

Enpal B.V.

Annual Report
for the year ended
31 December 2024

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Management Report for Financial Year 2024

1 Group Profile

1.1 Business Model of the Enpal Group

Enpal pursues the objective of providing people with affordable green energy, and to ultimately connect consumers to become a renewable energy community.

Enpal provides European homeowners with a holistic renewable energy solution, consisting of photovoltaic systems, battery storage, charging systems for electric vehicles, electric heating solutions, smart electricity metering, and a home energy management platform including a consumer smartphone application, and a green electricity supply contract. By intelligently connecting and synergistically orchestrating these distributed energy resources, Enpal aims to generate additional efficiencies for clients. This solution is available to customers either under a full-service lease model, or as purchase with or without an embedded financing solution (“installment purchase contract”).

Under the lease model, the customer enters into a 20-year lease and service agreement with a financing SPV for a renewable energy solution consisting of several of the above components. Under the installment purchase contract, customers purchase the renewable energy solution and obtain a loan with monthly instalments over 25 years.

As of 31 December 2024, Enpal has installed a total of 85k photovoltaic systems (2023: 60k) with an energy generation capacity of 830 MWp (2023: 548 MWp), 73k battery storage units (2023: 50k) with a storage capacity of 750 MWh (2023: 477 MWh), as well as 40k electric vehicle charging systems (2023: 26k) and 6k heat pumps (2023: 1k). In its role of metering point operator (*Messstellenbetreiber*), Enpal operates a total of 75k electricity metering points, of which 42k are smart meters including a smart meter gateway (*Intelligente Messsysteme, IMSys*) which provide significantly more granular metering data than conventional meters and eliminate the need for physical in-person meter readings.

With the power generated and the storage capacity of the systems of Enpal’s customers, Enpal contributes towards sustainable and clean energy supply and helps households to become more independent from electricity price volatility.

The Enpal Group comprises Enpal B.V., which is the parent company of the Group, and its direct and indirect subsidiaries. A list of these equity investments can be found in the notes to the consolidated financial statements. Enpal B.V. was originally founded as Enpal GmbH and reorganized as Enpal B.V. in 2023. Enpal B.V. is a private company with limited liability incorporated under the laws of the Netherlands, having its official seat in Amsterdam, the Netherlands, and its office at Koppenstraße 8, 10243 Berlin, Germany. Enpal B.V. does not use

a two-tier board system. The company is represented by its executive directors. Main departments of Enpal are Sales, Marketing, Product & Technology, Logistics, Installation, Procurement, Finance and Human Resources.

Enpal B.V. assumes central administrative tasks for the Group entities. Its management bears responsibility for managing the Group and implementing its strategy. In addition, Enpal B.V. is the main operating entity of the Enpal Group. Enpal B.V. purchases modules, inverters, battery storage units, EV chargers, heat pumps, smart electricity meters, and all other components of the integrated energy solutions from suppliers and has them installed by employees of the Group entities with a focus on fulfillment as well as external installation partners. In the full-service lease model, Enpal B.V. leases the systems via special-purpose entities to its end customers. Refinancing is arranged via the special purpose vehicles which obtain long-term loans (referred to as asset-backed loans) from banks and other institutional investors, secured by the leases with customers and the leased photovoltaic systems. In the instalment purchase model, Enpal B.V. acts directly as the counterparty to the consumer and sells the resulting long-term consumer loan receivables to either separate special-purpose entities, or directly to banks or institutional investors. Refinancing is arranged via the special-purpose entities, which issue notes to banks and other institutional investors, that are secured by the long-term consumer loan receivables. Sales activities, product development, sourcing and logistics activities, installation of the photovoltaic systems and heat pumps, service and maintenance, metering operations, and the green electricity tariff are provided by the operating subsidiaries.

In December 2023 Enpal entered into a share purchase agreement to sell the majority of its shares in the special purpose vehicles Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH, as well as the majority of the shareholder loans granted from Enpal B.V. to Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH to a consortium of infrastructure investors. The transaction closed in the financial year. After completion of all closings, Enpal holds 10% of the shares in Enpal Green Solutions Holding GmbH and Enpal Green Future Holding GmbH and 10% of the shareholder loans granted to both entities. As a result, the assets held by these entities were de-consolidated from Enpal B.V.'s balance sheet. This transaction was undertaken in alignment with Enpal's objective to pursue a capital-efficient and asset-light strategy and enter into strategic partnerships with specialized asset-level equity investors to take the majority exposure of the embedded consumer loan / lease financing solutions (see Section 1.2 *Group Strategy*).

The Group employs a diverse and skilled workforce committed to the Group's vision. The Enpal Group employed an average of 4,339 employees during the year 2024:

- Sales: 2,016 employees
- Fulfillment: 1,780 employees
- Supply Chain: 92 employees
- Administration: 451 employees

1.2 Group Strategy

Enpal pursues the vision of becoming the European market leader in decentralized renewable energy solutions for households.

To achieve this vision, Enpal intends to continue to grow, invest in technology, steadily increase its operating and fulfillment capacities, and optimize processes and systems. In its continued strategic evolution towards becoming a full-service provider for renewable energy solutions, new products will be adopted into the portfolio, with a particular focus on further expanding the product footprint in the residential heating segment.

Emphasis is placed on providing additional value to Enpal customers using virtual power plant applications involving intelligent networking of distributed energy resources, marketing of the aggregated flexibility potential of the combined assets, direct marketing of the power generated by Enpal customers, and leveraging the volatility of market electricity prices to the benefit of consumers.

In addition to the core B2C business, Enpal has started to offer its capabilities along the value chain to independent solar as well as heating, ventilation and air conditioning (HVAC) companies in a platform model, starting initially with wholesale of hardware, last-mile logistics and several value-added services to such as the sale of end consumer leads, digital system design, grid connection services and smart metering. As part of the same strategy, Enpal has started to offer its consumer loan solution as a B2B2C offering to retail customers of independent solar and heat pump installers under its own brand EFS. To enable this offering efficiently and at scale, Enpal Financial Services Deutschland GmbH, a subsidiary of Enpal B.V. has applied with the German financial regulator BaFin for a leasing & factoring license.

In the financial year, Enpal also began to expand into the commercial and industrial (C&I) segment, and offers large-scale rooftop solar, battery storage, and electric vehicle-charging projects to commercial clients. Given its recent launch, this segment is still nascent, but Enpal expects significant growth potential for C&I in the coming years.

Enpal is focused on driving forward its international expansion in the coming years. Enpal has expanded to the Italian market and is preparing to launch the next major European market.

A key part of Enpal's strategy is to hold an active relationship with end consumers in the portfolio after system origination and to continue generating value for clients over the entire lifetime of the systems. The relationship between end consumers and Enpal after its origination is underpinned by the long-term financing or leasing contract and by ancillary contractual relationships, such as subscriptions for smart metering, a retail electricity contract, subscription for insurance and O&M services, and by Enpal orchestrating the clients' systems to maximize lifetime cost savings.

It is also supported by consumers continuing to use Enpal's smartphone app to monitor the performance of their systems and Enpal being the servicer and counterparty to the clients under their embedded financing solution (i.e. the lease or loan). Enpal expects to meaningfully increase the recurring revenues generated from providing these services to clients over time, both by increasing the adoption rates of these services for newly originated clients, and by increasing the adoption of these services among clients who are already in the portfolio.

As a fast-growth operating company, Enpal B.V. pursues a capital-efficient and asset-light strategy with regards to renewable assets and consumer receivables in the financing product (lease and loan). This implies that Enpal aims to both reduce its equity exposure and also de-consolidate the solar assets and consumer receivables in the financing SPVs over time. Therefore, Enpal seeks to enter into strategic partnerships with specialized asset-level equity investors to take the majority exposure of the embedded consumer loan / lease financing solutions. As recurring revenues generated from the existing portfolio become an increasingly important revenue driver to Enpal over time, Enpal considers itself to be highly interest-aligned with lenders and equity investors in the financing SPVs.

As part of the initiatives driving the capital-efficiency of its refinancing program, Enpal B.V. has also through a dedicated special purpose vehicle successfully issued Europe's first residential solar asset-backed security (ABS) "Golden Ray - 1". Enpal expects to become a regular issuer of residential solar ABS going forward.

1.3 Research and Development

Enpal continues to develop software applications (apps) that enable customers to monitor and manage their photovoltaic systems, battery storage, electric vehicle charging systems, and heat pumps. Additionally, these apps optimize the planning and documentation processes for the installation of photovoltaic systems and heat pumps, as well as customer communication. Enpal relies on systems already available in the market and further develops them in collaboration with its suppliers.

In addition, Enpal started building a Virtual Power Plant (VPP) that enables the aggregation and optimized management of distributed energy resources such as photovoltaic systems and battery storage. By aggregating these assets on a digital platform, the VPP enhances grid stability, optimizes energy flows, and enables participation in energy markets. This development represents a significant step towards a decentralized energy future. It allows Enpal customers to maximize cost-savings, and contribute to the broader energy transition by feeding surplus energy back into the grid when demand and thus market prices are high and absorbing energy out of the grid when demand relative to production is low and thus prices are low.

Additions to development expenses capitalized as internally generated intangible assets amounted to EUR 10.3m (2023: EUR 4.5m). These internally generated intangible assets were amortized by EUR 4.6m (2023: EUR 1.9m).

1.4 Sustainability

Enpal is currently not subject to any non-financial reporting obligations. This will change as part of the Corporate Sustainability Reporting Directive (CSRD) from 2027. Enpal is already committed to complying with sustainable business activities and is gradually expanding its ESG efforts (environment, social and governance). Enpal calculates its greenhouse gas emissions in the form of a Corporate Carbon Footprint (CCF) since the financial year 2022 to be able to understand the impact of its business activities on the environment and take targeted measures to reduce its greenhouse gas emissions in future. With the CCF 2024, values are available for the third time in a row, providing a transparent and comparative insight.

When an Enpal photovoltaic system goes into operation, it generates affordable renewable electricity for Enpal's customers. Over 1,000 GWh of renewable electricity has been generated, avoiding more than 700,000 tons of CO₂ compared to fossil fuels.

Enpal is subject to the German Supply Chain Due Diligence Act (*Lieferkettensorgfaltspflichtengesetz, LkSG*) and is therefore legally obliged to fulfil its responsibility in regard to human rights and environmental protection. Wherever Enpal operates, Enpal supports and respects all internationally recognized human rights in accordance with the United Nations Universal Declaration of Human Rights. This commitment is also set out in Enpal's Human Rights Policy Statement and publicly available on Enpal's website¹. Furthermore, Enpal has implemented a comprehensive risk management system regarding human rights and environmental due diligence obligations. Information on possible violations can be submitted via an established whistleblower system. Information on the whistleblower system and the Code of Procedure is available to everyone in German and English on Enpal's website². Existing and potential business partners and service providers are contractually obliged to comply with Enpal's human rights and environmental due diligence obligations in accordance with the LkSG as part of our Supplier Code of Conduct³.

