ponferrada	Electrical energy production	Global integration	98%	98%
Sarpel Ingeniería, S.L.U.	A Coruña: C/Arquímedes 12	Engineering	Global integration	100%	100%
Sarpel Ingeniería Chile, SPA	Santiago de Chile: Av. Apoquindo 3600	Engineering	Global integration	100%	100%

All of the companies described above were consolidated using the full consolidation method in financial year 2024.

The Group's functional currency is the euro.

Note 2. Basis of Presentation of the Consolidated Financial Statements

a) True and Fair View

The consolidated financial statements have been prepared by the Board of Directors of the Parent Company so as to present a true and fair view of the consolidated equity, financial position, results of operations, consolidated cash flows and changes in consolidated equity of the Company and its subsidiaries as at 31 December 2024, and of the consolidated financial performance for the year then ended.

These consolidated financial statements, approved by the Company's Board of Directors at its meeting held on 19 March 2025, have been prepared based on the individual accounting records of the Company and its subsidiaries which, together with the Parent Company, form the Energy Solar Tech Group. Each company prepares its individual financial statements in accordance with the accounting principles and standards in force in Spain, specifically Royal Decree 1515/2007, the Resolution of 26 February 2016 issued by the Spanish Directorate General for Registries and Notaries (DGRN), and the Spanish Companies Act, as they are all Spanish entities.

The consolidated financial statements have been prepared using the historical cost convention, except for financial assets measured at fair value through other comprehensive income, financial assets measured at fair value through profit or loss, and other financial instruments measured at fair value through profit or loss. These consolidated financial statements are presented in euros, which is the Group's functional and presentation currency.

b) Principles of Consolidation

The consolidated financial statements have been prepared by applying the full consolidation method to all subsidiaries over which the Parent Company exercises control.

In the consolidation process, the Parent Company's investment in its subsidiaries has been eliminated against the corresponding proportion of each subsidiary's equity. The resulting differences, where applicable, have been allocated—whenever feasible—to the assets and liabilities of the subsidiaries whose fair value at the date of first consolidation differed from their carrying amount in the accounting records. Any remaining balance has been recognised as goodwill on consolidation or as a negative consolidation difference, as applicable.

All Group companies apply, in their individual financial statements, accounting policies that are substantially consistent with one another and have a financial year-end of 31 December 2024. Reciprocal balances between Group entities, as well as intercompany income, expenses and unrealised margins of material significance, have been eliminated in consolidation.

c) Comparative Information and Main Changes in the Scope of Consolidation

In accordance with commercial legislation, for comparative purposes, each line item in the consolidated balance sheet and the consolidated statement of changes in equity is presented together with the corresponding figures for the year ended 31 December 2023. The consolidated income statement and the consolidated statement of cash flows are also presented, for comparative purposes, with the figures for the year ended 31 December 2023.

The accompanying notes include quantitative and qualitative information for those dates, as applicable to the consolidated balance sheet or the consolidated income statement, except when a specific accounting standard stipulates that such comparative information is not required.

Furthermore, the structure and content of the documents comprising these consolidated financial statements comply with the legally approved reporting formats and have not been modified with respect to the previous financial year.

d) Accounting Principles

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles and the measurement bases described in Note 4 to these consolidated notes. There are no mandatory accounting principles that have not been applied.

e) Critical Judgements, Estimates and Sources of Uncertainty

Financial Power Purchase Agreements (PPAs) that are not designated as hedging instruments are measured at fair value through profit or loss in the consolidated income statement.

The measurement of these derivatives is subject to significant uncertainty due to the volatility of energy prices and the complexity of the valuation models used. The assumptions applied include estimates relating to the future volatility of energy prices, which may result in material adjustments to their fair value.

The Group's management is not aware of any uncertainties that might cast significant doubt on the Group's ability to continue as a going concern.

In preparing these consolidated financial statements, estimates have been applied, including the useful life of tangible and intangible assets for depreciation and amortisation purposes. Likewise, estimates have been made regarding fair value, value in use and the carrying amount of financial instruments.

Although these estimates have been made based on the best information available at the reporting date, subsequent events may require revisions (upwards or downwards) in future periods. Where necessary, such changes in estimates are accounted for prospectively, recognising the effect of the revision in the consolidated income statement of the affected financial years.

f) Aggregation of Items

In order to facilitate understanding of the consolidated balance sheet, the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows, certain line items have been presented in an aggregated form. The required analyses are provided in the corresponding sections of these notes to the consolidated financial statements.

g) Changes in Accounting Policies

In preparing these consolidated financial statements, there have been no changes in accounting policies compared to the financial year 2023.

h) Correction of Errors

No errors have been identified as of 31 December 2024 that would require the restatement of the consolidated financial statements. Should any events occur after year-end that might warrant adjustments to the estimates as of 31 December 2024, they will be disclosed in the corresponding notes.

i) Going Concern

There are no uncertainties regarding the Group's ability to continue as a going concern, nor any indications that might suggest the existence of a situation leading to the dissolution or insolvency of the Group.

j) Alternative Performance Measures

The Group's management uses a range of measures for decision-making purposes, as they are considered to provide useful information for assessing the Group's performance, solvency and liquidity. These measures should be assessed jointly.

Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

Earnings Before Interest, Taxes, Depreciation and Amortisation (hereinafter, EBITDA) is a financial indicator of the Group's gross operating profit, which reflects the performance of its core business operations, excluding non-recurring impacts that could affect the comparability of the periods.

By excluding financial and tax items, as well as non-cash accounting expenses, this measure is used by management to assess the Company's results over time.

The table below shows the Company's EBITDA as at 31 December 2024 and 31 December 2023:

	31/12/2024	31/12/2023
EBITDA	7.056.648	9.542.208

Debt Indicators

Net financial debt is calculated by the Group considering all liabilities that have a financial component, deducting from them short-term financial assets and cash and cash equivalents.

The following table provides a reconciliation between gross financial debt, as presented in the consolidated balance sheet, and net financial debt for the financial years 2024 and 2023:

	31/12/2024	31/12/2023
Long-term borrowings	12.562.129	17.454.141
Short-term borrowings	6.820.746	6.173.559
Non-financial debt	(4.575.000)	(6.000.000)
Gross financial debt	14.807.875	17.627.700
Short-term financial investments	(1.000.192)	(572.904)
Cash and cash equivalents	(7.162.074)	(10.183.579)
Net financial debt	6.645.609	6.871.217

In connection with the above indicator of net financial debt, the Group's management evaluates its level through the ratio of net financial debt to equity and to EBITDA, as follows:

Ratios	31/12/2024	31/12/2023
Net financial debt to equity	0,14	0,14
Net financial debt to EBITDA	0,94	0,72

Note 3. Proposed Distribution of Profit

The proposed distribution of profit for the financial year 2024 for the Parent Company, Energy Solar Tech, S.A., amounting to 2.423.107 €, will be submitted for approval at the next General Shareholders' Meeting of Energy Solar Tech, S.A., based on the following allocation:

	31/12/2024	31/12/2023
Balance of the income statement	2.785.238	1.356.399
Appropriation:		
To legal reserve	71	2.306
To voluntary reserves	2.785.167	1.354.093

Note 4. Recognition and Measurement Policies

The accounting principles applied to the various items are as follows:

Intangible Assets

Intangible assets are recognised as assets when they meet the definition and recognition criteria set out in the Conceptual Framework for Accounting. In addition, they meet the identifiability criterion, as they are separable assets that arise from legal or contractual rights, regardless of whether such rights are transferable or separable.

Intangible assets are measured at cost, either at their acquisition price or at production cost, without prejudice to the specific rules applicable to this type of asset. Indirect taxes levied on intangible asset items are included in the acquisition price or production cost only when they are not recoverable from the tax authorities.

Amortisation is applied systematically and rationally over the useful life of the intangible assets and their residual value, based on the pattern of consumption of the expected future economic benefits, and taking into account technical or commercial obsolescence that may affect them. When impairment losses are identified, amortisation charges for subsequent years are adjusted to the new carrying amount of the impaired asset.

	Estimated Useful Life (Years)
Computer software	3
Goodwill	10
Patents and trademarks	10

An impairment loss is recognised when the carrying amount of an intangible asset exceeds its recoverable amount.

The Group's balance sheets do not include any intangible assets with an indefinite useful life.

Business Combinations and Consolidation Goodwill

Business combinations in which a company acquires control of one or more businesses, whether through a merger, demerger, or acquisition of all the assets and liabilities of another company or of a component that constitutes one or more businesses, are accounted for using the acquisition method. This method requires that, at the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair values, provided that such fair values can be measured reliably.

The difference between the cost of the business combination and the fair value of the identifiable net assets acquired and liabilities assumed is recognised as goodwill when positive, or as income in the consolidated income statement when negative.

Business combinations for which, at the reporting date, the valuation process necessary to apply the acquisition method has not been completed are recognised using provisional values. These provisional values must be adjusted within a maximum period of one year from the acquisition date.

Any adjustments made to finalise the initial accounting are applied retrospectively, so that the resulting values are those that would have been recognised had the information been available at the acquisition date. Accordingly, comparative figures are restated.

Goodwill represents, in accordance with Rule 2a of Article 46 of the Spanish Commercial Code, the positive difference between the carrying amount of the Parent Company's investment in its subsidiaries and the attributable share of the fair value of the identifiable assets acquired and liabilities assumed, in accordance with the Recognition and Measurement Standard 19 of the Spanish General Chart of Accounts.

Pursuant to Royal Decree 602/2016 of 2 December, which amended the Spanish General Chart of Accounts approved by Royal Decree 1514/2007 of 16 November and the Standards for the Preparation of Consolidated Financial Statements approved by Royal Decree 1159/2010 of 17 September, goodwill is amortised over its estimated useful life. The useful life is determined separately for each cash-generating unit to which goodwill has been allocated, and, unless proven otherwise, is presumed to be ten years and to be recovered on a straight-line basis.

Impairment losses recognised on consolidation goodwill are not subject to reversal in subsequent financial years.

Property, Plant and Equipment

Property, plant and equipment are measured at cost, either at acquisition price or at production cost, in accordance with the specific standards applicable to this type of asset.

Indirect taxes levied on items of property, plant and equipment are included in the acquisition price or production cost only when they are not directly recoverable from the tax authorities.

The cost of property, plant and equipment also includes the estimated present value of obligations arising from the dismantling or removal of assets and other associated obligations, such as rehabilitation or restoration costs, provided that a corresponding provision has been recognised for these obligations.

For assets that require more than one year to become operational, financial expenses incurred prior to commissioning and directly attributable to the acquisition, manufacture or construction of the asset are included in the acquisition or production cost.

Depreciation is applied systematically and rationally over the useful life and residual value of the assets, based on the depreciation normally arising from their operation, use and wear, while also taking into account technical or commercial obsolescence that may affect them. When impairment losses are recognised, depreciation charges for subsequent financial years are adjusted to reflect the new carrying amount of the impaired asset.

	Estimated Useful Life (Years)
Technical installations	25
Machinery and tools	4 -10
Transport equipment	4 -10
Furniture, fittings and computer equipment	4 -10
Other property, plant and equipment	4 -10

An impairment loss is recognised when the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. The impairment loss, as well as any subsequent reversal, is recognised as an expense or income, respectively, in the consolidated income statement.

The reversal of an impairment loss is limited to the carrying amount that would have been recognised at the reversal date had no impairment loss been recorded.

The costs of renewal, enlargement, or improvement of items of property, plant and equipment have been capitalised when they have resulted in an increase in capacity, productivity, or useful life, and the carrying amount of the replaced components has been derecognised.

In determining the carrying amount of property, plant and equipment, the Group has considered the effect of major repair costs. The amount equivalent to such costs is depreciated separately from the rest of the asset over the period until the next major repair. When a major repair is carried out, its cost is recognised in the carrying amount of the asset as a replacement, provided that the recognition criteria are met.

The Group has not entered into any finance lease agreements during the financial year.

Financial Assets and Liabilities

Financial assets are considered to include cash and cash equivalents, equity instruments of other entities, and contractual rights to receive cash or another financial asset. They also include contractual rights to exchange financial assets or liabilities with third parties under potentially favourable conditions.