¹https://assets-global.website-files.com/5e870ec047674e044920655e/649947f8039d19fef3329875_20230327_Enpal%20Menschenrechtsstrategie_EN.pdf

²https://assets-global.website-files.com/5e870ec047674e044920655e/649942e9873377debe61c016_20230216_ENPA_Verfahrensordnung%20LkSG_v1.3_final_EN.pdf

³Microsoft Word - ENG_20230818_Enpal_LkSG_CoC_final_subsiaries

1.5 Diversity

As part of Enpal’s commitment to promoting gender diversity, Enpal B.V. has set its initial targets for the representation of women in leadership positions. These goals reflect our dedication to creating an inclusive and balanced work environment that recognizes and leverages the diversity and potential of all our employees.

The current status and targets as at 31 December 2024 are as follows:

in %	2024	Target 2028	Target 2035
Advisory Board	6.3	15.0	25.0
Executive Directors	0.0	15.0	25.0
Extended Executive Team	8.7	15.0	25.0
Employees in Leadership Positions (from Director)	12.7	15.0	25.0

To achieve these targets, Enpal plans to implement several specific measures. Enpal will actively seek qualified female candidates for leadership positions, ensuring a focused effort in recruiting women for these roles. Additionally, the Enpal Group will introduce mentoring programs and leadership training specifically for women to promote their career development within the organization. To enhance awareness of the importance of diversity and inclusion, Enpal will organize workshops and establish internal working groups, fostering an inclusive culture within the Group. Furthermore, Enpal will regularly report on its progress and transparently communicate the results achieved, ensuring clear and open communication regarding these initiatives.

In 2024, a team of women at Enpal founded "Project Ada" – Enpal's initiative for Female Empowerment. They formed working groups regarding inclusive hiring processes, female employer branding, career & personal growth, awareness & education and female community building at Enpal. Already over 200 employees at Enpal (male and female) engage in this initiative and support its vision of realizing Enpal's full potential by creating a workplace where women can thrive and succeed. Initial achievements of Project Ada are setting up a hiring process pilot with one Business Unit, hosting a series of large events directed at women in the start-up scene and implementing an internal communications campaign to showcase the positive business impact of a diverse workplace.

2 Economic Position

2.1 Macroeconomy and Sector-Specific Developments

Both the residential rooftop solar market and the residential heat pump market grew rapidly across Europe in past years until mid-2023. Beyond the fundamental attractiveness and synergetic nature of rooftop solar, battery storage, electric mobility, and electric heating, a key driver of demand is the geopolitical situation, impacting consumer demand and regulatory environment alike. In particular, sector-coupling, such as the interaction of decentral local power generation with electric mobility and with electric residential heating, is a driving force. The combination of photovoltaic systems, battery storage, private electric vehicle charging systems for electric vehicles, and heat pumps meets customer needs, provides cost savings, and makes end consumers more independent from retail power price and retail gas price volatility. Intelligent management of this network of connected decentral renewable energy assets is becoming particularly important to provide additional value to households.

However, new additions of both residential solar systems and residential heat pumps declined from 2023 to 2024. The decline in demand is generally seen as a normalization after demand had sharply risen in 2022 as a result of elevated retail power prices and gas prices following the outbreak of the Ukraine crisis. After the residential solar market had adjusted to serve the elevated demand levels in 2023 and the resulting demand backlog had cleared, the market entered a state of oversupply and elevated competitive intensity beginning in late 2023.

Over the course of the fiscal year 2024, the German residential solar market was in a state of consolidation as many mid-sized and larger competitors exited the market and supply had begun to converge back to normalized demand levels. Similar patterns played out across most western European markets over the same timeframe, with varying intensity.

Despite the short-term market contraction from 2023 to 2024 in German residential solar and heat pumps, both markets have been in a positive long-term macro trend for the past 10 years.

Market growth

German solar capacity additions amounted to 16.2 GW in 2024, clearly exceeding the goal for German capacity additions of 13 GW for the year, defined by the German government¹.

C. two thirds of the solar capacity newly installed in 2024 in Germany can be attributed to rooftop installations, with homeowners and the commercial & industrial segment being

responsible for c. 10.6 GW of capacity additions at an estimated even split⁴⁵. Approximately 80% of the German residential rooftop photovoltaic systems that were installed in 2024 were installed together with battery storage, amounting to a total added capacity of 15.4 GWh in residential storage systems⁶.

The expected number of residential rooftop solar installations with a generation capacity between 5 and 15 kWp registered with the federal network agency amounts to 416,000 in 2024, marking a decline of 25% based on the record 554,000 installations in the same segment in 2023⁷. As discussed in Section 2.1 *Macroeconomy and Sector-Specific Developments*, this represents a normalization after an extraordinary demand spike and resulting market growth of +163% in the prior year. When contrasting the 5-15kWp segment to the prior years, the residential solar market grew by a compound annual growth rate of +33% since 2021. The residential heat pump market is generally forecasted to grow again by 22%⁸ per year until 2028, assuming unchanged market conditions, while the rooftop solar market is generally expected to remain flat between 10 and 11 GW per year until 2030⁹.

Regulatory environment

2024 was marked by key debates and legislative initiatives that have provided an important impulse for making the energy transition more flexible and resilient. The policy framework was largely shaped by national and European developments, presenting both opportunities and challenges.

In April 2024, the German government introduced the "Solar Package I" implementing key measures to facilitate the expansion of photovoltaics. Core elements included simplified approval procedures for larger PV systems, particularly on commercial and industrial rooftops, as well as targeted support for storage solutions. Additionally, barriers hindering the rapid connection of solar installations to the distribution grid were removed. These measures addressed long-standing challenges, contributed to grid stability, and sent a clear signal for accelerating the energy transition.

⁴Press Release by the Federal Grid Agency on renewable energy deployments 2024, accessible under: https://www.bundesnetzagentur.de/SharedDocs/Pressemitteilungen/DE/2025/20250108_EE.html

⁵ Monthly EEG Statistics Report by the Federal Grid Agency, accessible under: <https://www.bundesnetzagentur.de/DE/Fachthemen/ElektrizitaetundGas/ErneuerbareEnergien/EE-Statistik/start.html>

⁶ BSW Solar Fact Sheet German Solar 2024, accessible under: https://www.solarwirtschaft.de/datawall/uploads/2022/08/bsw_faktenblatt_stromspeicher.pdf

⁷ Enpal analysis, based on data from *Marktstammdatenregister der Bundesnetzagentur* (as of 19 May 2025), accessible under: <https://www.marktstammdatenregister.de/MaStR/Datendownload>

⁸Branchenstudie 2025 by Bundesverband Wärmepumpe (BWP), accessible under: https://www.waermepumpe.de/fileadmin/user_upload/2024-11-26_Branchenstudie_2025_Praesentation_EXTENDED.pdf

⁹Fraunhofer Study for BSW Solar, accessible under <https://www.solarwirtschaft.de/en/the-german-pv-and-battery-storage-market/>

The EU elections in June 2024 strengthened Ursula von der Leyen (European People's Party) as President of the European Commission and ushered in a new phase of European policymaking. From an energy policy perspective, key legislative initiatives such as the Energy Performance of Buildings Directive (EPBD), the Electricity Market Design (EMD), and the Net-Zero Industry Act (NZIA) will now be swiftly transposed into national law. These measures reinforce the goal of expanding the European solar industry and reducing strategic dependencies. For the solar sector, this presents the prospect of more stable regulatory conditions.

In fall 2024, discussions at the national level focused on amendments to the Energy Industry Act (*Energiewirtschaftsgesetz, EnWG*), the Renewable Energy Sources Act (*Erneuerbare-Energien-Gesetz, EEG*), and the Act on Metering Point Operation (*Messstellenbetriebsgesetz, MsbG*). A key priority was the reduction of midday peaks, which can lead to grid overloads on sunny days due to high PV feed-in. Proposed measures included enhanced direct marketing and the promotion of flexibility mechanisms to improve grid stability and better integrate renewable energy sources - developments that align closely with Enpal's business model.

However, in November 2024, disagreements within the governing coalition regarding the financing of the federal budget ultimately led to the collapse of the German government coalition between SPD, Bündnis 90/Die Grünen, and FDP. The resulting loss of confidence in Chancellor Olaf Scholz (SPD) led to the dissolution of the German Bundestag and the scheduling of a snap election for February 23, 2025. Despite the political instability, the energy reform packages (EnWG, EEG, MsbG) were successfully passed at the end of January 2025, establishing key regulatory improvements for direct marketing and VPPs.

The 2025 federal elections brought a new governing coalition of the conservative/center Christian Democrats (CDU/CSU) and Social Democrats (SPD), headed by chancellor Friedrich Merz. Their coalition agreement entails challenges and opportunities, putting security of energy supply and lower electricity costs at the center of the agenda for the energy sector. It envisages the build-up of up to 20 GW of gas-fired power plants and a capacity mechanism, a reform of the heating regulation, as well as a reduction of the electricity tax and grid fees. It stresses the importance of renewables and aims at improving conditions for flexible combined PV-battery systems, reducing red tape, and accelerating grid applications. Moreover, the coalition wants to continue subsidies for renewable energy-powered residential heating systems. The 100-day programs of the relevant ministries will play a crucial role in providing clarity on how and when exactly new policies will be implemented.

At the EU level, the implementation of the Electrification Action Plan and other key initiatives will be central. Additionally, uncertainty remains regarding the geopolitical and energy

policy implications of Donald Trump's return as the 47th President of the United States for Europe and Germany, as well as broader global geopolitical developments.

Sector coupling

In addition to meeting household power requirements coupled with feeding in any surplus power generated to the grid, the concept of sector coupling is playing an increasing role for the mobility and heating sector. The resulting ability to charge an electric car, as well as power a heat pump following the production pattern of a local photovoltaic system gives the owners of integrated energy systems new economic benefits. A photovoltaic-optimized charging process for electric cars and photovoltaic-optimized heat pump optimization can increase the share of self-consumption, increase long-term savings, and make households more independent from volatile retail power and retail gas prices. According to a 2024 study by DIW Econ (German Institute for Economic Research) using an Enpal system as an example, savings from renewable home energy solutions can amount up to EUR 104,000 over 25 years for a typical German household¹⁰. Similar effects arise from orchestrating the consumption loads of EV-chargers and heat pumps to follow the volatile real-time retail market prices of electricity, i.e. move consumption loads away from higher power price windows and into lower (or negative) retail power price periods. This effect is magnified with the increasing introduction of market signals in the European energy system, e.g. time-variable grid charges in Germany.

Hardware and global supply chains

During the year 2024, global supply chains encountered significant challenges related to overproduction and logistics.

Notably, the demand for residential solar equipment experienced a decline, while production capacity continued to rise. Consequently, this dynamic led to a reduction in prices during the first half of 2024. Solar modules, specifically, were frequently offered below production costs in 2024.

This pricing strategy exerted margin pressure on all suppliers for PV modules in 2025, necessitating careful management. The overcapacity of production volumes for PV modules will only ease in the middle of 2026. Until then, the pricing will be under pressure and volatile. It's worth noting that major Enpal suppliers for raw materials are situated in China.

Shortages are not to be expected in 2025. Sea freight and rail shipments continue to face sustained pressure in 2025 due to the crisis in the Middle East and the Red Sea region, compounded by high demand for rail transport.

¹⁰ <https://diw-econ.de/publikationen/vergleich-der-energiekosten-eines-fossilbasierten-und-eines-gruenen-haushalts/>

The current geopolitical tensions between the USA, Europe and China could lead to further tariffs, safeguard measures, and therefore increased prices for end-consumers in Europe.

2.2 Business Trends

Despite the year-over-year market contraction of -25%⁷ in the 5-15kWp residential PV target segment and -46%⁷ in the residential heat pump market, Enpal was able to keep overall new originations relatively stable at 29k new systems in the financial year (2023: 31k). This corresponds to a modest decline of c. 6.5% (2023: +73.6%). Especially noteworthy in light of the contracting market is the strong growth in new heat pump originations Enpal saw in 2024: In the total fiscal year, Enpal installed 4k new heat pumps (2023: 1k), a 285% increase.

New asset-backed loan and lease commitments were arranged for a total volume of EUR 1,672m, bringing the commitments raised since inception to more than EUR 5b.

As part of the initiatives driving the capital-efficiency of its refinancing program, Enpal B.V. has through a dedicated special purpose vehicle successfully issued Europe's first residential solar asset-backed security (ABS) "Golden Ray - 1". Enpal expects to become a regular issuer of residential solar ABS going forward. As a measure of capital-efficiency and to transition further to an asset-light business model, Enpal B.V. has further entered into a forward-flow program with a leading European bank, under which consumer receivables are sold and de-consolidated.

2.3 Financial and Non-Financial Key Performance Indicators

The business activities of Enpal are oriented towards steadily increasing the number of systems installed, its revenue and its profitability in a rapidly growing market environment that is subject to change. The financial performance indicators chosen to manage the Enpal Group have been derived on this basis and consist of revenue and adjusted EBITDA of the Operating Subgroup ("adjusted EBITDA Subgroup") in addition to the non-financial performance indicator of installed systems. The Operating Subgroup comprises Enpal B.V. and all subsidiaries except for the holding companies and the special purpose vehicles (refer to the list of subsidiaries included in the notes to the financial statements).

The Enpal Group measures the growth of its business by monitoring the change in the number of newly installed systems and revenue over the course of time. Enpal has grown organically out of its own resources. Revenue growth therefore reflects the development of the business activities of the Enpal Group. If portfolio effects arise in the future from the acquisition or disposal of revenue-generating business units, these will be eliminated from the calculation of the financial performance indicator. The Enpal management measures profitability based on the absolute adjusted EBITDA Subgroup and the respective relative EBITDA margin, which is defined as the ratio of adjusted EBITDA Subgroup to revenue. EBITDA is defined as the Group's earnings before income taxes, other financial income, finance costs and the depreciation and amortization of intangible assets, property, plant and

equipment and right-of-use assets. To retrieve the EBITDA of the operating subgroup, the Group EBITDA is adjusted for the interest income on manufacturer’s leases, expected credit losses on lease and loan receivables, operating finance cost and other income and cost items of the holdings and special purpose vehicles. Further, the EBITDA is adjusted for share-based payment expenses, severance expenses and cost of termination of business activities. The business activities of the holding companies and special purpose vehicles are different from the operating entities of the Group and therefore separately managed on entity level. The analysis of the development of the adjusted EBITDA Subgroup and the related EBITDA margin over time is of great significance for the financial management of the Enpal Group.

2.4 Financial Performance

In the financial year, the Enpal Group generated revenue of EUR 913.4m compared to EUR 960.4m in the prior year. This corresponds to a decline of 4.89% (2023: +122%). The combined number of installed photovoltaic systems and heat pumps rose by approximately 48% from 61k to 90k. In the prior year, the increase amounted to 102%.

The adjusted EBITDA Subgroup equals EUR -59.6m (2023: EUR 21.2m). The adjusted EBITDA Subgroup margin amounts to -6.5% (2023: 2.3%). A reconciliation of the Group’s net income for the year to the adjusted EBITDA Subgroup is presented in the following table:

EUR m		2024	2023
	Net income/loss	(161.2)	(18.1)
+	Depreciation, amortization and impairments	27.8	18.4
-	Other financial income	(28.0)	(8.6)
+	Other financial costs	33.6	21.3
+	Income taxes	17.9	3.8
=	Earnings before taxes, depreciation and amortization (EBITDA)	(109.9)	16.9
-	Interest income from manufacturer’s leases	(23.7)	(52.4)
+	Operating finance costs	39.1	37.9
+	Expected credit losses	11.5	4.2
+	Other income and cost items	(7.7)	0.3
=	EBITDA Subgroup	(90.7)	6.7
+	Share-based payment expenses, severance expenses and termination cost	31.1	14.3
=	Adjusted EBITDA Subgroup	(59.6)	21.2

Note: In this and all other tables in this Financial Report, negative values are displayed in parentheses.

The table below presents an analysis of the consolidated statement of profit or loss:

EUR m	2024	2023	Change
Revenue	913.4	960.1	(4.9%)
Material expenses	(276.4)	(402.3)	(31.3%)
Contribution margin	636.9	557.8	14.2%
Fulfillment expenses	(384.6)	(217.9)	43.3%
Gross profit	252.4	289.5	(12.8%)
Selling expenses	(294.3)	(175.6)	67.5%
Administrative expenses	(91.8)	(113.7)	(19.3%)
Other operating income	2.3	0.4	>100.0%
Other operating expenses	(6.3)	(2.1)	>100.0%
Earnings before interest and taxes (EBIT)	(137.7)	(1.6)	>100.0%
Share of profit of equity-accounted investees	(0.9)	0.0	n.a.
Financial income	28.0	8.6	>100.0%
Financial cost	(32.8)	(21.3)	54.0%
Earnings before taxes (EBT)	(143.3)	(14.2)	>100.0%
Income taxes	(17.9)	(3.8)	>100.0%
Net income/loss	(161.2)	(18.1)	>100%
Profit/loss attributable to the shareholders of Enpal B.V.	(178.4)	(21.2)	>100.0%
Profit/loss attributable to non-controlling interests	17.2	3.2	>100.0%

Revenue consists primarily of income from manufacturer leases and sales of photovoltaic, heat pumps and other systems. The growth is reflected in the increase from 61k to 90k combined solar and heat pump customers. The material expenses as a ratio to revenue decreased from 35.5% in the previous year to 30.3%.

Selling expenses increased due to a temporarily weaker demand environment in the financial year as described in section *2.1 Macroeconomy and Sector-Specific Developments*. The ratio to revenue increased to 32.2% (2023: 18.3%) due to increased strategic investment in marketing campaigns and elevated sales expenses. The decrease in administrative expenses relates to lower IT expenses for licenses and software.

Other financial income increased due to a recognition of the fair market value of the remaining assets following the sale of the majority of shares in the special purpose vehicles

Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH, as well as due to higher interest income.

The increase in financial cost was driven by higher interest expense on credit lines, hedging costs, as well as financing-related transaction costs and structuring fees.

2.5 Financial Position

The assets included in the consolidated statement of financial position of the Enpal Group are presented in the following table:

EUR m	Note	31 Dec 2024	31 Dec 2023
Non-current assets		589.7	222.2
Intangible assets	(10)	11.1	5.4
Property, plant and equipment	(11)	45.3	32.0
Right-of-use assets	(12)	63.3	30.9
Lease and loan receivables	(13)	389.9	115.5
Investments in associates and joint ventures		8.5	0.0
Other financial assets	(14), (17)	48.4	3.4
Other non-financial assets	(18)	18.5	14.5
Deferred tax assets	(8)	4.8	20.4
Current assets		480.3	1,961.2
Inventories	(15)	138.0	183.7
Trade receivables	(16)	57.0	4.4
Lease and loan receivables	(13)	26.9	9.0
Income tax receivables	(8)	3.6	0.1
Other financial assets	(17)	4.8	4.9
Other non-financial assets	(18)	60.5	42.6
Cash and cash equivalents	(19)	189.5	294.1
Assets held for sale	(20)	0.0	1,422.4
Total assets		1,070.0	2,183.3

The higher balance in non-current assets mainly stems from the loan receivables that increased due to the operating business of the Enpal Group, accompanied by investments in property, plant and equipment. Right-of-use assets grew primarily on account of the new office lease of the headquarters.

Current assets mainly decreased due to the sale of the majority of shares in the special purpose vehicles Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH. The inventory level is lower compared to the previous year due to reduced safety

stock and higher turnover rates. The rise in current loan receivables can also be attributed to the operating business. For the same reason other non-financial assets increased due to higher input tax receivables.

The equity and liabilities included in the consolidated statement of financial position of the Enpal Group are presented in the following table:

EUR m	Note	31 Dec 2024	31 Dec 2023
Equity		286.8	424.8
Issued capital	(21)	0.1	0.1
Share premium	(21)	511.3	497.8
Other reserves	(21)	(0.3)	(1.6)
Retained earnings	(21)	(205.4)	(68.9)
Equity attributable to the shareholders of Enpal B.V.	(21)	305.6	427.4
Non-controlling interests	(21)	(18.8)	(2.9)
Non-current liabilities		501.2	191.3
Convertible loan	(22)	13.4	11.2
Asset-backed loans	(24)	404.6	126.0
Lease liabilities	(11)	51.3	24.7
Provisions	(25)	5.2	13.4
Other financial liabilities	(28)(30)	19.8	12.7
Other non-financial liabilities	(29)	0.4	0.4
Deferred tax liabilities	(8)	6.5	2.9
Current liabilities		282.0	1,567.3
Bank loans	(23)	0.0	67.7
Asset-backed loans	(24)	13.2	6.1
Lease liabilities	(11)	13.9	6.5
Provisions	(25)	4.5	1.7
Trade payables	(26)	115.2	108.6
Supplier finance liabilities	(27)	74.2	62.4
Income tax liabilities	(8)	1.2	3.8
Other financial liabilities	(28)	37.3	14.2
Other non-financial liabilities	(29)	22.5	32.6
Liabilities held for sale	(20)	0.0	1,263.9
Total equity and liabilities		1,070.0	2,183.3

The Group raises committed debt from banks and funds and accounts managed by institutional investors. These funds have the purpose of refinancing installed photovoltaic systems, heat pumps and other renewable energy products. The funds are raised through SPV entities that are outside the scope of the operating subgroup.

Non-current liabilities have risen particularly due to the large increase in asset-backed loans to finance the large number of systems installed for new customers in the financial year. The lease liabilities increased due to a new long-term lease for a new office as well as vehicle lease agreements. The increase in other financial liabilities is attributable to derivatives with negative fair value. Other non-financial liabilities mainly decreased due to the sale of the majority of shares in the special purpose vehicles Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH.