For measurement purposes, financial assets have been classified as follows:

- Financial assets measured at amortised cost: this category includes trade receivables arising from the sale of goods and the rendering of services in the ordinary course of business, as well as loans and receivables not held for trading. These financial assets are initially recognised at cost, which corresponds to the fair value of the consideration given, plus directly attributable transaction costs.
- Financial assets measured at fair value through profit or loss: this category includes financial assets that have been originated or acquired for the purpose of selling them in the short term, as well as financial assets that form part of a portfolio of instruments held for trading with the aim of generating short-term profits. Derivative financial instruments not designated as hedging instruments are also included. These financial assets are measured at their fair value, which corresponds to the fair value of the consideration given, plus transaction costs directly attributable to the acquisition.
- Financial assets measured at cost: this category includes investments in the equity of Group companies, associates, and jointly controlled entities, as well as other equity instruments not included in the "financial assets held for trading" category. These financial assets are measured at cost, understood as the fair value of the consideration given, plus directly attributable transaction costs.

Financial liabilities are considered to include contractual obligations, whether direct or indirect, to deliver cash or another financial asset, or to exchange financial assets or liabilities with third parties under potentially unfavourable conditions. They also include instruments granting the holder the right to demand repayment from the issuer in cash or another financial asset on a specified date or upon demand.

For measurement purposes, financial liabilities have been classified as follows:

- Financial liabilities measured at amortised cost: this category includes trade payables arising from the purchase of goods and services in the ordinary course of business, as well as other payables that, while not being derivative instruments, do not have a commercial origin. These financial liabilities are initially recognised at cost, which corresponds to the fair value of the consideration received, adjusted for any directly attributable transaction costs.
- Financial liabilities measured at fair value through profit or loss: this category includes derivative financial instruments, provided they are not financial guarantee contracts and have not been designated as hedging instruments. These financial liabilities are initially recognised at cost, which corresponds to the fair value of the consideration received, adjusted for any directly attributable transaction costs.

The criteria applied to determine the existence of impairment differ depending on the category of each financial asset:

- Financial assets measured at amortised cost: At least at the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset or a group of financial assets with similar risk characteristics has suffered impairment as a result of one or more events occurring after initial recognition that have had an adverse impact on the estimated future cash flows of the asset. The impairment loss recognised for these financial assets corresponds to the difference between their carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. When reliable market data are available, the present value of future cash flows is replaced by the fair value of the asset. Impairment losses and any subsequent reversals are recognised as an expense or income, respectively, in the consolidated income statement.
- Financial assets measured at fair value through profit or loss: after initial recognition, these assets are measured at fair value without deducting transaction costs that may be incurred upon disposal. Any changes in fair value, whether gains or losses, are recognised directly in the consolidated income statement for the period.
- Financial assets measured at cost: at least at the end of each reporting period, the Group assesses whether there is objective evidence that an investment may not be recoverable. Any impairment loss is measured as the difference between the carrying amount and the recoverable amount of the investment. Impairment losses and any subsequent reversals are recognised as an expense or income, respectively, in the consolidated income statement.

Financial assets, or portions thereof, are derecognised when the contractual rights to the related cash flows have expired, or when substantially all the risks and rewards associated with ownership of the asset have been transferred. When the Group has neither transferred nor retained substantially all such risks and rewards, the asset is derecognised to the extent that control has been lost, and any continuing involvement is recognised as a financial asset or liability depending on the nature of the rights and obligations retained.

With respect to financial liabilities, these are derecognised when the related obligation is extinguished. The Group also derecognises its own financial liabilities that it repurchases, even when the intention is to resell them in the future. The difference between the carrying amount of the liability and the consideration paid, including any directly attributable transaction costs, is recognised in the consolidated income statement for the period in which the transaction occurs.

Investments in group companies, joint ventures and associates are included within this category. Such investments are initially recognised at cost and subsequently measured at cost, less any accumulated impairment losses.

At least at the end of each reporting period, impairment tests are performed to determine whether there is objective evidence that the carrying amount of an investment is not recoverable. The amount of the impairment loss is measured as the difference between the investment's carrying amount and its recoverable amount. Impairment losses and their subsequent reversals are recognised as expenses or income, respectively, in the consolidated income statement. The reversal of an impairment loss is limited to the carrying amount that would have been recognised at the reversal date had the impairment not been recorded.

Interest and dividends on financial assets accrued after the acquisition date are recognised as income in the consolidated income statement. Interest is calculated using the effective interest method, while dividends are recognised when the right to receive payment has been declared.

Financial instruments included under trade and other receivables, which arise mainly from the Group's ordinary trading activities, are measured at fair value, taking into account their specific terms and the creditworthiness of the counterparty.

Any financial assets for which the present value of the expected future cash flows arising from the collection or payment of a receivable/payable changes significantly—specifically when the contractual terms are modified by at least 10% of their present value—are treated as extinguished. The previous liability is derecognised and replaced with the new one, and the resulting difference is recognised under "Finance income" or "Finance costs" in the consolidated income statement.

In the event of amendments arising from debt restructuring, settlement agreements, or grace period clauses (known in Spain as cláusulas de quita y espera), if such changes are considered substantial, the original liability is derecognised and replaced by the renegotiated liability. The difference between both is recognised as a gain or loss under “Finance income/expense” in the consolidated income statement.

Equity Instruments

The amount corresponding to equity instruments issued by the Company has been recognised directly in equity as a variation in shareholders’ funds.

Transaction costs directly attributable to equity instruments (capital increases) have been recorded against equity, net of any related tax effects, as a reduction in reserves.

Inventories

Goods and services included within inventories are measured at cost, whether acquisition cost or production cost, as applicable.

The acquisition cost includes the invoiced amount from the supplier, net of any discounts, rebates or similar adjustments, as well as any interest incurred that is included in the normal course of trade receivables, and all additional expenses incurred in bringing the inventories to their present location and condition for sale.

For inventories requiring a period of more than one year to be ready for sale, financing costs and other directly attributable costs have been included in acquisition or production cost, in accordance with the criteria described in the section on property, plant and equipment.

When it has been necessary to assign values to specific items that form part of an inventory of interchangeable goods, the weighted average cost method has been applied as the general rule. The FIFO (first-in, first-out) method has also been accepted.

When the net realisable value of inventories is lower than their acquisition or production cost, the necessary impairment adjustments are recognised as an expense in the consolidated income statement.

If the circumstances that caused such impairment cease to exist, the amount of the reversal is recognised as income in the consolidated income statement, up to the limit of the previously recognised impairment loss.

Costs incurred in connection with the completion of project milestones, including the margin associated with the degree of progress estimated using the best information available at the reporting date, are recognised as work in progress inventories.

Amounts corresponding to partially completed contracts or services in progress for customers, not yet invoiced at year-end, are recorded under work in progress inventories.

Revenue recognition for each project milestone occurs when control of the asset (project) is transferred to the customer. For this purpose, control is deemed to have been transferred when:

- The customer assumes the risks and rewards associated with ownership of the asset.
- Physical possession of the asset has been transferred to the customer.
- The customer has accepted the asset and confirmed that it conforms to contractual specifications.
- The customer has an obligation to pay for the asset.
- Legal title to the asset has been transferred to the customer.

Foreign Currency Transactions

Initial recognition of foreign currency transactions has been carried out by applying to the amount in foreign currency the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. An average exchange rate for the period (monthly at most) has been used for all transactions taking place within such period.

For subsequent measurement of foreign currency transactions, the following categories have been distinguished:

- Monetary items: at the reporting date, monetary items have been translated at the closing exchange rate. Exchange differences arising, whether gains or losses, have been recognised in the consolidated income statement for the period in which they occurred.
- Non-monetary items measured at historical cost: These have been translated using the exchange rate prevailing at the date of the transaction. When a non-monetary asset denominated in foreign currency has been depreciated or amortised, depreciation or amortisation has been calculated on the asset's carrying amount expressed in the functional currency, using the exchange rate at the date on which the asset was initially recognised. The value thus obtained has in no case exceeded the recoverable amount of the asset at each subsequent reporting date.
- Non-monetary items measured at fair value: These have been translated using the exchange rate at the date on which fair value was determined. Exchange differences arising on translation at fair value are recognised in the consolidated income statement for the period, together with gains or losses arising from changes in valuation.

Income Taxes

Income tax expense represents the sum of the current income tax expense for the year and the effect of changes in deferred tax assets and liabilities and in tax receivables and payables.

Current income tax expense is calculated as the sum of the taxes payable resulting from applying the tax rate in force to the taxable base for the year, after deducting any tax credits, deductions and allowances that are legally admissible, together with the variation in deferred and prepaid tax assets and liabilities arising from temporary differences and deductible tax losses.

In general, a deferred tax liability is recognised for all taxable temporary differences, except to the extent that they arise from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit. Deferred tax liabilities are also recognised for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. If this condition is met, a deferred tax asset is generally recognised for deductible temporary differences, tax loss carryforwards, and unused tax credits and deductions that remain available for future use under applicable tax legislation.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in the period in which the asset is realised or the liability settled, based on tax laws that have been enacted or substantively enacted by the reporting date, and in accordance with the manner in which the entity reasonably expects to recover or settle the asset or liability.

Revenue and Expenses

Revenue is recognised as a result of an increase in economic benefits, provided that the amount can be measured reliably. Expenses are recognised as a result of a decrease in economic benefits, provided that the amount can also be measured or estimated reliably.

Revenue from the rendering of services is recognised when the outcome of the transaction can be estimated reliably, based on the stage of completion of the service at the reporting date.

Revenue from services has been recognised under the following conditions: when the amount of revenue can be measured reliably; when the Group has obtained the economic benefits associated with the transaction; when the stage of completion at the reporting date can be measured reliably; and when the costs incurred and those expected to be incurred in completing the transaction can be measured reliably.

The method applied during the financial year to determine the percentage of completion in service transactions has been the percentage-of-completion method.

Provisions and Contingencies

Provisions have been recognised for liabilities that meet the definition and recognition criteria set forth in the Conceptual Framework for Financial Reporting, when the amount or timing of settlement is uncertain.

Provisions have been determined based on a legal, contractual, or constructive obligation.

Provisions are measured at the reporting date at the present value of the best estimate of the expenditure required to settle or transfer the obligation to a third party. Adjustments arising from the unwinding of the discount are recognised as a finance cost as the time value of money accrues.

For provisions with a maturity of one year or less, no discounting has been applied.

Subvenciones, donaciones y legados

Non-refundable government grants, donations and bequests have been initially recognised as income directly attributable to equity, and subsequently recognised in the consolidated income statement on a systematic and rational basis, consistent with the expenses that the grant, donation or bequest is intended to compensate, according to their nature and purpose.

Monetary grants, donations and bequests are measured at the fair value of the amount received or receivable; non-monetary grants are measured at the fair value of the asset received.

For income statement recognition purposes, the following distinctions have been applied:

- Grants, donations and bequests granted to ensure a minimum return or to compensate operating deficits are recognised as income in the year in which they are granted, unless they relate to future years.

- Grants and donations intended to finance specific expenses are recognised as income in the same year in which the related expenses are incurred.

- Grants received to acquire assets or cancel liabilities are recognised as income in proportion to the depreciation or disposal of the related asset, or in proportion to the amortisation recognised.

- Finally, grants, donations and bequests received without a specific allocation have been recognised as income in the year in which they were received.

Joint Arrangements

A joint arrangement is deemed to be an economic activity jointly controlled by two or more individuals or legal entities.

This includes joint arrangements that are not conducted through the incorporation of a separate legal entity, nor through a permanent establishment, such as temporary joint ventures or joint ownership agreements.

In such cases, the Group recognises in the consolidated balance sheet its share of the jointly controlled assets and of any liabilities incurred jointly, in proportion to its ownership interest. It also recognises the jointly controlled operating assets under its management and the liabilities incurred as a result of the joint operation. In the consolidated income statement, the Group recognises its share of the income generated and expenses incurred by the joint arrangement.

Criteria Applied to Transactions with Related Parties

Transactions between companies within the same group, regardless of the degree of relationship among the entities involved, have been accounted for in accordance with generally accepted accounting standards.

Accordingly, such transactions are recognised at fair value at the date of the transaction. If the price agreed for a given transaction differs from its fair value, the difference is recognised based on the underlying economic substance of the transaction. Subsequent measurement is carried out in accordance with the provisions of the applicable accounting standards..

Note 5. Business Combinations

Parque Eólico Valdelugo, S.L.

On 15 December 2022, Energy Solar Tech, S.A. acquired a 49% interest in Parque Eólico Valdelugo, S.L., whose main asset is an 18 MW wind farm, operational since 10 March 2022 and currently undergoing a hybridisation process involving the installation of 16 MW of photovoltaic panels.

The wind farm operates with state-of-the-art technology and General Electric wind turbines of 3.6 MW each, capable of producing an average of 3,800 hours per year per installed MW.