Trade payables and supplier finance liabilities grew slightly because of the increasing volume of business. Other non-financial liabilities decreased due to lower sales tax liabilities.

2.6 Cash Flows

Financial management of the Enpal Group is conducted centrally by the finance department of Enpal B.V. and pursues the objective of ensuring that the Enpal Group always has sufficient liquidity. This is ensured by means of cash management. The cash flows from asset-backed loans and the reduction in equity exposure in the financing SPVs have provided the Enpal Group with sufficient capital and liquidity to finance further growth of the business. Enpal also uses supplier finance arrangements to optimize its cash and working capital management.

The capital structure of the Enpal Group breaks down as follows:

% of the balance sheet total	31 Dec 2024	31 Dec 2023
Non-current assets	55.1%	10.2%
Current assets	44.9%	89.8%
Equity	26.8%	19.5%
Non-current financial liabilities	45.7%	8.0%
Current financial liabilities	6.0%	1.2%
Other non-current liabilities	1.1%	0.8%
Other current liabilities	20.3%	70.6%

Net financial liabilities developed as follows:

EUR m	31 Dec 2024	31 Dec 2023
+ Convertible loan	13.4	11.2
+ Liabilities to banks	0.0	67.7

+	Asset-backed loans	417.8	132.2
+	Lease liabilities	65.2	31.2
-	Cash and cash equivalents	(189.5)	(294.1)
=	Net financial liabilities/assets	306.9	(51.8)

Financial liabilities consist mostly of fixed-rate or rate-hedged asset-backed loans to refinance the installation of the systems on a tranche-by-tranche basis based on equivalent terms. The increase directly reflects the operations of the Enpal Group.

The Enpal Group prolonged the convertible loan with a new expiration date in February 2026.

As at 31 December 2024, the Enpal Group had unused credit lines of EUR 2,258.6m (2023: EUR 2,072.2m) available under asset-backed loan arrangements and other unused credit lines from revolving credit facilities of EUR 75.0m (2023: EUR 96.6m).

The development of cash and cash equivalents is presented in the following table:

EUR m	31 Dec 2024	31 Dec 2023
Cash and cash equivalents at the beginning of the financial year	294.1	186.6
Net cash flow from operating activities	(408.6)	(801.3)
Net cash flow from investing activities	131.0	(32.6)
Net cash flow from financing activities	172.9	1,054.4
Other changes in cash and cash equivalents	(0.1)	1.9
Transfer disposal group	0.0	(115.0)
Cash and cash equivalents at the end of the financial year	189.5	294.1

The cash flow from operating activities increased significantly due to the shift in refinancing described above. Significant drivers are (1) the sale of the majority of shares in the special purpose vehicles Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH and the corresponding reduction in related lease receivables, as well as (2) the forward-flow: given a large share of the consumer loan receivables newly originated in the financial year were not refinanced through the new issuance of asset-backed loans but were sold under the newly established forward-flow program, the balance of outstanding solar loan receivables was significantly reduced.

A reduction in inventories also contributed to an increased operating cash flow.

The significantly positive cash flow from investing activities is driven by proceeds from the sale of the majority of shares in and shareholder loans to the special purpose vehicles Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH. These proceeds outweighed continued new investments by Enpal in property, plant and equipment, as well as in capitalized intangible assets related to internal technology development.

The positive, but reduced cash flow from financing activities is largely related to the same effects described above driving a higher operating cash flow: despite comparable levels of new originations / revenue to the prior financial year, a lower balance of asset-backed loans remains within the group due to the sale of the majority of shares in the special purpose vehicles Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH and the establishment of the forward-flow.

The cash flow from financing activities also includes the repayment of prior utilizations under the company's revolving credit facilities at the beginning of 2024 due to ample liquidity available to the group.

2.7 Overall Assessment

The management considers the business to have developed positively in the financial year, despite a temporary year-over-year decline in revenues. As outlined in sections 2.1 and 2.2, Enpal has developed significantly above the German market for residential solar and residential heat pumps, which declined 25% and 46%, respectively, in the same time period. New and recently launched segments also developed very positively, resulting in a more diverse revenue composition than in previous years. In particular in the strategically relevant residential heating segment, Enpal managed to increase new heat pump installations strongly and to become what Management believes to be the largest residential heat pump installer in the German market. As a result, Enpal has increased market share during the consolidation of both residential solar and residential heat pump markets. The adjusted EBITDA for the Subgroup has been impacted due to higher investments in the expansion of new business lines, and into the tech platform, which ultimately enables the recurring revenue generation from the existing client portfolio outlined in section 1.2.

3 Outlook

3.1 Future Macroeconomic and Sector-Specific Developments

In 2025, Germany finds itself navigating a complex macroeconomic landscape, with growth largely stalled. Most forecasts see GDP flatlining around 0 – 0.3 %, signaling very modest growth after two years of contraction¹¹. The conflict around U.S. tariffs on cars, steel and EU goods weigh down expectations on German export. Overall, Germany's export-led economy is being squeezed from two powerful external fronts: U.S. protectionism and a cooling Chinese market, leaving domestic demand and government investment as its main pillars for easing out of stagnation.

¹¹ Germany to return to growth after two years of contraction, economists predict https://www.reuters.com/markets/europe/german-economy-grow-after-two-straight-years-contraction-ifw-says-2025-06-12/?utm_source=chatgpt.com | Reuters

The European Union and Germany have enacted different laws and regulations to stabilize the overall economic situation and promote the development of environmentally friendly technologies and innovations. The new government of Conservatives and Social Democrats agreed on debt-financed investments of 500 bn € aimed at promoting the infrastructure and measures to achieve climate neutrality – an unprecedented amount of investment, of which 100 bn € will be used for Germany's "Climate and transformation fund" (KTF), ensuring, among others, subsidies for renewable heating and renewable energy. Moreover, the coalition agreed on increasing defence spending without being restricted by the "debt brake". Regarding energy policies, the Solar Package I is worth mentioning: The former coalition of Social Democrats, the Green Party and Liberal Democrats, agreed to simplify and accelerate solar energy adoption. After the breakup of the coalition Social Democrats, the Green Party and the Christian Democrats established new regulations to accelerate the integration of flexible combined PV-battery systems (VPP).

Measures are also being taken at the European level. The Net-Zero Industry Act (NZIA) aims to make the EU's energy supply more independent and to establish domestic production capacities along the solar value chain. Additionally, the Solar-Charta is relevant in this context: EU energy ministers have signed a corresponding document, advocating for the strengthening of the European solar industry.

Given these political commitments to climate-friendly technologies and the solar industry specifically, along with the slowly stabilizing macroeconomic situation, it is highly likely that this market continues to have growth potential.

3.2 Future Development of the Group

With its customer offerings, the Enpal Group believes it is well positioned to drive forward the transition to renewable energies in the residential buildings sector and continue to grow sustainably in future. After the financing round in the financial year 2023 and 2025, Enpal Group is equipped with a robust financial basis and possesses a clear growth strategy. Enpal expects continued strong customer demand for green energy and e-mobility solutions for households. Enpal believes it is in a good position to meet customer demand and provide consumers with a differentiated product offering based on its evolving technology platform, close relationships with key suppliers, continued expansion of its internal fulfillment capacity, and expanding geographical presence. Growth will be financed with existing equity capital, expanding the existing lines of credit, and other financing measures. Enpal also aims to further pursue and enhance its capital-efficient strategy with regards to solar lease- and loan receivables of the financing product. Enpal expects to meet growing order volumes by continuing to increase the size of the fulfillment workforce, and continuing to invest into software, automation, and more efficient processes. In addition, Enpal anticipates further investments into research and development activities, especially

with regards to its energy platform and other activities to manage and optimize the energy usage of customers.

4 Risk Management

The Enpal Group is regularly confronted with developments that bear both opportunities and risks for the financial position, financial performance and cash flow of the Group. Business activity entails opportunities and risks. It only becomes possible to exploit opportunities when a conscious decision is made to accept the associated business risks. While the risk management system of the Enpal Group identifies, assesses, documents and mitigates risks, the recognition and documentation of business opportunities is an integral component of the Group's internal communication.

The Enpal Group, inter alia, has implemented policies and processes on anti-corruption, anti-money laundering, anti-trust and a gift & hospitality guideline. Enpal reviews potential fraud risks on an ongoing basis and conducted internal audits in 2024 that did not reveal any material findings. Every Enpal employee is responsible for compliance with laws, regulations and internal policies. The Enpal Group supports its employees by providing information and training on key compliance topics to all employees and additional training for certain groups of employees and the leadership on a regular basis and as needed. It has implemented a comprehensive training program, covering topics such as data and IT security, whistleblower protection, anti-corruption and anti-discrimination. The training program covers all stages of the employee life cycle and is an integral part of the onboarding process at Enpal. Furthermore, Enpal enrolled in a cyber security insurance, as part of its efforts to strengthen IT security further.

All policies and guidelines are reviewed by the legal and compliance department on an annual basis to ensure that they are up-to-date and reflect the current risk landscape. The Enpal Group regularly communicates its policies internally and ensures that all employees always have access to them. In addition, the Enpal Group has established a whistleblower system in which violations can be reported by anyone anonymously at any time.

For business partners and service providers, the Enpal Group has developed our Supplier Code of Conduct, which defines our values regarding human rights and environmental protection taking into account the International Labour Organization's framework agreements and sets out clear due diligence obligations for business partners. All business partners and service providers are contractually obligated to comply with it and Enpal conducts regular audits to ensure compliance with it.

The key elements of the risk management system lie in recognizing and then limiting/mitigating operating risks. Risks should be identified and assessed as rapidly as possible to avoid or limit their potential negative consequences by taking suitable countermeasures. The management of Enpal B.V. is responsible for monitoring and managing the risk management system.

The Enpal Group has drawn up rules of conduct aimed at avoiding certain risks. Breaches of the law and official regulations or internal compliance regulations are not tolerated. Likewise, no risks are accepted if they result in faulty products or poor quality of the products being installed. Further, Enpal has established a fraud prevention unit that sits within the compliance department and assesses and defines physical security standards for our sites.

In addition, the Enpal Group has established an ambitious and industry-leading quality management process to ensure the highest standards of our rooftop solar installations, heat pumps, and related components. The quality management encompasses not only technical aspects, such as the selection of suitable hardware or proper installations, but also organizational factors, such as staff training, monitoring of workflows, and documentation of all relevant steps. It is designed to prevent potential deficiencies and identify and correct them early, ultimately leading to higher operational safety, lower operating costs, and increased customer satisfaction.

For this, Enpal has undergone a continuous technical due diligence process conducted by an external technical advisor and has examined its entire value chain for potential risks. Any process or product expansions or modifications undergo a continuous due diligence review process and are only approved after thorough evaluation, with the goal of ensuring that such changes do not introduce technical risks to the existing systems and that products can be smoothly integrated into operational processes.

Risks to future business development

Due to its business model the Enpal Group is exposed to a wide range of risks. If the criteria are met, the risks are suitably provided for in the accounting. This applies, for example, to the credit risks inherent in the portfolio of solar assets and consumer receivables.

The risks that could impact the financial position, financial performance and cash flows of the Group are described below.

Risk appetite

Risk appetite is the level of residual risk the Group deems acceptable to achieve its objectives. Enpal applies three levels of risk appetite:

Manage: These are risks that the Group is taking to meet its objectives.

Avoid: These are risks that the Group tries to avoid.

Minimize: The Group's tolerance for these risks is zero but some minimal risk is unavoidable.

Enpal evaluates the potential impact of the activities on its strategy, operations and compliance, in addition to how these would affect the Enpal Group's values, to assess the risk appetite for a given risk category.

Risk report

The table below, while not exhaustive, describes the principal material risks that may impact Enpal’s business and the industries it operates in and is reviewed periodically.

Risk category	Risk appetite	Impact	Mitigation
Strategic Risks			
Personnel risks	Avoid	<p>The professional qualifications and motivation of our employees are decisive factors for the business success of the Enpal Group and its ability to realize its growth targets. Consequently, being able to attract suitably qualified employees and bind them to the organization is of particular importance. If this fails, there could be a substantial impact on the Enpal Group goals that have been forecasted.</p>	<p>Enpal seeks to position itself as an employer of choice in the labor market – for both blue- and white-collar employees. This involves offering comparatively attractive compensation in comparison to other players in the sector, offering a range of basic and advanced training and – for leadership and high potentials – a competitive share-based payment component. Enpal pursues a policy of diversity in its human resources.</p> <p>Applicants that are new in the field are offered the opportunity of acquiring the skillsets needed to install photovoltaic systems in the Group's own academy. Employees are given an incentive to win new employees for Enpal from their social circle. A marketing strategy for prospective university recruitment is conducted to position Enpal as an attractive future employer and to build up a pool of talent.</p>
Competitive risks	Avoid	<p>The fundamental attractiveness and synergetic nature of solar power, battery storage, electric mobility and electric heating, as well as the favorable political and social environment could result in greater competitive pressures as new players enter the market. Furthermore, by entering the C&I and VPP space, Enpal is exposed to broader competition. Both of these factors could make future growth more challenging.</p>	<p>With its portfolio of products and services, Enpal believes it is well positioned in comparison to the competition. Enpal constantly monitors the renewable energies market and its development to be ready to identify and exploit any opportunities that arise. To reinforce its competitiveness, Enpal continuously works to improve its cost structure and organization.</p>

<p>Geopolitical risks</p>	<p>Minimize</p>	<p>Approximately 80% of all solar modules produced worldwide are produced in China. China considers export restrictions on solar manufacturing technologies to boost its global dominance and to use these components domestically instead.</p> <p>Increasing tensions between China and Taiwan pose geopolitically a risk to the entire renewable energy value chain. If China attacks Taiwan, China could be subject to global sanctions which includes solar components. Also supply chains for important electronic components could be disrupted as Taiwan is a major semiconductor producer.</p>	<p>Considering the current situation, Enpal is strategically diversifying its supply chain to mitigate reliance on imports from China. To enhance resilience and be better positioned to provide energy installations and services at competitive price points, Enpal is increasing the sourcing of components from different suppliers internationally.</p>
<p>Operational Risks</p>			
<p>Product risks</p>	<p>Minimize</p>	<p>There is a low risk that faulty modules, battery storage or other components are installed. In addition, the modules and battery storage are subject to a degradation risk, i.e. their performance can degrade over the lease term. The resulting need to replace individual modules or entire photovoltaic systems might raise costs for Enpal.</p>	<p>Enpal carries out production quality control prior to installation that is aimed at preventing any faulty components are installed. The degradation risk is offset by manufacturer guarantees. The costs of installing new batteries, inverters and EV charger within warranty can be transferred to the manufacturer under the warranty terms.</p>
<p>Risks of new products and services</p>	<p>Minimize</p>	<p>The introduction of innovative products and services is a major driver of the growth strategy. For example, Enpal added new types of inverters, batteries and heat pumps to the product portfolio in the financial year. This marks Enpal's first step towards combining its green residential energy solution with electric heating.</p>	<p>The risk that new products and services are not accepted by customers to the degree expected is countered by performing test sales and tailoring the product to customer needs. Enpal constantly analyzes the market for renewable energies to ensure that the new products and services it launches are successful.</p>

<p>Project risks</p>	<p>Minimize</p>	<p>The installation and maintenance of photovoltaic systems comes with general project risks attached. For instance, there may be construction errors or delays due to technical problems. This would include, for example, the case when installation of the photovoltaic system causes water damage due to technical errors when penetrating the roof or laying hooks and cables.</p> <p>It is also in principle possible for the installation of a system and connection to the household power network to result in damage or network instability, particularly with older buildings and aging electrical installations. The necessary repair work and associated delays to operating processes could cause additional costs. There is also the risk of occupational accidents on the construction site.</p>	<p>To minimize this risk, Enpal has installed an internal industrial safety management system. This ensures systematic implementation of internal and external safety procedures and continuous improvement of the processes and working tools. To ensure safe and top-quality work, all new installation workers are trained in the Enpal Group's own academy and receive regular further training once they have been accepted. Likewise, all managers receive training and coaching in safety leadership.</p> <p>In addition, construction sites are regularly inspected and monitored by internal employees and external auditors to ensure compliance with the rules and regulations, identify any deficiencies at an early stage and remedy them accordingly.</p>
<p>Supply-chain risks</p>	<p>Avoid</p>	<p>Enpal is currently in a single source relationship with a heat pump supplier which poses potential supply chain disruption.</p> <p>The EU Commission is currently investigating potential safeguard measures against PV modules. This could lead to cost increases.</p>	<p>Enpal is onboarding an additional heat pump supplier until Q2-2025. Enpal onboarded a new PV module supplier from Vietnam and entered discussions with EU-based suppliers to mitigate this risk.</p>
<p>IT risks</p>	<p>Minimize</p>	<p>A significant disruption to IT systems or an outage could result in the loss of data and restrictions for the business processes at Enpal (e.g. because the digital documentation of the installation would no longer be possible). In addition, a disruption to IT systems could also result in a breach of data privacy.</p>	<p>Typical industry standards, such as backups and remote data storage serve to minimize IT risks. Any risks identified are entered into the Objectives & Key Results to allow for an early response to minimize the risks. To avoid breaches of the General Data Protection Regulation (GDPR), Enpal has established a data protection management system and is implementing further IT controls</p>

			to follow international standards to manage information security. Moreover, Enpal has enrolled in a cyber security insurance.
IT & Access Management Challenges	Minimize	Occasional inefficiencies in IT support, user onboarding, and access management could lead to delays and suboptimal resource utilization. Additionally, ensuring appropriate access rights across critical systems remains an area for ongoing improvement.	User onboarding and offboarding processes are partially automated through Identity and Access Management (IAM) solutions. A centralized asset management system is in place to track and repurpose hardware efficiently. Access security is reinforced through partial enforcement of strict revocation procedures and real-time monitoring of inactive accounts. Role-Based Access Control (RBAC) implementation and Multi-Factor Authentication (MFA) for critical applications are in progress.
Data Protection & Business Continuity Risks	Minimize	Ensuring compliance with data protection regulations and maintaining effective incident response processes remain ongoing priorities. The use of unregulated SaaS applications and cross-border data management requires structured oversight to minimize security risks.	A centralized SaaS approval and governance process is partially established to monitor unauthorized applications. A Cloud Access Security Broker (CASB) solution is in place to oversee SaaS usage. Data encryption for PII at rest and in transit is fully implemented. Incident response capabilities are being enhanced through partnerships with external Security Operations Centers (SOC), and security awareness training is regularly conducted.
Compliance and Legal Risks			
Legal and compliance risk exposure	Minimize	The Enpal Group is required to comply with a wide range of laws. Its involvement in business processes means that numerous legal risks could arise in such fields as contractual law, fair trade and environmental law.	Enpal counters this risk by subjecting contracts and business processes to legal appraisal on a regular basis. For this purpose, Enpal has set up a legal department that is responsible for the development of its compliance rules over time.
Regulatory risks	Avoid	Energy policy, industrial policy, and fiscal policy frameworks at national and EU level are crucial to Enpal’s continuous growth	Enpal addresses these challenges by actively contributing solution-focused insights to regulatory and

		<p>and strategic business development. As Enpal's business and operations deepen and diversify, the Enpal Group faces new regulatory environments. For the Enpal Group, any amendments to the Renewable Energy Sources Act (<i>Erneuerbare-Energien-Gesetz, EEG</i>) or the Energy Industry Act (<i>Energiewirtschaftsgesetz, EnWG</i>) potentially impact its core business. The EEG sets the framework for the remuneration of renewable energy fed into the grid, while the EnWG establishes guidelines for flexibility mechanisms, including energy storage and grid tariffs. Enpal diligently focuses on regulatory compliance to ensure that customers can optimize energy cost savings and revenue generation.</p>	<p>political discussions. Additionally, Enpal is a member of relevant industry associations, enabling Enpal to advocate effectively on behalf of its customers.</p>
<p>Financial and Reporting Risks</p>			
<p>Credit risk</p>	<p>Manage</p>	<p>Credit risk is inherent to the business model of financing SPVs and thereby the Enpal Group. The core product of the Group is leasing photovoltaic systems over a period of 20 years to end customers as well as providing long-term financing of up to 25 years for purchased systems. There is a risk of counterparty default if the end customer becomes insolvent and unable to pay the monthly installments for the photovoltaic system. This credit risk is not inherent to the business model of the Operating subgroup, but only for the financing SPVs.</p>	<p>Enpal counters this risk by reviewing the credit ratings of customers in full compliance with its underwriting policy before entering into long-term agreements. In addition, expected credit losses are recognized in the financial statements. Improvements in credit and collections processes as well as further automation or rent collection further decrease the risk. The strategic objective of transitioning to an asset-light business model further reduces the balance sheet exposure to credit risk.</p>
<p>Inflation risk</p>	<p>Avoid</p>	<p>Enpal is responsible for monitoring and technical servicing of the leased photovoltaic systems. There is a risk that these costs of the technicians commissioned to</p>	<p>Enpal addresses this risk by setting up its own efficient network of technicians to reduce costs. In addition, Enpal can pass on cost increases due to an increased inflation rate</p>

		perform these services rise on account of inflation.	under the prevailing servicing contracts with SPVs.
Liquidity risk	Minimize	There is a risk that insufficient cash will be available to meet existing or future payment commitments. In addition, a breach of the covenants agreed for the asset-backed loans or the corporate RCF could trigger an immediate repayment obligation.	Enpal analyzes its cash requirements on the basis of its financial planning and cash flow projections. The financing rounds conducted in financial years 2021 and beginning of 2023 have secured the financial requirements of the Enpal Group for the mid-term. Further, Enpal entered into a convertible loan agreement in early 2025, ensuring additional funds. Moreover, Enpal reviews compliance with the covenants of the asset financing on a constant basis.
Currency risk	Avoid	The Euro serves as both the functional and reporting currency for the Enpal Group. However, due to the purchase of components from China, the Enpal Group is exposed to some currency risk. Additionally, Enpal maintains a significant cash balance in USD as a means of economic risk hedging.	Enpal counters this risk by negotiating contracts with suppliers that are denominated in Euro. Both parties to the contracts are entitled to renegotiate the contracts as soon as the exchange rate between the Euro and the local currency fluctuates more than 5% from the contractually agreed price for the solar modules. The USD balance is hedged with FX forwards.
Interest risk	Minimize	If interest rates rise, newly originated leasing and financing products become relatively more expensive. Furthermore, Enpal enters into floating-rate corporate financing arrangements. If interest rates rise, the interest payable under these arrangements increases.	Enpal counters this risk by entering into large-volume asset-backed loans in advance and at fixed interest rates and/or by hedging variable interest rate long-term asset-backed loans with interest rate swaps of equivalent terms. In addition, the Enpal Group closely monitors the interest rate environment and adjusts its product portfolio accordingly.