In addition, the planned hybridisation for the second half of 2025 is expected to generate an additional 1,500 hours per MW installed.

At present, the estimated annual wind energy production amounts to 68,400,000 kWh, and with the solar hybridisation completed, total annual production is expected to reach approximately 24,000,000 kWh.

On 15 January 2023, the Company acquired an additional 49% stake in the same entity, thereby obtaining control of the company by holding 98% of its share capital.

From that date onwards, the entity has been fully consolidated under the global integration method (full consolidation method).

Until that date, the Company's 49% interest, without exercising effective control, had been accounted for using the equity method (method of accounting for investments in associates).

This acquisition allows the Group to achieve a certain level of independence in its energy supply, to stabilise its cost base, and to increase profitability through direct energy sales to the end client.

Additionally, it provides a complementary generation source, as the solar output curve follows an upward parabolic pattern during the day, whereas the wind generation curve follows a downward parabola at night.

As a result, the combined output of both sources yields a homogeneous energy production distributed over 24 hours a day and reasonably stable throughout the 365 days of the year.

The consideration transferred by the parent company of the Group, Energy Solar Tech, S.A., for the acquisition of this company amounted to EUR 16,018,548, comprising EUR 8,300,024 corresponding to the acquisition of the first 49% interest in 2022 and EUR 7,718,524 corresponding to the acquisition of the second 49% interest completed on 15 January 2023.

The following table summarises the consideration transferred, the fair values of the identifiable assets acquired and liabilities assumed at the acquisition date, and the goodwill arising from the business combination:

Consideration transferred	16.018.548
Property, plant and equipment	20.223.413
Non-current financial investments	644.728
Trade receivables and other accounts receivable	830.191
Current prepayments	30.347
Cash and cash equivalents	2.210.396
Non-current provisions	(104.813)
Non-current borrowings	(10.588.550)
Non-current debts with Group companies and associates	(8.297.998)
Current borrowings	(828.456)
Current debts with Group companies and associates	(51)
Trade and other payables	(1.291.722)
Fair value of net assets acquired	2.827.485
Reclassification of investment previously accounted for under the equity method	60.314
Non-controlling interests	56.550
Goodwill (Note 6)	13.307.927

Sarpel Ingeniería, S.L.U.

On 3 March 2023, Energy Solar Tech, S.A. acquired 100% of the share capital of Sangel Ingeniería, S.L.U., an engineering company with more than 30 years of experience in the energy sector.

The company employs over 120 professionals and has completed more than 5,000 projects, notably including the provision of engineering and construction services for solar power plants, wind farms, hydroelectric facilities, cogeneration plants, biomass plants, and electrical substations, as well as numerous industrial and corporate energy engineering projects. Sangel is also an official supplier to several major IBEX 35 companies.

This integration has resulted in additional efficiencies and improvements in management quality through the unification of engineering and operations resources under a single leadership and organisational structure, significantly enhancing the Group's management processes, coordination, and operational tools.

The contractual terms established an initial payment and a payment schedule contingent upon achieving EBITDA targets for the 2023, 2024, and 2025 financial years, together with other variable contingent considerations and a final payment in 2026, subject to the non-occurrence of tax, legal or labour contingencies in preceding years.

In 2024, once the 2023 EBITDA figures and the related contractual conditions were confirmed, the goodwill value was adjusted upward by €800,860.

As indicated in Note 19 – Other Information: Subsequent Events, after the reporting date, the Company received a claim from the former shareholders of Sangel Ingeniería, S.L.U. relating to the repurchase of 551,470 shares of Energy Solar Tech, S.A. for an amount of €3,000,000.

The Company and its legal advisors consider this claim to be unfounded, and legal proceedings are expected to commence in 2026. However, as a matter of prudence, the Company has decided to recognise the potential impact in the financial statements as of 31 December 2024.

The effects are as follows recognition of a liability of €3,000,000 under "Other short-term financial liabilities" and recognition of a decrease in equity under "Other gains" amounting to €1,637,869.10, corresponding to the present value of the shares to be repurchased.

At the reporting date, it was also confirmed that the conditions stipulated in the purchase agreement for the third contingent milestone payment of €2,000,000 were not met. Consequently, the liability previously recognised under "Other short-term financial liabilities" was derecognised. The related income, amounting to €2,000,000, was recognised under "Other gains".

Accordingly, the net effect of both events associated with the contractual conditions of the purchase agreement and share sale of Sangel Ingeniería, S.L.U. amounts to a positive €362,130.90, recorded under "Other results" in the income statement.

The following table summarises the consideration transferred, the fair values of the identifiable assets acquired and liabilities assumed at the acquisition date, and the goodwill arising from the business combination.

Consideration transferred	20.375.703
Intangible assets	19.497
Property, plant and equipment	606.977
Non-current financial investments	196.339
Deferred tax assets	15.750
Inventories	6.846.740
Trade receivables and other accounts receivable	7.736.624
Current financial investments	155.916
Cash and cash equivalents	2.413.139
Deferred tax liabilities	(39.160)
Current borrowings	(228.909)
Trade and other payables	(11.824.006)
Fair value of net assets acquired	5.898.907
Goodwill (Note 6)	14.476.796

Note 6. Intangible Assets

The composition and movements of net intangible assets during the 2024 and 2023 financial years were as follows:

	31/12/2023	Additions and allocations	Disposals	Transfers	Business combinations	31/12/2024
Gross intangible assets	27.694.303	835.449	(9.738)	-	-	28.520.014
Goodwill	27.362.625	800.861	-	-	-	28.163.486
Computer software	269.172	28.310	(9.738)	35.227	-	322.971
Other intangible assets	62.506	6.278	-	(35.227)	-	33.557
Accumulated amortisation	(2.576.653)	(2.863.101)	9.738	-	-	(5.430.016)

Goodwill	(2.447.546)	(2.809.538)	-	-	-	(5.257.084)
Computer software	(129.107)	(53.563)	9.738	-	-	(172.932)
Net intangible assets	25.117.650	(2.027.652)	-	-	-	23.089.998

	31/12/2022	Additions and allocations	Disposals	Transfers	Business combinations	31/12/2023
Gross intangible assets	455.381	27.152.131	-	(3.772)	90.563	27.694.303
Goodwill	378.763	26.983.862	-	-	-	27.362.625
Computer software	43.978	138.403	-	(3.772)	90.563	269.172
Other intangible assets	32.640	29.866	-	-	-	62.506
Accumulated amortisation	(36.793)	(2.471.713)	-	2.919	(71.066)	(2.576.653)
Goodwill	(27.989)	(2.419.557)	-	-	-	(2.447.546)
Computer software	(8.804)	(52.156)	-	2.919	(71.066)	(129.107)
Net intangible assets	418.588	24.680.418	-	(853)	19.497	25.117.650

Fully amortised items as at 31 December 2024 amount to EUR 57,345, corresponding to computer software. As at 31 December 2023, fully amortised items amounted to EUR 64,981.

Goodwill

On 15 January 2023, the Group acquired 98% of the share capital of Parque Eólico Valdelugo, S.L., giving rise to consolidation goodwill amounting to EUR 13,307,927 (see Note 5). As at 31 December 2024, the net carrying amount of this goodwill is EUR 10,704,716.

On 3 March 2023, the Group acquired 100% of the share capital of Sarpel Ingeniería, S.L.U., resulting in consolidation goodwill amounting to EUR 14,476,796 (see Note 5). As at 31 December 2024, the net carrying amount of this goodwill is EUR 11,926,607.

In addition, this line item includes the goodwill associated with Utsoul Beta, S.L.U., for an amount of EUR 204,121, and with Agais Servicios Energéticos, S.L.U., for an amount of EUR 70,958. As at 31 December 2024, no impairment losses have been recognised on any goodwill.

Note 7. Property, Plant and Equipment

The composition and movements of property, plant and equipment (PPE) as at 31 December 2024 and 31 December 2023 were as follows:

	31/12/2023	Additions and allocations	Disposals	Transfers	Exchange differences	Business combinations	31/12/2024
Gross property, plant and equipment	36.325.539	1.535.546	(668.630)	-	(1.467)	-	37.190.988
Technical installations	31.351.423	1.081.279	(49.848)	1.203.069	-	-	33.585.923
Machinery and tools	625.662	66.077	(2.214)	-	(1.356)	-	688.169
Furniture and computer equipment	291.264	18.269	(21.314)	-	(111)	-	288.108

Transport equipment and other tangible assets	101.530	130.152	(24.987)	-	-	-	206.695
Assets under construction	3.955.660	93.662	(568.986)	(1.203.069)	-	-	2.277.267
Advances for fixed assets	-	146.107	(1.281)	-	-	-	144.826
Accumulated depreciation	(3.196.930)	(1.608.888)	31.070	-	1.075	-	(4.773.673)
Technical installations	(2.624.203)	(1.445.720)	-	-	-	-	(4.069.923)
Machinery and tools	(356.699)	(96.206)	1.783	-	975	-	(450.147)
Furniture and computer equipment	(179.107)	(39.316)	24.015	-	100	-	(194.308)
Transport equipment and other tangible assets	(36.921)	(27.646)	5.272	-	-	-	(59.295)
Net property, plant and equipment	33.128.609	(73.342)	(637.560)	-	(392)	-	32.417.315

	31/12/2022	Additions and allocations	Disposals	Transfers	Exchange differences	Business combinations	31/12/2023
Gross property, plant and equipment	11.643.525	3.419.912	(589.697)	(589.576)	(1.822)	22.443.197	36.325.539
Technical installations	7.968.747	968.820	(548.620)	1.609.516	-	21.352.960	31.351.423
Machinery and tools	26.389	53.330	(7.077)	(178.190)	(1.721)	732.931	625.662
Furniture and computer equipment	52.864	70.844	(1.099)	(138.361)	(101)	307.117	291.264
Transport equipment and other tangible assets	52.194	26.077	-	(26.930)	-	50.189	101.530
Assets under construction	3.515.443	2.110.660	(32.901)	(1.637.542)	-	-	3.955.660
Advances for fixed assets	27.888	190.181	-	(218.069)	-	-	-
Accumulated depreciation	(579.782)	(1.427.954)	54.086	368.551	976	(1.612.807)	(3.196.930)
Technical installations	(555.650)	(1.296.475)	48.110	28.027	-	(848.215)	(2.624.203)
Machinery and tools	(2.483)	(74.574)	(13.226)	177.973	886	(445.275)	(356.699)
Furniture and computer equipment	(12.582)	(39.359)	1.064	147.189	90	(275.509)	(179.107)
Transport equipment and other tangible assets	(9.067)	(17.546)	18.138	15.362	-	(43.808)	(36.921)
Net property, plant and equipment	11.063.743	1.991.958	(535.611)	(221.025)	(846)	20.830.390	33.128.609

The Group has taken out two insurance policies (Civil Liability Insurance and All-Risk Material Damage Insurance) to cover the risks associated with the assets of Parque Eólico Valdelugo included under property, plant and equipment.

The coverage of these policies is considered sufficient. In addition, these installations are subject to a loan agreement with Banco Sabadell, with a nominal balance of EUR 7.846.925 as at 31 December 2024.

The remaining significant items under this heading mainly relate to energy-efficiency equipment and components installed in various projects.

Whenever the Group undertakes a new energy-outsourcing project, an installation period is established which varies according to the characteristics of each asset. During that period, the Group recognises additions under "Assets under construction" within property, plant and equipment; once the project enters into operation, the corresponding transfer is made to "Technical installations".

During 2024, the Group completed several energy-outsourcing projects that were recognised as technical installations in the amount of EUR 2.230.137 (EUR 2.542.447 as at 31 December 2023), of which EUR 1.203.069 had been classified as assets under construction at the beginning of the year (EUR 1.637.542 in 2023).

In 2024, disposals through sales of turnkey installations were recorded in the amount of EUR 89.717 (EUR 23.901 in 2023).

Lastly, the Group recorded other non-project-related installations amounting to EUR 214.500 (EUR 114.610 in 2023), including transport equipment, machinery and tools, furniture, IT equipment, and other tangible assets.

Fully depreciated assets as at 31 December 2024 total EUR 675.149, of which EUR 340.335 correspond to technical installations, EUR 226.615 to machinery and tools, and EUR 108.199 to other tangible assets.

As at 31 December 2023, fully depreciated assets amounted to EUR 262.511.

Note 8. Inventories

Given the nature of the Group's activities, this heading mainly includes all items relating to the procurement of materials for photovoltaic installations, as well as other materials associated with installations at client sites aimed at achieving energy savings, together with electrical material used in engineering projects.