Overall statement on the risk position

The Enpal Group operates in a market that, despite recent volatility, has been growing consistently over long periods of time. The rising demand for products and services in the market for renewable energies opens great opportunities for Enpal.

The risk management system of the Enpal Group is the basis on which management assesses the overall risk.

In the management's opinion, the overall risk position does not currently include any risks that jeopardize the ability of the Enpal Group as a whole or Enpal B.V. to continue as going concern or that could significantly impair their financial position, financial performance or cash flows. In the opinion of management, risks that could have a substantial or high impact if they were to materialize are not expected to affect future business development.

5 Assessment of the Economic Situation

The Enpal Group looks back on a strong business year in 2024. The Group was able to significantly grow its market share in a challenging market. New and recently launched segments such as residential heat pumps grew very strongly, resulting in a more diverse revenue composition than in previous years.

At the same time, Enpal was able to lay the foundation for its capital efficient, asset-light, portfolio-focused strategy in 2024 by enhancing the end customer offering to provide more value to Enpal clients over the entire relationship, and by successfully completing several milestone financing transactions (the sale of the majority of shares in several financing SPVs, the first public residential solar ABS offering in Europe, and entering into a forward-flow agreement for consumer loan receivables). At the end of the financial year, the Enpal Group had a strong liquidity position and looks to continue building on this foundation in the financial year 2025.

Executive directors

Berlin, 30 June 2025

Mario Kohle

Dr. Florian Christ

Stephan Rink

Henning Rath

Viktor Wingert

Consolidated Financial Statements

Consolidated Statement of Profit or Loss and other Comprehensive Income for Financial Year 2024

Consolidated Statement of Profit or Loss for Financial Year 2024

EUR m	Note	2024	2023
Revenue	(1)	913.4	960.1
Material expenses	(2)	(276.4)	(402.3)
Contribution Margin		636.9	557.8
Fulfillment expenses	(2)	(384.6)	(268.3)
Gross Profit		252.4	289.5
Selling expenses	(3)	(294.3)	(175.6)
Administrative expenses	(4)	(91.8)	(113.7)
Other operating income		2.3	0.4
Other operating expenses	(5)	(6.3)	(2.1)
Earnings before interest and taxes (EBIT)		(137.7)	(1.6)
Share of profit of equity-accounted investees	(14)	(0.9)	0.0
Financial income	(6)	28.0	8.6
Financial costs	(7)	(32.8)	(21.3)
Earnings before taxes (EBT)		(143.3)	(14.2)
Income taxes	(8)	(17.9)	(3.8)
Net income/loss		(161.2)	(18.1)
Profit/loss attributable to the shareholders of Enpal B.V.		(144.0)	(14.9)
Profit/loss attributable to non-controlling interests		(17.2)	(3.2)

Consolidated Statement of Other Comprehensive Income for Financial Year 2024

EUR m	2024	2023
Net income/loss	(161.2)	(18.1)
Other comprehensive income/loss	2.0	(9.9)
Items that will not be reclassified to profit or loss		
Equity investments at FVOCI - net change in fair value	2.3	0.0
Items that are or may be reclassified subsequently to profit or loss		

Effective portion of profit/loss from cash flow hedges after tax	0.4	(9.9)
Exchange differences on translation of foreign financial statements	0.0	0.1
Equity-accounted investments – share of OCI	(0.7)	0.0
Comprehensive income	(159.2)	(27.9)
Other comprehensive income/loss attributable to the shareholders of Enpal B.V.	(142.7)	(24.0)
Other comprehensive income/loss attributable to non-controlling interests	(16.5)	(3.9)

Consolidated Statement of Financial Position as at 31 December 2024

(Before appropriation of result)

EUR m	Note	31 Dec 2024	31 Dec 2023
Non-current assets		589.7	222.2
Intangible assets	(10)	11.1	5.4
Property, plant and equipment	(11)	45.3	32.0
Right-of-use assets	(12)	63.3	30.9
Lease and loan receivables	(13)	389.9	115.5
Investments in associates and joint ventures	(14)	8.5	0.0
Other financial assets	(14), (17)	48.4	3.4
Other non-financial assets	(18)	18.5	14.5
Deferred tax assets	(8)	4.8	20.4
Current assets		480.3	1,961.2
Inventories	(15)	138.0	183.7
Trade receivables	(16)	57.0	4.4
Lease and loan receivables	(13)	26.8	9.0
Income tax receivables	(8)	3.6	0.1
Other financial assets	(17)	4.8	4.9
Other non-financial assets	(18)	60.5	42.6
Cash and cash equivalents	(19)	189.5	294.1
Assets held for sale	(20)	0.0	1,422.4
Total assets		1,070.0	2,183.3

EUR m	Note	31 Dec 2024	31 Dec 2023
Equity		286.8	424.8
Issued capital	(21)	0.1	0.1
Share premium	(21)	511.3	492.3
Other reserves	(21)	(0.3)	(1.6)
Retained earnings	(21)	(205.4)	(63.4)
Equity attributable to the shareholders of Enpal B.V.	(21)	305.6	427.4
Non-controlling interests	(21)	(18.8)	(2.6)
Non-current liabilities		501.2	191.3
Convertible loan	(22)	13.4	11.2
Asset-backed loans	(24)	404.6	126.0
Lease liabilities	(11)	51.3	24.7
Provisions	(25)	5.2	13.4
Other financial liabilities	(28)(30)	19.8	12.7
Other non-financial liabilities	(29)	0.4	0.4
Deferred tax liabilities	(8)	6.5	2.9
Current liabilities		282.0	1,567.3
Bank loans	(23)	0.0	67.7
Asset-backed loans	(24)	13.2	6.1
Lease liabilities	(11)	13.9	6.5
Provisions	(25)	4.5	1.7
Trade payables	(26)	115.2	108.6
Supplier finance liabilities	(27)	74.2	62.4
Income tax liabilities	(8)	1.2	3.8
Other financial liabilities	(28)	37.3	14.2
Other non-financial liabilities	(29)	22.5	32.6
Liabilities held for sale	(20)	0.0	1,263.9
Total equity and liabilities		1,070.0	2,183.3

Consolidated Statement of Changes in Equity for Financial Year 2024

EUR m	Issued capital	Share premium	Other reserves			Retained earnings	Shareholders of Enpal B.V.	Non-controlling interests	Equity
			Cash flow hedges	Currency translation	Other				
1 January 2024	0.1	492.3	(1.7)	0.1	0.0	(63.4)	427.4	(2.6)	424.8
Net income/loss	0.0	0.0	0.0	0.0	0.0	(144.0)	(144.0)	(17.2)	(161.2)
Other comprehensive income	0.0	0.0	(1.1)	(0.0)	0.0	0.2	(0.9)	1.0	0.1
Investments FVTOCI	0.0	0.0	0.0	0.0	2.3	0.0	2.3	0.0	2.3
Comprehensive income	0.0	0.0	(1.1)	(0.0)	2.3	(143.9)	(142.6)	(16.2)	(158.8)
Capital increase	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transactions cost for capital increase	0.0	(0.3)	0.0	0.0	0.0	0.0	(0.3)	0.0	(0.3)
Conversion option	0.0	(1.8)	0.0	0.0	0.0	1.8	0.0	0.0	0.0
Share-based payments	0.0	21.2	0.0	0.0	0.0	0.0	21.2	0.0	21.2
31 December 2024	0.1	511.3	(2.7)	0.1	2.3	(205.4)	305.6	(18.8)	286.8

EUR m	Issued capital	Share premium	Other reserves		Retained earnings	Shareholders of Enpal B.V.	Non-controlling interests	Equity
			Cash flow hedges	Currency translation				
1 January 2023	0.1	293.0	7.5	0.0	(50.9)	249.7	1.3	251.0
Net income/loss	0.0	0.0	0.0	0.0	(14.9)	(14.9)	(3.2)	(18.1)
Other comprehensive income	0.0	0.0	(9.1)	0.1	0.0	(9.1)	(0.8)	(9.9)
Comprehensive income	0.0	0.0	(9.1)	0.1	(14.9)	(24.0)	(3.9)	(27.9)
Capital increase	0.0	208.0	0.0	0.0	0.0	208.0	0.0	208.0
Transactions cost for capital increase	0.0	(6.3)	0.0	0.0	0.0	(6.3)	0.0	(6.3)
Conversion option	0.0	(2.4)	0.0	0.0	2.4	0.0	0.0	0.0
31 December 2023	0.1	492.3	(1.7)	0.1	(63.4)	427.4	(2.6)	424.8

Consolidated Cash Flow Statement for Financial Year 2024

EUR m	2024	2023
Net income/loss	(161.2)	(18.1)
Adjustments for:		
Depreciation, amortization and impairments	27.5	18.4
Non-cash expenses from share-based payments	12.7	2.6
Non-cash expenses/income	12.5	2.5
Financial result and operating finance costs	5.6	12.7
Income taxes	17.9	3.8
Income taxes paid	(6.1)	(2.5)
Decrease/increase of inventories	45.7	(51.4)
Decrease/increase of lease and loan receivables	(292.3)	(801.5)
Decrease/increase of trade receivables	(52.6)	(3.6)
Increase/decrease of trade payables	6.6	21.2
Increase/decrease of supplier finance liabilities	11.8	19.2
Increase/decrease in other assets/liabilities	(39.7)	(1.9)
Increase/decrease of provisions	3.1	(2.8)
Cash flow from operating activities	(408.6)	(801.3)
Proceeds from loan repayments related to the disposal of subsidiaries	155.0	0.0
Cash paid for investments in property, plant and equipment	(18.0)	(24.4)
Cash paid for investments in intangible assets	(10.4)	(4.7)
Payments for acquisition of convertible loan	0.0	(2.0)
Payments for acquisition of shares	(4.0)	(2.0)
Payments of transaction costs for sale of financing companies	0.0	(0.6)
Cash received from the repayment of deposits	0.1	(0.2)
Interest received	8.3	1.3
Cash flow from investing activities	131.0	(32.6)
Cash received from capital increases from the shareholders	0.0	208.0
Cash paid for transaction costs of capital increases	0.0	(9.0)
Cash paid to settle the purchase liability for the acquisition of non-controlling interests	0.0	(0.1)
Payments to redeem bank loans	(67.7)	(0.0)
Cash received from bank loans	0.0	26.1
Cash received from issuing asset-backed loans	540.5	890.0