The breakdown of "Inventories" as at 31 December 2024 and 31 December 2023, as presented in the accompanying consolidated financial statements, is as follows:

	31/12/2024	31/12/2023
Inventories	17.622.609	8.531.258
Raw materials and other supplies	1.297.904	1.219.800
Work in progress	16.304.167	7.267.433
Advances to suppliers	20.538	44.025

Raw materials and supplies mainly comprise materials associated with the installations described in Note 7 above.

The change in the value of work-in-progress inventories, as defined in Note 4 to these financial statements, amounts to EUR 8,567,261, and is presented under "Change in inventories of finished goods and work in progress" in the consolidated income statement. This variation is entirely attributable to the Group's engineering activity.

The Group companies perform a test for indications of impairment of inventory items based on the following hypothesis:

- Impairment due to ageing, based on an analysis of inventory turnover and updated valuations, where applicable.

Inventory impairment recognised in 2024 amounts to EUR 119,238.

The Group has taken out insurance policies covering the recoverable amount of the carrying value of its raw materials and other consumable goods.

Note 9. Trade Receivables and Other Accounts Receivable

The breakdown of "Trade receivables and other accounts receivable" as at 31 December 2024 and 31 December 2023 is as follows:

	31/12/2024	31/12/2023
Trade receivables	6.267.947	10.721.971
Trade clients	5.311.127	10.850.377
Personnel	6.000	5.855
Impairment losses (allowance for doubtful accounts)	(1.077.935)	(927.508)
Public administrations (Note 15)	2.028.755	793.247

There is no significant concentration of credit risk with respect to trade receivables, since the Group maintains a diversified client portfolio. During the 2024 financial year, the Group initiated ordinary, non-material legal proceedings against certain trade customers for outstanding balances (EUR 306,553 in 2023).

Accordingly, the Group recognised an impairment provision for the portion of the receivable from these clients that remained unresolved as at 31 December 2024.

Note 10. Cash and Cash Equivalents

These financial assets are measured at their fair value, which essentially corresponds to their market value, primarily current account balances.

	31/12/2024	31/12/2023
Cash and bank balances	7.162.074	10.183.579

The cash balances of the Group's entities are denominated in the following currencies:

	31/12/2024	31/12/2023
Total cash and cash equivalents	7.162.074	10.183.579
Euros	6.004.353	9.087.717
US Dollars	1.144.982	1.004.873
Chilean Peso	12.739	90.989

As of the date of these consolidated financial statements, the Group holds formalised but undrawn credit facilities amounting to EUR 7,475,000.

There are no restrictions on the availability of these cash balances.

Note 11. Equity

a) Capital risk management

The Group's main objectives regarding the management of the capital of its companies are to ensure the ability to maintain the "going concern principle", to generate an economic return for shareholders and to maintain an optimal capital structure and reduce its cost.

In order to maintain or adjust the capital structure, the Group could adjust the amount of dividends to be paid to shareholders, repay capital or issue new shares.

b) Equity Attributable to the Parent Company

Share Capital

As of 31 December 2024, the share capital of Energy Solar Tech, S.A. amounts to EUR 80,854, represented by 26,951,376 ordinary shares with a nominal value of EUR 0.003 each, fully subscribed and paid up.

Upon the incorporation of the Company, 6,000 shares were issued, each with a nominal value of EUR 1. Subsequently, and in accordance with the resolution adopted by the Extraordinary General Shareholders' Meeting held on 20 August 2020, the number of shares was split from 6,000 to 600,000 shares, each with a nominal value of EUR 0.01.

On 21 August 2020, a capital increase through cash contributions was carried out by issuing 26,800 shares with a nominal value of EUR 0.01 each and a share premium of EUR 12.49 per new share.

On 6 November 2020, a further capital increase through cash contributions was completed by issuing 117,925 shares with a nominal value of EUR 0.01 each and a share premium of EUR 13.36 per new share.

On the same date, a capital increase through the capitalisation of credits was also executed, resulting in the issue of 2,243 shares with a nominal value of EUR 0.01 each and a share premium of EUR 13.36 per new share.

During the 2021 financial year, on 2 July, a new capital increase was carried out through the issue of 116,667 shares with a nominal value of EUR 0.01 each and a share premium of EUR 38.81 per new share, distributed as follows: EUR 36.48 in the 6% discounted tranche, EUR 32.12 in the bondholder tranche, and EUR 38.81 in the institutional tranche.

The total share premium amounted to EUR 4,140,628.

On 3 December 2021, the share capital was increased again by EUR 507 through the issue of 50,711 shares with a nominal value of EUR 0.01 each and a share premium of EUR 38.81 per new share in a single tranche.

The total share premium from this issue amounted to EUR 1,968,094. This capital increase was registered on 26 July 2022.

During 2022, on 26 July, the nominal value per share was reduced without altering the total amount of share capital (split). The nominal value per share changed from EUR 0.01 to EUR 0.0005, resulting in a total of 914,346 shares with a nominal value of EUR 0.01 each becoming 18,286,920 shares with a nominal value of EUR 0.0005 each.

On 27 September 2022, the share capital was increased by EUR 1,203 through the issue of 2,406,069 shares with a nominal value of EUR 0.0005 each and a share premium of EUR 3.117 per share, for a total share premium amounting to EUR 7,499,717.

Following the transformation of Energy Solar Tech, S.L.U. into a Public Limited Company (S.A.) on 21 October 2022, the share capital was increased against reserves, with the nominal value of the shares being adjusted without changing their number.

This increase brought the share capital to EUR 51,732, with each share having a nominal value of EUR 0.0005, later reclassified to EUR 0.003 following the share conversion against reserves, bringing the total share capital to EUR 62,079.

On 19 December 2022, the share capital was increased by EUR 6,892 through the issue of 2,297,436 shares with a nominal value of EUR 0.003 each and a share premium of EUR 3.117 per share, resulting in a total share premium of EUR 7,161,108.

After this transaction, the share capital increased from EUR 62,079 to EUR 68,971.

On 29 March 2023, the share capital was increased by EUR 5,523 through the issue of 1,841,000 shares with a nominal value of EUR 0.003 each and a share premium of EUR 5.437 per share, resulting in a total share premium of EUR 10,009,517.

On 18 April 2023, a new capital increase was executed for EUR 3,652 through the issue of 1,217,456 shares with a nominal value of EUR 0.003 each and a share premium of EUR 5.437 per share, resulting in a total share premium of EUR 6,619,308.

On 3 August 2023, the share capital was further increased by EUR 2,352 through the issue of 783,097 shares with a nominal value of EUR 0.003 each and a share premium of EUR 6.377 per share, resulting in a total share premium of EUR 4,998,975.

Finally, on 11 June 2024, the share capital was increased by EUR 356 through the issue of 118,588 shares with a nominal value of EUR 0.003 each.

Own Equity Instruments

Treasury shares are held solely within the framework of the liquidity agreement entered into with the Liquidity Provider.

As of 31 December 2024 and 31 December 2023, Energy Solar Tech, S.A. held treasury shares in accordance with the details set out in the table below:

	Number of shares	Acquisition	Euros per share Market price	Market value	%
Treasury shares as of 31 December 2024	213.548	3,46	2,80	597.934	0,79
Treasury shares as of 31 December 2023	137.059	3,12	4,64	635.954	0,48

During the financial year ended 31 December 2024, transactions involving treasury shares generated a negative result amounting to EUR 284,598 (a negative result of EUR 61,244 in 2023).

In addition to treasury shares, as of 31 December 2024, this heading also includes the share repurchase right described in Note 5 – Business Combinations, amounting to €1,362,131.

Reserves

The reserve accounts show a positive balance of EUR 3,568,841 (positive balance of EUR 1,061,883 in 2023).

In addition to the retained earnings from previous years, these reserves include the expenses associated with the capital increases carried out by the Company during the 2024 financial year and prior years, recognised as voluntary reserves.

	31/12/2024	31/12/2023
Total reserves	3.568.840	1.061.883
Legal reserve	16.100	13.794
Consolidation reserves	2.417.345	54.870
Other reserves	1.135.395	993.219

Non-Controlling Interests

The "Non-controlling interests" heading reflects the portion of profit attributable to minority shareholders representing 2% of the share capital of Parque Eólico Valdelugo, S.L., amounting to EUR 92,340 as of 31 December 2024.

Note 12. Financial Assets and Liabilities

a) Financial Assets

Financial assets as of 31 December 2024 and 31 December 2023 are classified into the following categories:

	Amortised cost		Fair value through profit or loss (FVTPL)		At cost	
Categories	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Non-current financial assets	1.345.370	1.075.139	32.141	32.141	-	-
Other financial assets (Guarantees)	1.345.370	1.075.139	-	-	-	-
Investments in equity instruments	-	-	32.141	32.141	-	-
Current financial assets	12.325.131	20.679.351	70.326	-	-	-
Trade and other receivables (Note 9)	4.233.192	9.922.868	-	-	-	-
Debt securities	830.773	132.143	-	-	-	-
Other financial assets	99.093	440.761	-	-	-	-
Derivatives	-	-	70.326	-	-	-
Cash and cash equivalents (Note 10)	7.162.074	10.183.579	-	-	-	-

The heading "Other non-current financial assets" mainly includes the amount corresponding to the Debt Service Reserve Account (DSRA), amounting to EUR 1,297,180 as of 31 December 2024, associated with the Project Finance of Parque Eólico Valdelugo, S.L., for an amount of EUR 644,728 as of 31 December 2023.

The heading "Other current financial assets" mainly includes the Group's treasury, which amounts to EUR 7,162,074 as of 31 December 2024 (EUR 10,183,579 in 2023).

It also includes guarantees amounting to EUR 71,440 with Enerfia, S.L. (see Note 17). These guarantees correspond to those required by Red Eléctrica de España (REE), managed by the Spanish Official Market for Financial Futures and Options (MEFF), in order to operate in the electricity trading activity and to cover energy demand guarantees in the wholesale market before the Iberian Energy Market Operator (OMIE).

b) Financial Liabilities

Information on financial liabilities as of 31 December 2024 and 31 December 2023 is presented below, classified into the following categories:

	Financial liabilities at fair value through profit or loss (FVTPL)		Financial liabilities at amortised cost		Hedging derivatives, others	
Categories	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Non-current financial liabilities	231.000	-	12.099.776	17.178.631	-	-
Bank borrowings	-	-	10.918.952	13.892.208	-	-
Lease liabilities	-	-	31.824	-	-	-
Derivatives	231.000	-	-	-	-	-
Other financial liabilities	-	-	1.149.000	3.286.423	-	-
Current financial liabilities	-	-	29.106.326	22.814.562	-	-
Bank borrowings	-	-	2.971.371	2.905.007	-	-
Trade and other payables	-	-	22.277.701	16.636.205	-	-
Lease liabilities	-	-	4.421	-	-	-
Advances from customers			7.878	4.797	-	-
Other financial liabilities	-	-	3.844.955	3.268.552	-	-

The breakdown of the Group's main financing arrangements with credit institutions as of 31 December 2024 and 31 December 2023, stated at nominal value, is as follows:

	Nominal amount			
Group company / Description	31/12/2024	31/12/2023	Date of agreement	Maturity
Energy Solar Tech, S.A.	6.041.503	8.159.544		
Institutional loan	191.250	255.000	7/10/21	31/12/27
Institutional loan	168.750	243.750	20/1/22	20/1/27
Institutional loan	500.000	833.334	16/2/22	16/2/27
Institutional loan	500.000	833.334	10/11/22	10/11/27
Bilateral loan	990.430	1.272.288	3/2/23	3/2/28
Institutional loan	437.500	500.000	27/4/23	27/4/28
Bilateral loan	724.123	910.234	7/6/23	30/6/28
Bilateral loan	555.556	888.888	3/8/23	10/8/26
Bilateral loan	1.973.894	2.422.716	4/10/23	4/10/28
Parque Eólico Valdelugo, S.L.	7.992.933	8.789.850		
Project Finance	7.992.933	8.789.850	12/05/2021	30/06/2038

The project finance arrangement associated with the construction of the wind farm had an initial nominal value of EUR 14,000,000. As of 31 December 2024, the outstanding nominal balance amounts to EUR 7,992,933.

These borrowings with credit institutions generated financial expenses and interest amounting to EUR 1,285,018 as of 31 December 2024, mainly associated with the Project Finance linked to Parque Eólico Valdelugo, S.L. (EUR 1,197,915 as of 31 December 2023).

The obligations assumed by Parque Eólico Valdelugo, S.L., under the Project Finance agreement and the VAT credit facility, are detailed below.

Among the obligations stipulated in the Project Finance agreements are the requirements to prepare a cash flow generation statement for the year immediately preceding, as well as to calculate the Debt Service Coverage Ratio (DSCR) and maintain it above specific limits. The company must comply with a DSCR higher than 1.05x throughout the life of the loan. Furthermore, the company has undertaken to maintain an Equity-to-Debt Ratio of 34.71% / 65.29%, meaning that leverage must not exceed 65.29%. Failure to comply with these financial ratios shall constitute a contractual breach, with all related consequences.

To ensure compliance with the conditions established in the aforementioned financing arrangements, the company has provided the following guarantees:

- Pledge of project contracts.
- Pledge of balances in project accounts..
- Pledge of balances in the VAT account.
- Pledge of credit rights against the Spanish Tax Authorities in respect of VAT refunds.
- Mortgage guarantees over project assets and other commitments.
- Compliance with specific criteria for dividend distribution.

The heading "Other financial liabilities" mainly includes debts with related parties (see Note 17). The detail is as follows:

- Globalteleco Franquicias, S.L. granted a loan to Energy Solar Tech, S.A. on 1 July 2020 for a nominal amount of EUR 400,000, with a grace period of two years. As of 31 December 2024, the outstanding balance amounts to EUR 60,432 (EUR 229,576 as of 31 December 2023). During 2023, an early repayment of EUR 50,000 was made.
- Globaltelco Franquicias, S.L. also granted a loan to Aqaás Servicios Energéticos, S.L.U. on 29 October 2020 for a nominal amount of EUR 143,000, with a grace period until 29 January 2023. As of 31 December 2024, the outstanding balance amounts to EUR 51,030 (EUR 121,196 as of 31 December 2023).

  These debts with Globalteleco Franquicias, S.L. accrued interest of EUR 14,022 in 2024 (EUR 15,306 in 2023).
- Liability arising from the acquisition of Sangel Ingeniería, S.L.U., amounting to EUR 4,575,000, as described in Note 5 – Business Combinations. The contractual terms established an initial payment and a payment schedule contingent upon achieving the EBITDA targets for the 2023 and 2024 financial years, as well as other variable considerations, and a final payment in 2026, conditional upon the absence of tax, legal or labor contingencies in prior years.
- Erbienergía Inversiones, S.L. granted a subordinated or shareholder loan associated with the Project Finance conditions. As of the closing date, the liability recorded corresponds to the outstanding principal plus accrued and unpaid interest, totalling EUR 149,000 in principal and EUR 19,666 in accrued interest, amounting to EUR 9,847 in 2023.

None of the above financial liabilities presented in the balance sheet are secured by any additional guarantees.

At year-end, there are no long-term financial liabilities maturing within a period shorter than twelve months from the reporting date of the consolidated financial statements.

The amount of debt maturing in each of the next five years, and the remainder up to final maturity, is detailed in the following table:

	2025	2026	2027	2028	More than 5 years	Total non-current	Total
Bank borrowings	2.971.371	2.527.991	1.953.668	1.362.571	5.074.723	10.918.953	13.890.324
Lease liabilities	4.421	5.239	5.613	6.022	14.949	31.823	36.244
Derivatives	-	135.000	96.000	-	-	231.000	231.000
Other financial liabilities	3.844.955	1.000.000	-	-	149.000	1.149.000	4.993.955
Trade and other payables	22.285.579	-	-	-	-	-	22.285.579
Suppliers	21.667.586	-	-	-	-	-	21.667.586
Other creditors	610.115	-	-	-	-	-	610.115
Advances from customers	7.878	-	-	-	-	-	7.878
Total	29.106.326	3.668.230	2.055.281	1.368.593	5.238.672	12.330.776	41.437.102

	2024	2025	2026	2027	More than 5 years	Total non-current	Total
Bank borrowings	2.905.008	2.963.758	2.525.024	1.959.416	6.444.009	13.892.207	16.797.215
Lease liabilities	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-
Other financial liabilities	3.268.552	3.111.462	-	-	174.961	3.286.423	6.554.975
Trade and other payables	16.641.002	-	-	-	-	-	16.641.002
Suppliers	15.977.284	-	-	-	-	-	15.977.284
Other creditors	658.921	-	-	-	-	-	658.921
Advances from customers	4.797	-	-	-	-	-	4.797
Total	22.814.562	6.075.220	2.525.024	1.959.416	6.618.970	17.178.630	39.993.192

As of 31 December 2024, the Group had credit guarantee facilities ("aval lines") amounting to EUR 26,330,000, of which EUR 11,201,329 had been issued.

These guarantees are intended to cover customer advances, ensure compliance and performance obligations, and guarantee the proper execution of ongoing projects and services under development by the engineering division.

c) Derivative financial instruments

The heading "Other financial liabilities" includes an amount of EUR 269,440, corresponding to the fair value of a financial derivative. Additionally, the heading "Other current financial assets" includes EUR 67,360 of fair value associated with the same instrument.

In 2023, Parque Eólico Valdelugo, S.L. entered into an interest rate swap with the purpose of partially hedging the interest rate risk arising from the Project Finance loan, with a nominal amount of EUR 9,179,409 at the inception date. The notional amount of the derivative contracted totals EUR 6,425,586, representing 70% of the nominal amount of the Project Finance loan.

This instrument is an interest rate swap, under which the Group and the financial institution periodically exchange interest flows on a notional principal. During the term of the loan, the Group pays a fixed semi-annual rate of 3.191%, while it receives from the bank a variable rate equal to the reference rate of the financing arrangement being hedged, namely six-month Euribor.

For the accounting recognition of the derivative, both short-term and long-term interest rates have been taken into consideration. During this period, the rate agreed by the company was higher than the reference rate, resulting in a loss of EUR 38,087 in the short term and EUR 231,353 in the long term. The aggregate of these two amounts, EUR 269,440, generates a deferred tax asset amounting to EUR 67,360, which represents 25% of the aforementioned aggregate amount.

The fair value of swap transactions is based on the market value of equivalent derivative financial instruments at the balance sheet date. All interest rate swaps are effective as cash flow hedges.

The heading "Derivatives" under Current financial assets includes an amount of EUR 70,326, corresponding to a derivative linked to an energy Power Purchase Agreement (PPA) maturing on 30 June 2027.

Additionally, the heading "Derivatives" under Current financial liabilities includes an amount of EUR 231,000, corresponding to the same instrument.

For valuation purposes, the derivative has been assessed considering historical production and electricity market futures traded on the Official Spanish Market of Options and Financial Futures (MEFF). The valuation of this asset resulted in a loss due to changes in fair value amounting to EUR 160,674.37, which is recorded under the line item "Change in fair value of financial instruments" in Note 16.

d) Financial risk management policy

The Group's risk management policy aims to establish the principles and guidelines to ensure that any relevant risks which could affect the objectives and activities of Energy Solar Tech, S.A. are identified, analysed, assessed, managed, and controlled, and that these processes are carried out in a systematic manner and in accordance with uniform criteria.

The main principles set out in this policy can be summarised as follows:

- Risk management must be fundamentally proactive, focusing on the medium and long term, and taking into account all possible scenarios in an increasingly globalised environment.
- As a general rule, risk management must be carried out according to principles of coherence between the importance of the risk (in terms of probability and impact) and the level of investment and resources necessary to mitigate it.
- The management of financial risks should aim to avoid undesired variations in the Group's fundamental value and should not be intended to obtain extraordinary profits.

The Group's financial officers are responsible for managing financial risks, ensuring their alignment with the Group's overall strategy and coordinating their management across the various business units. They identify the main financial risks and define the actions to be taken with respect to them based on the establishment of different financial risk scenarios.

The methodology for the identification, measurement, monitoring, and control of these risks, as well as the management indicators and the specific measurement and control tools for each type of risk, are implemented within the Group's Comprehensive Risk Management System.

Note 13. Trade and other payables

The breakdown of this caption in the consolidated financial statements as of 31 December 2024 and 31 December 2023 is as follows:

	31/12/2024	31/12/2023
Trade and other payables	23.322.083	18.249.233
Trade payables	21.667.587	15.977.284
Other creditors	610.115	658.921
Personnel	397.339	718.324
Current tax liabilities (Note 15)	2.161	442.246
Other debts with public administrations (Note 15)	637.003	447.661
Advances from customers	7.878	4.797

The caption "Trade payables" corresponds to amounts pending payment for the purchase of energy, maintenance of technical installations, and engineering projects in progress.

The caption "Advances from customers" corresponds entirely to amounts received in connection with engineering projects in progress.

Additional Provision Three — "Duty of disclosure" under Law 15/2010 of 5 July

The Resolution of 29 January 2016 issued by the Spanish Accounting and Auditing Institute (ICAC), regarding the information to be included in the notes to the financial statements in relation to the average payment period to suppliers in commercial transactions, clarifies and systematises the information that companies are required to disclose in the notes to the individual and consolidated financial statements for the purpose of fulfilling the duty of disclosure established in Additional Provision Three of Law 15/2010 of 5 July, which amended Law 3/2004 of 29 December, aimed at establishing measures to combat late payment in commercial transactions.

Companies preparing consolidated financial statements are also subject to the scope of this Resolution, which applies exclusively to Spanish entities consolidated under the global or proportional integration method, regardless of the financial reporting framework under which such consolidated financial statements are prepared.

The information on the average payment period to suppliers for financial years 2024 and 2023 is as follows:

	2024	2023
	Días	Días
Average payment period to suppliers (days)	24	24
Ratio of transactions paid	25	28
Ratio of outstanding payments (%)	14%	17%
	Euros	Euros
Total payments made (euros)	60.181.878	50.147.040
Total outstanding payments (euros)	21.615.824	16.765.376

	2024	2023
Monetary volume paid (euros)	20.621.366	17.906.861
% of total payments to suppliers	68%	51%
Invoices paid	5.584	6.888
% of total invoices paid to suppliers	69%	51%

Note 14. Provisions

The detail of provisions as of 31 December 2024 and 31 December 2023 is as follows:

	31/12/2024			31/12/2023		
	Current	Non-current	Total	Current	Non-current	Total
Provisions	12.442	155.287	167.729	36.210	104.813	141.023
Employee benefits	12.442	-	12.442	35.032	-	35.032
Dismantling of property, plant and equipment	-	104.813	104.813	-	104.813	-
Other provisions	-	50.474	50.474	1.178	-	105.991

The amount recorded under non-current provisions corresponds to the dismantling provision related to Parque Eólico Valdelugo, S.L., amounting to €104,813 as of 31 December 2023.

As of 31 December 2024, the estimate of the future dismantling cost has been updated, with no need to modify the provision.

Note 15. Tax Position

The Tax Group, headed by Energy Solar Tech, S.A., is the parent company and has been taxed under the Tax Consolidation Regime in Spain since the 2022 fiscal year.

In addition to the parent company, the Tax Group includes the subsidiaries Aqaas Servicios Energéticos, S.L.U., Jusol Beta, S.L.U., Sarpel Ingeniería, S.L.U., and Parque Eólico Valdelugo, S.L.

Deferred Tax Assets

Deferred tax assets included in the consolidated financial statements relate to tax credits arising from negative taxable bases, activated deductions pending application, and temporary deductible differences recorded as assets at each year-end.