Cash paid to redeem asset-backed loans	(231.3)	(31.9)
Interest and borrowing costs paid for asset-backed loans	(30.0)	(21.6)
Proceeds from other financing agreements	0.0	12.9
Cash paid to service lease liabilities	(14.7)	(9.4)
Other interest and borrowing costs paid	(24.0)	(10.7)
Cash flow from financing activities	172.9	1,054.4
Change in cash and cash equivalents due to exchange rate movements	0.0	(1.0)
Other changes in cash and cash equivalents	(0.1)	2.9
Transfer to disposal group	0.0	(115.0)
Change in cash and cash equivalents	(104.6)	107.6
Cash and cash equivalents at the beginning of the financial year	294.1	186.6
Cash and cash equivalents at the end of the financial year	189.5	294.1

Notes to the Consolidated Financial Statements for Financial Year 2024

1 General Remarks

Enpal B.V. (“Enpal”) was originally founded in 2017, and its subsidiaries pursue the objective of supplying people with green energy. Enpal offers house-owners a rental and a financing model as well as purchasing options for photovoltaic systems, battery storages and electric vehicle charging systems. For heat pumps Enpal offers financing and purchasing options. In addition, Enpal offers electricity tariffs to complete the wholistic energy portfolio. Enpal is based in Berlin, Germany, and is registered in the commercial register in the Netherlands under the number 89067363. The corporate seat is in Amsterdam in the Netherlands and the address of Enpal’s registered head office is Koppenstraße 8, 10243 Berlin.

These consolidated financial statements cover the year 2024, which ended at the reporting date of 31 December 2024. The consolidated financial statements of Enpal have been prepared on the basis of the going concern assumption.

The financial information of Enpal is included in the consolidated financial statements. For this reason, in accordance with Section 402, Book 2 of the Dutch Civil Code, the separate statement of profit or loss of Enpal solely states the share of the result of participating interests after tax and the other income and expenses after tax. For an appropriate interpretation of these statutory financial statements, the consolidated financial statements of the Enpal Group should be read in conjunction with the separate financial statements, as included under pages 108 to 131.

These consolidated financial statements were approved for publication by the executive directors of Enpal B.V. on 30 June 2025.

2 Material Accounting Policies

2.1 Basis of preparation

The consolidated financial statements of Enpal are part of the statutory financial statements of Enpal. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as endorsed by the European Union and with Article 2:362(9) of the Dutch Civil Code.

Individual line items in the statement of financial position have been condensed to aid the clarity of presentation. These are explained in the notes to the financial statements.

The consolidated financial statements are prepared on a historical cost basis unless stated otherwise in the accounting policies explained below. The consolidated statement of profit or loss included in the consolidated statement of comprehensive income is classified using the function of expense (cost of sales) method. The financial year corresponds to the calendar year. The consolidated financial statements are prepared in Euro. All figures in the notes and the tables are denominated in million Euros unless otherwise stated. Both individual figures and sum totals are stated at the amount with the lowest rounding difference. For this reason, there could be small rounding differences in the sum totals and the stated percentage ratios could diverge marginally from the figures on which they are based.

2.2 New and Amended Accounting Standards

The following new or amended accounting standards issued by the IASB, some of which have not yet been endorsed by the EU, only apply to future financial reporting, assuming their endorsement by the EU. They have not been early adopted.

Standard/Interpretation (as at 31 December 2024)		Mandatory application for Enpal B.V.	Endorsed by the EU	Prospective implications
Amendments to IAS 21	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 Jan 2025	Yes	No significant implications
IFRS 18	Presentation and Disclosures in Financial Statements	1 Jan 2027	No	No significant implications
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 Jan 2027	No	No significant implications
Amendments to IFRS 9 / IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 Jan 2026	No	No significant implications
Amendments to IFRS 9 / IFRS 7	Contracts Referencing Nature-dependent Electricity	1 Jan 2026	No	No significant implications
Amendments to IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date has been removed temporarily by the IASB.	No	No significant implications
IFRS 1 / IFRS 7 / IFRS 9 / IFRS 10 / IFRS 7	Annual Improvements to IFRS Accounting Standards (Volume 11) – Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 Jan 2026	No	No significant implications

The consolidated financial statements consider all IFRSs that have been issued and become mandatory in the European Union on the reporting date. Following amendments are mandatorily effective in the European Union for an accounting period that begins on or after 1 January 2024 and therefore are adopted by Enpal for the first time in the current fiscal year:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements;
- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current;
- Amendments to IAS 1 Presentation of Financial Statements – Non-current Liabilities with Covenants;
- Amendments to IFRS 16 Requirements for sale and leaseback transactions.

The adoption of the amended standards did not have any significant effect on the presentation of the financial position, financial performance and cash flows of Enpal or on the disclosures in the notes to the financial statements.

2.3 Consolidation

Subsidiaries

The consolidated financial statements include all subsidiaries of Enpal B.V. These are entities over whose financial and business policies the Group can exercise direct or indirect control. Subsidiaries are fully consolidated in the consolidated financial statements at the date on which control is transferred to the Group. They are deconsolidated at the date on which control is extinguished.

The acquisition method is used to account for business combinations. The cost of the business combination corresponds to the fair value of the acquired assets, the equity instruments issued, and the liabilities incurred and assumed as on the date of acquisition. Identifiable assets, liabilities and contingent liabilities in the course of the business combination are measured initially at their fair values on the acquisition date, irrespective of the extent of any non-controlling interest. The difference between acquisition costs and the fair value of the net assets acquired that is attributable to the Group is recognized as goodwill. If the acquisition costs are lower than the fair value of the (attributable) net assets of the subsidiary acquired, the difference is recognized directly in profit or loss after reexamination. After control has been obtained, any acquisitions of shares in subsidiaries are accounted for as equity transactions. The difference between the purchase price of the shares and the non-controlling interests that are thereby extinguished is directly offset against retained earnings.

Intercompany transactions, balances and unrealized profits on intercompany transactions are eliminated. The same applies to unrealized losses unless the transaction indicates an impairment of the underlying asset. The accounting policies of subsidiaries are amended where necessary to ensure that uniform accounting policies are exercised throughout the Group.

Basis of consolidation

The number of subsidiaries in the consolidated group rose from 52 to 54 in the financial year due to the formation of new companies. The changes to the basis of consolidation do not affect the comparability of the financial statements with the prior year.

The following table lists Enpal B.V.'s subsidiaries included in the consolidated financial statements as at 31 December 2024:

Entity	Registered offices	Share in capital
EFS Deutschland GmbH (until 4 June 2024 Enpal Financial Services Deutschland GmbH)	Berlin (Germany)	100%
EFS Holding GmbH (until 5 June 2024 Enpal Financial Services Holding GmbH)	Berlin (Germany)	100%

EFS Italia Srl	Milan (Italy)	100%
Enpal Albania Shpk	Tirana (Albania)	100%
Enpal Asset Management GmbH* (until 25 September 2024 Enpal Assets GmbH, until 31 May 2024 Enpal Tech GmbH)	Berlin (Germany)	100%
Enpal BH d.o.o.	Sarajevo (Bosnia)	100%
Enpal Business Installations GmbH* (until 19 December 2024 Enpal Montage Hamburg GmbH)	Hamburg (Germany)	100%
Enpal Business Solutions GmbH* (until 30 May 2024 engea Wallbox GmbH)	Berlin (Germany)	100%
Enpal China Ltd.	Shenzhen (China)	100%
Enpal Customer Care GmbH* (until 24 June 2024 Enpal Asset Management GmbH)	Berlin (Germany)	100%
Enpal Dragon GmbH*	Berlin (Germany)	100%
Enpal Electrical Services GmbH* (until 20 August Enpal Electrical Installation GmbH, until 6 June 2024 Enpal Montage Hannover GmbH)	Hannover (Germany)	100%
Enpal Enablement GmbH*	Berlin (Germany)	100%
Enpal Energy GmbH*	Berlin (Germany)	100%
Enpal ezee Benefit GmbH**	Berlin (Germany)	70%
Enpal ezee Benefit III GmbH**	Berlin (Germany)	70%
Enpal ezee GmbH**	Berlin (Germany)	70%
Enpal Field&Partner Sales GmbH* (Until 7 July 2024 Enpal Ident GmbH)	Berlin (Germany)	100%
Enpal Fulfillment B.V.	Amsterdam (Netherlands)	100%
Enpal Green Advantage GmbH**	Schönefeld (Germany)	100%
Enpal Green Advantage Holding GmbH**	Schönefeld (Germany)	100%
Enpal Green Innovations Holding GmbH**	Berlin (Germany)	100%
Enpal Green Innovations I GmbH**	Berlin (Germany)	100%
Enpal Green Technologies Holding GmbH**	Berlin (Germany)	100%
Enpal Green Technologies I GmbH**	Berlin (Germany)	100%
Enpal Green Vision GmbH**	Schönefeld (Germany)	100%
Enpal Green Vision Holding GmbH**	Schönefeld (Germany)	100%
Enpal Grid Operations GmbH*	Berlin (Germany)	100%
Enpal Installation Nord GmbH*	Artern (Germany)	100%
Enpal Installation Süd GmbH*	Artern (Germany)	100%

Enpal Italia S.r.l.	Mailand (Italy)	100%
Enpal Montage GmbH*	Berlin (Germany)	100%
Enpal Planning GmbH*	Berlin (Germany)	100%
Enpal Pro GmbH* (until 12 July 2024 Enpal Production GmbH)	Berlin (Germany)	100%
Enpal Production GmbH*	Berlin (Germany)	100%
Enpal Sales B.V.	Amsterdam (Netherlands)	100%
Enpal Sales Enablement GmbH*	Berlin (Germany)	100%
Enpal Sales GmbH*	Berlin (Germany)	100%
Enpal Sales Nord GmbH*	Hamburg (Netherlands)	100%
Enpal Sales Süd GmbH*	München (Germany)	100%
Enpal Sales Support GmbH*	Berlin (Germany)	100%
Enpal Sales West GmbH* (until 3 June 2024 Enpal Sales NRW GmbH)	Essen (Germany)	100%
Enpal Services GmbH*	Berlin (Germany)	100%
Enpal Montage Köln GmbH*	Berlin (Germany)	100%
Enpal Shelf III GmbH* (until 20 December 2024 Enpal Montage Berlin/Brandenburg GmbH)	Berlin (Germany)	100%
Enpal Shelf IV GmbH* (until 18 December 2024 Enpal Montage Nürnberg GmbH)	Berlin (Germany)	100%
Enpal Shelf V GmbH* (until 23 December 2024 Enpal Montage Rhein/Main GmbH)	Berlin (Germany)	100%
Enpal South Africa (PTY) Ltd.	Capetown (South Africa)	100%
Enpal Supply Chain GmbH*	Berlin (Germany)	100%
Enpal Vendor Management GmbH* (until 4 December 2024 Enpal Shelf I GmbH)	Berlin (Germany)	100%
Enpal24 GmbH*	Berlin (Germany)	100%
Ezee Benefit GmbH**	Geislingen (Germany)	70%
Golden Ray SA**	Luxemburg (Luxembourg)	0%
Green Finance Solution SA**	Luxemburg (Luxembourg)	0%

* This entity exercises the exemption pursuant to Sec. 264 (3) HGB and has opted not to publish its financial statements.