	31/12/2024	31/12/2023
Deferred tax assets	85.338	90.853
Tax credits for negative taxable bases	-	3.998
Temporary deductible differences (asset)	85.338	86.855

Public Authorities

The short-term balances maintained by the Group with public authorities as of 31 December 2024 and 31 December 2023 are as follows:

	31/12/2024	31/12/2023
Public Authorities – Receivables	2.028.755	793.248
Corporate Income Tax receivable	63.078	321.642
VAT receivable	1.965.677	471.606

	31/12/2024	31/12/2023
Current tax liabilities	2.161	442.247
Corporate Income Tax payable	2.161	442.247
Other payables to public authorities	637.003	447.661
Personal income tax withholdings	348.279	109.934
Withholdings on investment income, VAT and others	121.615	190.841
Social Security bodies – payables	167.109	146.886

The reconciliation of the net amount of income and expenses for the year with the taxable base of Corporate Income Tax for the tax group is summarized in the following table:

	Income Statement	
	Increases	Decreases
Profit for the year	4.746.249	-
Corporate Income Tax for the tax group	1.222.904	-
Share issuance expenses (reserves)	-	7.411
Consolidation expenses attributable to Corporate Income Tax – Goodwill	-	-
Permanent differences	210.137	1.787.131
Temporary differences	-	-
- Originating in the current year	-	-
- Originating in prior years	-	-
Pre-taxable base	4.384.748	-
Capitalisation reserve generated	-	-
Applied	-	-
Pending application in subsequent years	-	-
Offsetting of tax loss carryforwards	(5.335)	-
Taxable base (fiscal result)	4.379.413	-

The reconciliation of the Corporate Income Tax expense is presented below:

	2024
Profit before tax	6.464.683
Tax rate	25,00%
Tax expense (calculated)	1.616.171
Corporate Income Tax	(1.222.904)
Difference	(393.267)
Permanent differences	(394.048)
Temporary differences	-
- Originating in the current year	-
- Originating in prior years	2.952
Offsetting of tax loss carryforwards from prior years	(2.087)
Tax deductions for donations	(84)
Final difference	-

The applicable tax rate for the parent company is 25%, which is the same rate applied to the following subsidiaries of the Group: Agais Servicios Energéticos, S.L.U., Sarpel Ingeniería, S.L.U., Parque Eólico Valdelugo, S.L. and Utusol Beta, S.L.U.

During financial year 2024, the subsidiary Sarpel Ingeniería Chile, SPA did not generate positive results; therefore, no Corporate Income Tax expense was recognized for that year.

Tax Years Open to Inspection

In accordance with current legislation, taxes cannot be considered as definitively settled until the filed tax returns have been reviewed by the tax authorities or the four-year statute of limitations period has expired.

As of 31 December 2024, the Group's companies remain open to inspection for Corporate Income Tax for fiscal year 2020 and subsequent years, and for all other applicable taxes, either since their incorporation or from the corresponding fiscal year if incorporation occurred thereafter..

Note 16. Income and Expenses

a) Net Revenue

The composition of the "Net Revenue" caption is as follows:

	2024	2023
Net revenue	63.376.946	52.416.732
Sales	3.537.717	4.851.355
Rendering of services	59.839.229	47.565.377

The "Sales" caption mainly comprises energy sales to the market carried out by Parque Eólico Valdelugo, S.L.

The "Rendering of services" caption includes income from outsourcing activities and projects undertaken by the Group's engineering subsidiary.

b) Works Performed by the Group for Its Own Fixed Assets and Other Income

The composition of the "Other Income" caption is as follows:

	2024	2023
Other income / expenses	1.167.840	852.491
Works performed by the Group for its own fixed assets	959.515	677.464
Other operating income	208.325	175.027

The works performed by the Group for its own fixed assets mainly correspond to projects carried out by the engineering company for the facilities of the parent company.

c) Supplies and Other Operating Expenses

The composition of the "Supplies" caption is as follows:

	2024	2023
Supplies	(53.498.520)	(33.676.357)
Merchandise consumed	(6.966.684)	(9.631.069)
Raw materials and other consumables used	(23.694.281)	(13.699.423)
Work carried out by other companies	(22.819.967)	(10.345.865)
Impairment of merchandise, raw materials and other supplies	(17.588)	-

The "Other operating expenses" caption mainly includes costs related to the maintenance, repair and upkeep of facilities, as well as other expenses for IT services, advisory services and other professional services.

	2024	2023
Other operating expenses	(4.876.990)	(4.841.454)
Leases and royalties	(1.346.035)	(1.107.220)
Independent professional services	(1.232.390)	(822.991)
Other external services	(1.670.195)	(1.582.249)
Taxes	(355.546)	(1.019.222)
Losses, impairment and changes in provisions for commercial transactions	(272.681)	(294.114)
Other general management expenses	(143)	(15.658)

The amount recorded under "Taxes" as of 31 December 2023 included €951,219 corresponding to the reduction mechanism for gas remuneration established by Royal Decree 17/2021, associated with the wind farm's energy production. It should be noted that Royal Decree 8/2023 did not extend this measure, and therefore the reduction mechanism was eliminated for the 2024 financial year.

The wind farm holds lease agreements for the land on which it is located, maturing in 2051, and subject to annual adjustment based on the Consumer Price Index (CPI), with an approximate annual cost of €73,378. The amount of minimum future payments for non-cancellable operating leases is €324,265 for periods between one and five years, and €2,475,942 for periods exceeding five years.

Additionally, the Group has minimum future payments amounting to €491,289, mainly related to the leasing of vehicles and industrial warehouses, of which €266,961 correspond to non-cancellable payments within one year and €224,327 to payments between one and five years.

Details are as follows:

	Minimum future payments	Up to 1 year	Between 1 and 5 years
Total	491.289	266.961	224.327
Vehicle leases	390.528	195.933	194.594
IT service leases	33.308	3.575	29.733
Industrial warehouse leases	62.183	62.183	-
Site lease	5.270	5.270	-

d) Personnel Expenses

The composition of the "Personnel Expenses" caption is as follows:

	2024	2023
Personnel expenses	(7.679.889)	(7.271.716)
Wages and salaries	(6.026.663)	(5.930.128)
Social security contributions	(1.650.657)	(1.341.588)
Provisions	(2.569)	-

e) Financial Result

The detail of the Group's financial results is as follows:

	2024	2023
Financial result	(1.265.256)	(1.089.443)
Financial income	95.098	29.072
Financial expenses	(1.285.018)	(1.197.915)
Exchange differences	85.338	(38.932)
Other financial results	(160.674)	118.332

The Group's financial expenses mainly relate to interest associated with borrowings from financial institutions, as described in Note 12.

The amount of €160,674 recorded under "Other financial results" corresponds to the change in the fair value of financial instruments, relating to the valuation of the derivative described in Note 12.

Note 17. Related Party Transactions

The following sections provide details of the movements arising from related party transactions, broken down according to the type of relationship.

Specification of Related Party Transactions

To provide sufficient information for an understanding of the related party transactions carried out, the following table identifies the entities with which such transactions have been conducted, specifying the nature of the relationship with each related party:

Nombre o razón social	Naturaleza de la vinculación
Key Management, S.L.	Related company
Globalteco Franquicias, S.L.	Related company
Enerfia, S.L.	Related company
Erbienergía Inversiones, S.L.	Related company
Energías Renovables del Bierzo, S.L.	Related company

The balances as of 31 December 2024 and 31 December 2023, together with the transactions carried out during financial years 2024 and 2023 by the companies of the Energy Solar Tech Group with related parties, are presented below:

	31/12/2024	31/12/2023
Long-term deposits pledged in favour of related companies (Note 12)	-	324.000
Short-term deposits pledged in favour of related companies (Note 12)	71.440	-
Advances to related companies	19.019	-
Trade receivables from related companies	-	924.068
Other receivables from related companies (Note 13)	2.285	35.311
Trade payables to related companies	32.459	312.915
Other long-term payables to related companies (Note 12)	149.000	286.423
Other short-term payables to related companies (Note 12)	131.128	162.307

	2024	2023
Acquisitions of property, plant and equipment from related companies	57.246	208.988
Operating income from related companies	17.758	1.920
Operating expenses with related companies	1.186.663	4.193.806
Financial expenses with related companies	23.869	271.148

Remuneration of the Board of Directors

Directors	Salaries	Fixed remuneration	Other items	2024
Executive Directors	208.790	4.800	64.600	278.190
Independent Directors	-	16.700	-	16.700
Proprietary Director	-	2.300	-	2.300

Consejeros	Salaries	Fixed remuneration	Other items	2023
Executive Directors	200.000	4.000	119.200	323.200
Independent Directors	-	13.500	-	13.500
Proprietary Director	-	1.500	-	1.500

Note 18. Environmental Information

The Group's companies have no litigation in progress related to the protection or improvement of the environment that could give rise to material contingencies. Likewise, during financial years 2024 and 2023, the Group's companies did not receive any grants or subsidies of an environmental nature.

Note 19. Other Information

Employees

The average and year-end number of employees during financial years 2024 and 2023 is as follows:

	Final headcount 2024			Average headcount 2024		
Category	Women	Men	Total	Women	Men	Total
Directors	2	4	6	1	5	6
Managers	2	13	15	2	13	15
Team leaders	2	9	11	3	9	12
Technicians, support staff	19	94	113	19	102	120
Total	25	120	145	25	129	153

	Final headcount 2023			Average headcount 2023		
Category	Women	Men	Total	Women	Men	Total
Directors	1	5	6	1	5	6
Managers	3	14	16	3	13	15
Team leaders	1	11	13	2	13	15
Technicians, support staff	21	110	131	19	111	130
Total	26	140	166	24	142	166

Auditors' Fees

The services contracted with the auditors comply with the independence requirements set forth in Law 22/2015, of 20 July, on Auditing of Accounts in Spain.

The remuneration paid by the Group to Auren Auditores, S.L.P., the audit firm of Energy Solar Tech, S.A. and its subsidiaries, for financial years 2024 and 2023 amounted to:

	2024	2023
Audit services	74.585	70.893
Audit-related services	6.240	14.000
Total	80.825	84.893

Segment Information

The composition of net revenue by line of business is as follows:

Line of business	2024	2023
Outsourcing and energy advisory services	9.920.686	11.624.527
Engineering and project sales	49.944.589	35.815.612
Energy generation	3.511.671	4.976.593
Total	63.376.946	52.416.732

The composition of net revenue by geographic area is as follows:

Geographic area	2024	2023
Spain	61.310.371	42.963.292
Chile	1.942.283	9.411.419
Other countries	124.292	42.021
Total	63.376.946	52.416.732

Agreements

There are no agreements entered into by the Group that are not reflected in the balance sheet, nor any for which information has not been incorporated in another section of these notes to the consolidated financial statements.

Grants, Donations and Bequests

The composition of grants, donations and bequests as of 31 December 2024 and 31 December 2023 is as follows:

	2024	2023
Grants	34.439	-
Donations	555	-
Bequests	-	-
Total	34.994	-

The amount recorded under the "Grants" caption during financial year 2024 corresponds to €34,439.

Financial Commitments

There are no financial commitments, guarantees or contingencies not recognised in the balance sheet.

Subsequent Events

As indicated in Note 5 – Business Combinations, after the reporting date the Company received a claim from the former shareholders of Sangel Ingeniería, S.L.U., relating to the repurchase of 551,470 shares of Energy Solar Tech, S.A. for an amount of €3,000,000. The Company and its legal advisors consider this claim to be unfounded and therefore intend to continue with the judicial process, which is expected to commence in 2026. Nevertheless, as a matter of prudence, the Company has decided to recognise the effects of this matter in the financial statements as of 31 December 2024.

These effects consist of the recognition of a €3,000,000 liability under "Other short-term financial liabilities" and €1,362,131 under "Other increases or decreases in equity," corresponding to the present value of the shares to be repurchased. The impact on the income statement, under "Other results," amounts to a negative €1,637,869.

At the date of preparation of these financial statements, it was also confirmed that the parameters established in the purchase agreement for the third contingent payment milestone of €2,000,000 had not been met. Consequently, the liability previously recognised under "Other short-term financial liabilities" was derecognised, resulting in a positive impact of €2,000,000 recorded under "Other results." Accordingly, the net effect of both events associated with the suspensive conditions of the purchase agreement for Sangel Ingeniería, S.L.U. is a positive €362,130, recognised under "Other results."

No additional significant subsequent events, other than those described above, have occurred.

Consolidated Management Report

Energy Solar Tech, S.A., the Group's parent company, is a Spanish public limited company with registered office at C/ Ruso 18, Las Rozas de Madrid 28290 (Madrid). The company was incorporated under the name Energy Solar Tech, S.L. on February 18, 2020.

On October 17, 2022, the Extraordinary General Meeting of the company's shareholders approved the transformation of the Company into a public limited company. This agreement was elevated to a public deed on October 21, 2022.

Energy Solar Tech is a technology company in the energy sector. Its mission is to facilitate the energy transition of companies to reduce their energy costs, contributing to making a more sustainable world without CO2 emissions.

It was founded by Alberto Hernández (former general manager of Apple in Spain) with the aim of revolutionizing the status quo of the traditional energy landscape, putting at the service of its customers all the necessary technologies to transform their energy model at the lowest possible cost through a differential outsourcing proposal.

Outsourcing guarantees Energy Solar Tech's customers the lowest energy cost without having to assume investment, management, regulatory and technological risks. With this model, customers can focus 100% on their business, freeing up resources and capital by delegating all the necessary actions to optimize their energy perimeter to Energy Solar Tech's expertise and specialization.

This differential model is based on 3 key verticals of services and capabilities:

- Distributed generation: analysis of the company's energy perimeter to develop and implement self-consumption projects that maximise energy savings through all necessary technologies (photovoltaic systems, micro and mini wind power, hybrid cogeneration, hydrogen, biogas or biomass).
- Centralised generation: development of proprietary generation assets that enable Energy Solar Tech to supply energy from the grid not covered by self-consumption (wind, photovoltaic, biogas, biomass, hydraulic pumping and storage, among others).
- Ingeniería especializada: gracias al equipo especializado de ingeniería y las tecnologías más avanzadas Energy Solar Tech diseña e integra soluciones a medida para maximizar la eficiencia y transformar el modelo energético completo del cliente.
- Specialised engineering: thanks to its expert engineering team and the most advanced technologies, Energy Solar Tech designs and integrates customised solutions to maximise efficiency and transform the client's entire energy model.

Energy Solar Tech has successfully adapted the outsourcing model, widely established in the technology industry, to the electricity sector, which remains largely traditional in its commercial approach. The company possesses in-house technological and manufacturing capabilities that cover the entire value chain, offering a unique and differentiated value proposition within the energy sector.

The Group has operated exclusively in the Spanish market, a stable economy within the European Union, focusing its activity on industries with high economic resilience, thereby mitigating the risks associated with economic cycles. Since the acquisition of Sarpel Ingeniería, S.L.U., the Group has also expanded its operations to the Chilean market.

Generation Assets

On 5 December 2022, Energy Solar Tech, S.A. acquired 49% of the company Parque Eólico Valdelugo, S.L., whose main asset is an 18 MW wind farm that has been in operation since 10 March 2022 and is currently in the process of solar hybridisation through the installation of 16 MW of photovoltaic panels, making the wind farm a state-of-the-art generation asset equipped with General Electric 3.6 MW turbines capable of producing an average of 3,800 operating hours per MW installed annually.

Additionally, the hybridisation planned for the second half of 2025 will enable an additional 1,500 operating hours per MW installed. The current estimated wind power production is 68,400,000 kWh, and it is expected that, once hybridised, total annual production will reach approximately 24,000,000 kWh of solar generation.

On 15 January 2023, the company acquired an additional 49% stake in this entity, thereby obtaining control of the company and holding 98% of its share capital.

This transaction allows the Group to achieve a degree of independence from grid energy purchases, stabilise its cost base, and enhance profitability through direct energy sales to end customers. Furthermore, it provides a complementary generation source, as solar generation follows a positive daytime parabola while wind generation follows a negative one, resulting in a combined, homogeneous energy output over 24 hours and reasonably stable throughout the year.

Concept	Units	Measure
Installed wind power	18	MW
Equivalent wind hours	3.800	h/MW
Solar hybridisable capacity	16	MW
Equivalent hybridisation hours	1.500	h/MW
Estimated wind production	68.400.000	kWh
Estimated solar hybridisation production	24.000.000	kWh
Total annual production	92.400.000	kWh

The generation assets contribute to reducing sales costs (increasing EBITDA and net cash generation) and lowering guarantees deposited in the market and advances for energy purchases. Consequently, they enhance competitiveness in terms of cost and price stability by decoupling Energy Solar Tech's client offering from market volatility, mitigating exposure to energy price increases and enabling a more assertive commercial acquisition strategy.

Sarpel Ingeniería S.L.U.

In March 2023, 100% of the share capital of this engineering company was acquired. With over 30 years of experience in the sector, the company employs more than 120 professionals and has completed over 5,000 projects. Its expertise includes engineering services and the construction of solar plants, wind farms, hydroelectric plants, cogeneration plants, biomass facilities, and electrical substations, as well as numerous industrial and corporate energy engineering projects. The company serves as a trusted supplier for several leading companies listed on the IBEX 35.

The acquisition of Sarpel has had a significant financial impact on the consolidated financial statements of the Energy Solar Tech Group since 2023.

Business Lines (Commercialisation Models)

- Energy Outsourcing: the Company analyses, develops, builds and maintains assets at the client's premises (the assets being owned by the Company) and sells all the energy generated by those assets to the client. When efficiency gains occur that reduce the cost of the asset or consumption, the resulting savings are shared with the client. Additionally, the Company sells grid energy (holding a retailer licence) to the client, generating a margin. All this is structured under an outsourcing model, with a set of value-added services and components that are invoiced to the client on a monthly basis. This constitutes a long-term recurring revenue stream.

- Tailor-Made Project Sales:
  - Self-consumption project sales: this business line consists of selling turnkey projects, where clients become the owners of the assets. Energy Solar Tech estimates potential client savings, designs the project, and provides a tailored offer for the acquisition of the asset. From the margin generated by these projects, additional assets are built for the Company's own network. It is important to note that this does not involve the direct sale of panels, but rather a full installation, using the equipment to achieve greater energy efficiency and cost reduction.
  - Engineering project sales: specialised services in the engineering and construction of high-value energy projects for industrial clients and the power sector itself, such as solar plants, wind farms, hydroelectric facilities, cogeneration plants, biomass plants, electrical substations, and numerous industrial and corporate energy engineering projects.
- Energy generation: this line of business is associated with the production of energy from centralised generation assets, such as wind, photovoltaic, hydroelectric and biomass facilities. This activity began at the end of financial year 2022 and has been reflected in the income statement since 2023. The Group expects to continue expanding this line of business during the current year through the acquisition and development of additional generation assets.

Key Figures

The main business figures for the financial years ended 31 December 2024, 31 December 2023, and the full years 2022 and 2021 are presented below:

	2024	Change 2024 vs 2023	2023	Change 2023 vs 2022	2022
Revenue	63.376.946	x1,2 YoY	52.416.732	x3,9 YoY	13.274.701
EBITDA	7.056.648	x0,74 YoY	9.542.208	x3,2 YoY	3.012.355
Total Assets	89.046.789	x0,99 YoY	89.511.129	x3,0 YoY	29.836.800
Net equity	46.146.251	x0,97 YoY	47.436.382	x1,9 YoY	24.219.630

During financial year 2024, the Group's EBITDA amounted to €7,056,648, compared with €9,542,208 as of 31 December 2023.

Key highlights include:

- The average wholesale energy price (OMIE) for 2024 was €62.89/MWh, compared to €87.44/MWh in 2023, representing a -28% variation.

  This was mainly due to the fact that in the first half of 2024, the OMIE average stood at €39.09/MWh, reaching historically low levels, with monthly prices significantly below those recorded during the pandemic period, when the country's industrial and economic activity was practically at a standstill. In the second half of the year, the trend shifted significantly, with an average price of €86.70/MWh.

  In 2023, the wholesale energy price (OMIE) was €87.44/MWh, compared to €167.66/MWh in 2022 for the same period.
- This turning point directly affected the revenues from the centralised generation line, leading to a reduction in the Group's EBITDA compared to 2023.
- The increase in interest rates, reaching levels not seen since 2008, added pressure on the sector's financial situation.
- La inestabilidad financiera del sector se manifestó en los resultados de 2023 publicados por la mayoría de las empresas comparables. Esta situación ha afectado gravemente la credibilidad de la comunidad inversora en el sector y, en particular, en BME Growth.

Anticipating this situation in the last quarter of 2023, the company made the following strategic decisions to adapt to the new competitive and market environment:

- Focusing human and financial resources on the development of engineering and construction projects.
- Postponing the financing and construction of new wind and solar parks until the second half of 2025, awaiting a more stable context.
- Reducing the commercial focus on the energy outsourcing line, given the low energy price environment, and redirecting resources toward the execution of complex engineering projects.

In this context, the company has concentrated its strategy and resources on ensuring a profitable transition year, working internally to align resources, evolve its strategic approach, and improve the training and specialisation of its teams. This prepares the Group for an ambitious 2025, centred on growth and strategic evolution.

Share Performance

Since 12 December 2022, the shares of Energy Solar Tech have been listed on the BME Growth MTF Equity trading segment at an initial price of €3.12 per share. The average share price during financial year 2024 was €3.36 per share.

The table below shows the evolution of the main market indicators since the company's listing on 12 December 2022:

	Key Figures			
	31/12/2024	31/12/2023	31/12/2022	12/12/2022
Market capitalisation	75.463.853	124.504.136	110.500.561	64.562.126
Shares outstanding	26.951.376	26.832.788	20.692.989	20.692.989
Share price (€)	2,80	4,64	5,34	3,12

Subsequent Events

As indicated in Note 19 – Other Information – Subsequent Events, after the reporting date the Company received a claim from the former shareholders of Sangel Ingeniería, S.L.U. relating to the repurchase of 551,470 shares of Energy Solar Tech, S.A. for an amount of €3,000,000. The Company and its legal advisors consider such claim to be unfounded and therefore intend to continue with the legal proceedings, which are expected to commence in 2026. Nevertheless, as a matter of prudence, the Company has decided to recognise the effects of this matter in the financial statements as of 31 December 2024.

These effects consist of the recognition of €3,000,000 under "Other short-term financial liabilities" and €1,362,130.90 under "Other increases or decreases in equity," corresponding to the present value of the shares to be repurchased. The impact on the income statement, under "Other results," amounts to a negative €1,637,869.10.

At the date of preparation of these financial statements, it was confirmed that the parameters established in the purchase agreement for the third contingent payment milestone of €2,000,000 had not been met. Consequently, the liability previously recognised under "Other short-term financial liabilities" was derecognised, resulting in a positive impact of €2,000,000 recorded under "Other results." Accordingly, the net effect of both events associated with the suspensive conditions of the purchase agreement for Sangel Ingeniería, S.L.U. amounts to a positive €362,130.90, recognised under "Other results."

In Madrid, on 26 March 2025, in confirmation thereof, signed by:

Mr. Alberto Hernández Poza
Chief Executive Officer and Chairman of the Board of Directors

Mr. Antonio García-Urgeles Capdevila
Independent Director

Mr. Alfredo García Flores
Independent Director and Chairman of the Audit Committee

Mr. Juan Joaquín Bonilla Hidalgo
Independent Director

Mr. Alberto Mazagatos Uriarte
Independent Director

Mr. Diego Lamelas Pombriego
Proprietary Director

Mr. José Abel Martín Sánchez
Proprietary Director

ANNEX III

Articles of Association

Registradores DE ESPAÑA

CERTIFICATE OF REGISTRATION

Certificate of Registration issued by:

MANUEL MARTÍN TRINCOCORTAS-BERNAT

Mercantile Registrar of MADRID

Príncipe de Vergara, 72
28006 - MADRID
Telephone: 915761200
Fax: 915780566
Email: madrid@registromercantil.org

Certification of Articles of Association

APPLICATION IDENTIFIER: **3/38/T19ZM83C**

(Cite this identifier for any queries related to this certification)
Your reference: **No reference.**

THE REGISTRAR OF COMPANIES FOR MADRID AND ITS PROVINCE WHO SUBSCRIBES, after examining the Archive Books and the computerized database existing in this Commercial Register, of MADRID, in reference to the Company requested in the application filed under entry 65262 of Journal 2025;

CERTIFIES:

1. The company **ENERGY SOLAR TECH SA,** with NIF A88607841, IRUS: 1000305448463, EUID: ES28065.081881520, is registered in this register, **sheet M-716021,** in volume **40305,** page **1,** and is currently **active.**

2. The current articles of association of the aforementioned company are those incorporated into this certification.

3. There is no special situation.

4. According to this register, neither the dissolution nor the liquidation of the company being certified is recorded.

5. There are no additional entries in the **daily record** relating to any title pending registration that affect the matters being certified.

It is hereby stated that the registration status is certified as of 27 October 2025, prior to the opening of the document submission Journal.

Note - electronic file 72696/2025.

LIMITATION OF EFFECTS CLAUSE: The certification solely provides reliable evidence of the content of the Registry entries at the time of its issuance, as per Article 77 of the Commercial Registry Regulations approved by Royal Decree 1784/1996, dated 19 July. It is expressly stated that this certification may not be used to certify the registration status at any time other than the date of issuance. Attention is drawn to the potential for any subsequent alterations in the registry sheet due to entries made thereafter, which may affect the validity or content of what is certified. The very existence of the entity, as well as the validity and content of the powers of its representatives, may have substantially changed thereafter. Under no circumstances can it be understood that the representative of the legal entity may bind it to third parties based on the contents of this certificate, when it has expired due to lack of update and in accordance with the provisions of Articles 4 and 5 of Law 6/2020, of 11 November, which regulates certain aspects of trust electronic services.

WARNINGS

BASIC INFORMATION ON PERSONAL DATA PROTECTION

Data Controller: Registrar/Entity appearing in the document header. For more information, you can consult the remainder of the data protection information.

Purpose of the processing: Provision of the requested registry service, including the carrying out of associated notifications and, where applicable, invoicing for the same, as well as compliance with legislation on money laundering and terrorist financing, which may include profiling.

Legal basis for processing: The processing of the data is necessary: for the fulfilment of a mission carried out in the public interest or in the exercise of public powers conferred on the registrar, in compliance with the corresponding legal obligations, as well as for the execution of the requested service.

Rights: Mortgage and commercial legislation establish a special regime regarding the exercise of certain rights, thus the provisions within them will be adhered to. For matters not covered by the registration regulations, the provisions of data protection legislation will apply, as indicated in the additional information details. In any case, the exercise of the rights recognised by data protection legislation to the holders thereof shall comply with the requirements of the registration procedure.

Data categories: Identifiers, contact details, other data available in the additional data protection information.

Recipients: The processing of data by other recipients is anticipated. No international transfers are anticipated.

Sources from which the data originate: The data may originate from: the data subject themselves, the submitter, the legal representative, or a management/advisory firm.

Remaining data protection information: Available at https://www.registradores.org/politica-de-privacidad-servicios-registrales depending on the type of registry service requested.

CONDITIONS OF USE OF THE INFORMATION

The Information made available to you is for your exclusive use, is non-transferable and confidential, and may only be used for the purpose for which it was requested. The transmission or transfer of the information by the user to any other person is prohibited, even if done free of charge. In accordance with the Instruction of the Directorate-General for Registries and Notaries dated 17 February 1998, it is prohibited to incorporate the data contained within the registry information into files or computer databases for the individualised consultation of natural or legal persons, even when the source of origin is stated.

This document has been signed with a recognised electronic signature by MANUEL MARTÍN TRINCOCORTAS-BERNAT, Commercial Registrar of MADRID on 27 October 2025.

(*) C.S.V. : 128065270071283320

Verification Web Service: https://sede.registradores.org/csv

(*) Secure Verification Code: this code allows the authenticity of the copy to be verified through access to the electronic files of the issuing authority or public body. Paper copies of public documents issued electronically and signed electronically will be considered authentic copies provided they include the printout of an electronically generated code or other verification systems that allow their authenticity to be verified by accessing the electronic records of the issuing public body or organisation. (Art. 27.3 of Law 39/2015, of 1 October, on the Common Administrative Procedure of Public Administrations).

1. COMPANY NAME
The company is named **"Energy Solar Tech, S.A."** (the "Company").
2. CORPORATE PURPOSE
The Company aims to undertake activities corresponding to the following codes and descriptions from the National Classification of Economic Activities: Main activity: 35.14/ Trade of electrical energy. Other activities: 35.19/ Production of electrical energy from other types, 43.21/ Electrical installations, 77.39/ Rental of other machinery, equipment and tangible goods, 46.18/ Commercial agents specialised in the sale of other specific products, 41.22/ Construction of non-residential buildings. If any of the chosen activities were of a professional nature, the Company shall act merely as an intermediary between the professional service provider and the consumer.
The activities comprising the corporate purpose may also be carried out by the Company indirectly through holding stakes in companies with identical or similar corporate purposes.
3. DURATION OF THE COMPANY
The Company has been established for an indefinite duration.
"4.- REGISTERED OFFICE- The Company has its registered office in the town of **Las Rozas de Madrid (28232—Madrid), Calle José Echegaray, 8, Edificio I, Planta 1."**
"ARTICLE 5.- SHARE CAPITAL.-1.- The Company's share capital amounts to 80,854.128 euros and is divided into 26,951,376 **shares**, with a nominal value of 0.003 **euros** each, fully subscribed and paid up, belonging to the same class and series. **2.- The** shares are represented by book entries and are constituted as such by virtue of registration in the corresponding accounting record. The legitimisation for exercising and transferring shareholder rights and other rights is obtained through registration in the accounting record, which presumes legitimate ownership and enables the registered holder to demand that the Company recognises them as a shareholder. **3.- Each share** of the Company bestows upon its legitimate holder the status of shareholder and grants them the rights and obligations established under applicable legislation, the present articles of association, and the regulations of the general shareholders' meeting and the board of directors.
6. TRANSFER OF THE SHARES
1. The shares and the economic rights deriving from them, including the right of pre-emption, are freely transferrable by all legally recognised means.
2. Without prejudice to the foregoing, a shareholder who receives a purchase offer from another shareholder or a third party that would result in the acquirer holding a controlling interest (more than 50% of the capital) may not transfer the said interest unless the potential acquirer offers to buy the shares of all shareholders under the same conditions.
7. COMMUNICATION OF SIGNIFICANT HOLDINGS AND SHAREHOLDER AGREEMENTS
1. The shareholder shall be obliged to notify the Company of any acquisitions or disposals of shares, by any title, whether directly or indirectly, that result in their total shareholding reaching, exceeding or descending from 5% of the share capital and subsequent multiples.
2. Furthermore, every shareholder will be obliged to inform the Company of the subscription, renewal, or termination of parasocial agreements that restrict the transferability of shares or affect voting rights.
3. The communications outlined in this article must be addressed to the board of directors and submitted within a maximum period of four working days following the occurrence of the event triggering the communication.
4. The Company shall publicise such communications in accordance with the regulations applicable to entities whose shares are included in the BME Growth trading segment of BME MTF Equity **("BME Growth").**
8. GOVERNING BODIES OF THE COMPANY
The governance of the Company is entrusted to the general shareholders' meeting and the

board of directors. The legal and statutory regulation of the aforementioned bodies shall be developed and completed, respectively, through the regulations of the general meeting and the regulations of the board of directors, which shall be approved by these bodies in accordance with the legal provisions.

9. GENERAL MEETING

1. The shareholders, assembled in the general meeting, shall decide with the legally established quorums and majorities on matters within the competence of the meeting.

2. The general meeting is governed by legal provisions, these articles of association and the regulations of the general meeting, which complement and develop the legal and statutory regulations regarding its convening, preparation, holding and conduct, as well as the exercise of shareholders' rights to information, attendance, representation and voting.

10. CALLING OF THE GENERAL MEETING

1. The general meeting must be convened in accordance with the legally established requirements through an announcement published on the corporate website of the Company.

2. The general meeting may be convened to be held exclusively by electronic means and thus without the physical attendance of shareholders, their representatives and, where applicable, the members of the board of directors, when permitted by the applicable regulations. The holding of the general meeting exclusively by electronic means shall comply with the legal and statutory provisions, as well as with the development thereof contained in the regulations of the meeting.

11. PLACE OF VENUE

1. The general meeting shall be held at the location specified in the notice within the municipality where the Company's registered office is situated, or in the municipalities of Madrid, Pozuelo de Alarcón, Majadahonda, Boadilla del Monte or Alcobendas. It is the responsibility of the board of directors to determine, on the occasion of each notice, the exact venue for the meeting within these parameters. If the notice does not specify the venue, it will be understood that the general meeting has been convened to be held at the registered office. In the event that the general shareholders' meeting is held exclusively online, the venue shall be considered to be the registered office.

2. Shareholders may attend the general meeting either by going to the location specified in the preceding section or through a connection via videoconferencing systems or other technically equivalent means that allow for the recognition and identification of attendees and ensure continuous communication among them, regardless of their location, as well as real-time participation and voting. When the board of directors decides to make use of this provision, the notice will indicate the possibility of attending via videoconference or an equivalent technical means, specifying how it can be done and noting the connection system and the locations where the necessary technical resources to attend and participate in the meeting are available. The resolutions will be considered as adopted at the registered office.

"ARTICLE 12. ATTENDANCE AND REPRESENTATION. 1. Shareholders who hold at least one thousand shares and are registered in the account recording system at least five days prior to the date set for the general meeting may attend, provided they demonstrate this by presenting the corresponding certificate of legitimacy or attendance card issued by the Company or entities responsible for maintaining the account recording system, either at the registered office or at the entities specified in the notice of meeting, or in any other manner accepted by current legislation. 2. Shareholders holding a lower number of shares may delegate their representation to a shareholder with the right to attend, as well as group together with other shareholders in the same situation until the necessary shares are accumulated, with the grouped shareholders being required to confer their representation to one of them. The grouping must be carried out specifically for each general meeting and be documented in writing. 3. Any shareholder entitled to attend may be represented at the general meeting by any person or exercise their vote remotely, provided that the identity of the individual exercising their voting right is duly guaranteed. The representation must be granted in writing and specifically for each meeting, in accordance with the terms and scope established by the Capital Companies Act. In relation to cases of public solicitation of representation and, in particular, the potential conflict of interests of the representative, the legal provisions shall apply.

13. BOARD OF DIRECTORS

1. The Company shall be managed by a board of directors, which shall be composed **of a minimum of three and a maximum of nine members.**

2. The members of the board of directors shall serve in their position **for a term of four years.**

14. DELEGATED BODIES AND BOARD COMMITTEES

1. The board of directors may delegate its powers permanently, within the limitations established by law, to an executive committee and/or one or more managing directors and determine which members of the board will act as holders of the delegated body, as well as, if applicable, the manner in which the granted powers are to be exercised.

2. Additionally, the board of directors may establish specialised committees within itself, determining their composition, appointing their members and defining the functions each of them assumes.

3. In any case, the board of directors must establish within itself at least one audit committee with the competencies provided for in the applicable legislation and those entrusted to it by the board of directors, either generally or specifically.

15. REMUNERATION OF DIRECTORS

1. The position of director is remunerated.

2. The remuneration of directors in their capacity as such shall consist of attendance fees for meetings of the board of directors and its committees.

3. The directors who are assigned executive high-level management duties or other roles, aside from their supervisory and collective decision-making responsibilities as mere board members, shall enter into a contract with the Company. This contract shall detail the terms under which directors may receive remuneration for performing such functions: (i) fixed remuneration; (ii) variable remuneration based on business, economic, financial and non-financial objectives or personal performance; (iii) pension schemes, savings plans and retirement or pre-retirement plans, life insurance or health insurance; (iv) provision of a vehicle; (v) indemnification, if applicable and when appropriate, for early termination of their duties; and (vi) compensation for agreements on exclusivity, post-contractual non-compete or retention arrangements.

4. Furthermore, all directors shall be entitled to compensation for expenses incurred in the course of their duties, provided these are duly justified. **5.** The maximum amount of the annual remuneration of all the directors must be approved by the general meeting and shall remain in force until any amendment is approved.

16. ORGANISATION AND FUNCTIONING OF THE BOARD OF DIRECTORS

1. The board of directors may regulate its own functioning in accordance with the provisions of the law, these articles of association and the board of directors' regulations.

2. Unless the law or the Company statutes specifically stipulate otherwise, resolutions of the board of directors shall be adopted by an absolute majority of the attending members. In particular, the appointment and removal of the chief executive officer, as well as the prior approval of contracts to be entered into between the Company and directors assigned executive functions, shall require the favourable vote of at least two-thirds of the board members, with the affected director abstaining when applicable. In the event of a tie, the chairman shall have the casting vote.

17. FINANCIAL YEAR

The financial year begins on 1 January and ends on 31 December each year.

18. DELISTING
In the event that the general shareholders' meeting adopts a resolution to delist its shares on BME Growth without the support of all shareholders, the Company shall be obliged to offer those shareholders who did not vote in favour the acquisition of their shares at a justified price, in accordance with the criteria set forth in the regulation applicable to public takeover offers for cases of trading exclusion. The Company shall not be subject to the aforementioned obligation when it resolves to list its shares on a regulated Spanish market simultaneously with their delisting on BME Growth.

SWORN TRANSLATION CERTIFICATE
Graciela Patricia Rodríguez Alonso, Sworn Translator-Interpreter to the English and Spanish Languages, appointed by the Ministry of Foreign Affairs and Cooperation with number 9293, certifies that the above is a faithful and whole translation into English from a document drawn in Spanish.

29th October 2025, A Coruña (Spain)

CERTIFICACIÓN DE TRADUCCIÓN JURADA
Graciela Patricia Rodríguez Alonso, Traductora-Intérprete Jurada de Inglés, nombrada por el Ministerio de Asuntos Exteriores y Cooperación de España con el número 9293, certifica que la que antecede es una traducción fiel y completa al inglés de un documento redactado en español.

En A Coruña, a 29 de octubre de 2025