** This entity is not part of the operating subgroup.

Control over Green Finance Solution SA and Golden Ray SA results from contractually secured rights. For this reason, these entities are fully consolidated despite the fact that the Group does not hold a majority of the voting rights.

Loss of control

When the Group loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Foreign currency translation

The functional currency is determined for each Group entity. The functional currency is the currency of the primary economic environment in which the respective Group entity operates. Any business transactions of the respective Group entities that are denominated in other currencies therefore qualify as foreign currency transactions.

The functional currency of Enpal and the presentation currency of the Group, is the Euro. The financial statements of subsidiaries that use a different functional currency than the Euro are translated into the presentation currency using the closing rate method. The assets and liabilities are translated into Euro at the closing rate. The line items of the statement of profit or loss are therefore translated into Euro using the average monthly exchange rate. The line items of equity are translated using the historical rate. Any difference arising in the statement of financial position from currency translation is posted to the foreign currency translation reserve.

Foreign currency transactions are translated into the functional currency of the respective Group entity using the applicable exchange rates on the date of the transaction. Monetary items denominated in a foreign currency are subsequently translated at the respective closing rate. Exchange differences arising from monetary items that constitute a portion of the net investment of Enpal in a foreign operation are posted to other comprehensive income and recycled through consolidated profit or loss upon disposal. Tax charges and tax benefits attributable to exchange differences on those monetary items are also considered in other comprehensive income. Any exchange differences arising from foreign currency transactions and the translation of monetary foreign currency items using the

closing rate are posted through profit or loss as exchange gains or exchange losses under other operating income and other operating expenses.

The following exchange rates were used for the consolidated financial statements:

1 Euro =	Closing rate		Annual average rate	
	31 Dec 2024	31 Dec 2023	2024	2023
CNY	7.77890	7.85100	7.79323	7.65753
USD	1.08080	1.10500	1.08510	1.08126
ZAR	20.78570	20.34770	20.51223	19.95510
ALL	97.75171	103.41262	100.66322	108.59060
BAM	1.94477	1.95240	1.95584	1.95655

2.4 Investments in joint ventures and other entities

Investments in joint ventures

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting from the date on which the investee becomes a joint venture.

Under the equity method, an investment in a joint venture is recognized initially in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the joint venture.

If there is objective evidence that the Group's net investment in a joint venture is impaired, the requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture.

Investments in other entities

Investments in other entities, over which the Company and/or its subsidiaries do not have the ability to exercise significant influence, are accounted for as investments in equity instruments at FVOCI with any resulting gain or loss, net of related tax effect, recognized in the consolidated statements of other comprehensive income. Realized gains and losses from the sale of investments in equity instruments at FVOCI are reclassified from other comprehensive income to retained earnings within equity upon disposal.

2.5 Disposal group classified as held-for-sale

Disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets or deferred tax assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for sale and subsequent gains and losses on remeasurement are recognized in profit or loss.

2.6 Intangible Assets

Intangible assets of Enpal include internally generated intangible assets and other intangible assets.

Internally generated intangible assets

Internally generated intangible assets at Enpal comprise software developments. The related expenses qualify for recognition from the date on which the recognition criteria for development expenses are met cumulatively: (1) technical feasibility of completing the development project must be reasonably certain, (2) there is an intention to complete the asset so that it will be available for use or sale, (3) the ability to use the asset and the nature of its future economic benefits can be demonstrated, (4) the resources required to complete the development project are available and (5) the intangible asset can be reliably measured.

The development expenses recognized as internally developed intangible assets include directly attributable personnel expenses and project-related third-party services. Internally generated intangible assets are amortized on a straight-line basis over their expected useful life commencing on the date on which the asset can be used. An impairment test is conducted if there are indications of possible impairment. Internally generated intangible assets that are not yet ready for use are subject to an annual impairment test. The useful life of internally generated intangible assets ranges between 2 and 3 years. Amortization is charged to the cost of sales.

Other intangible assets

Intangible assets acquired for a consideration are recognized at acquisition cost and amortized on a straight-line basis over their respective useful lives. An impairment test is conducted if there are indications of possible impairment. Intangible assets with an indefinite useful life are tested for impairment once a year. Other intangible assets with an indefinite useful life at Enpal include license fees for the Enpal domain. Acquired software and licenses included under other intangible assets have useful lives ranging between 3 and 5 years. Amortization is charged to administrative expenses.

2.7 Property, Plant and Equipment

The property, plant and equipment of the Enpal Group consists primarily of smart electricity meters, safety scaffolding, tools, computer hardware and other office equipment. These items are stated at cost less accumulated depreciation and impairment losses. Depreciation is recorded on a straight-line basis over the following useful lives, considering the respective residual value:

Smart electricity meters:	8 years
Safety scaffolding:	10 years
Tools:	10 years
Computer hardware:	3 years
Other office equipment:	5 years

The residual values and residual useful lives of these items are reviewed each reporting date and adjusted as necessary.

Subsequent costs are only recognized if it is probable that they will result in future economic benefits for the Enpal Group. All other repairs and maintenance are expensed through profit or loss in the financial year in which they incurred.

Gains and losses upon the disposal of property, plant and equipment are calculated as the difference between their carrying amount and the proceeds upon disposal and posted to other operating income or other operating expenses.

2.8 Leases

A lease is a contract that conveys the right to use an identifiable asset for a certain period of time in exchange for consideration. A right to use an identifiable asset can be embedded in many different kinds of contract, such as rental agreements, leases and contracts for services. The formal title of the contract is not relevant. Enpal enters into leases as both lessor and lessee.

2.9 Enpal as a Lessee

Enpal is a lessee in a number of leases for offices, warehouses, vehicles, IT hardware and office equipment. The contracts generally include options to terminate or prolong the lease which provide Enpal with the flexibility to modify the use and the lease portfolio to the needs of the Group.

Enpal recognizes and measures all leases (with the exception of short-term leases and leases for low-value assets) using the right-of-use model. This involves the recognition of a lease liability for the obligation to make lease payments and the recognition of a right-of-use asset for the right to use the underlying asset.

The practical expedient provided by IFRS 16.5 is applied to leases of low-value assets and short-term leases of less than twelve months. Correspondingly, the right-of-use asset and the lease liability are not recognized in these cases. Rather, the payments are expensed as incurred in the consolidated statement of profit or loss.

Right-of-use assets

Enpal recognizes right-of-use assets from the date on which the underlying asset is available for use (commencement date). Right-of-use assets are carried at cost less accumulated depreciation and impairment losses. The cost of right-of-use assets includes the recognized lease liabilities, the initial direct costs incurred, and the lease payments made at or before the commencement date, less any lease incentives received and an estimate of dismantling and restoration costs if applicable. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the expected useful life of the lease:

Offices:	1 to 11 years
Warehouses:	1 to 5 years
Vehicles:	1 to 4 years
IT hardware:	1 to 3 years

When ownership of a leased asset passes to the Group at the end of the lease term or the exercise of a purchase option has been considered in the costs, depreciation is recorded over the estimated useful life of the leased asset.

Lease liabilities

On the commencement date, Enpal recognizes the lease liabilities at the net present value of the outstanding lease payments to be made over the term of the lease. Lease payments include fixed and de facto fixed payments less any lease incentives to be received, variable lease payments linked to an index or (interest) rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option if it is reasonably certain that the Group will actually exercise it, and penalty payments for termination of the lease if the term is measured after taking into account that the Group will exercise the termination option. Variable lease payments that are not linked to an index or interest rate are expensed in the period in which the condition triggering payment occurs.

The Group applies its incremental borrowing rate on the commencement date when discounting lease payments to present value as the interest rate implicit in the lease cannot be readily determined. Subsequent to the commencement date, the lease liability is rolled forward using the effective interest rate method. The carrying amount of lease liabilities is remeasured upon any modifications to the lease, a change in the lease term, changes in

lease payments (e.g. changes in future lease payments as a result of a change in the index or interest rate used to determine those payments), or a change in the assessment of a purchase option for the underlying asset.

The current portion of lease liabilities is determined by the payments of principal contained in the lease payments for the coming twelve months.

2.10 Enpal as Lessor and Revenue from Contracts with Customers

Enpal generates revenue by leasing out photovoltaic systems which result in the collection of monthly payments over a period of 20 years. Customers can also elect to rent a battery storage, a back-up power switch and/or an electric vehicle charging system. Moreover, they can choose to retrofit a battery storage and/or an electric vehicle charging system at a later date. The lease is always entered into in combination with a service contract. As these contracts are negotiated as a bundle and signed simultaneously, they are treated as one contractual framework. However, as the contractual framework contains a number of performance obligations, it is split into a lease and multiple service components, which are accounted for separately as described below. The lease component falls within the scope of IFRS 16 whereby the service components fall within the scope of IFRS 15. This results in different revenue recognition for the components. The agreed consideration is allocated to the lease and the service components on the basis of the relative standalone selling prices, which are based on the expected costs plus an appropriate margin.

Furthermore, Enpal offers an installment purchase contract to customers through which a photovoltaic system and if chosen by the customer a battery storage and/or an electric vehicle charging system is sold to the customer in combination with a financing solution ("loan"). Both the sale and the financing component are in the scope of IFRS 15 and constitute two separate performance obligations. Customers can elect to enter a separate service contract, which is treated as a separate contract under IFRS 15.

Lease of photovoltaic and other systems

The rental contract of the photovoltaic systems and, if chosen by the customer, battery storage, back-up switch and/or electric vehicle charging systems constitutes a finance lease in the form of a manufacturer lease pursuant to IFRS 16. By entering into the lease with Enpal, the customer, as the lessee, obtains the right, in return for payment of consideration over the term of the lease, to control the use of the photovoltaic system, the battery storage and electric vehicle charging system.

On the commencement date of the lease, Enpal recognizes a lease receivable in an amount equal to its net investment in the lease. A lessor's net investment in the lease is the gross investment in the lease discounted at the interest rate implicit in the lease. In contrast to regular finance leases, Enpal does not consider any incremental costs associated with obtaining the contract when measuring its net investment in the lease but rather expenses

the share of these payments attributable to the lease components (e.g. employee commission) directly through profit or loss. In addition, certain discounts and bonus payments may be granted to the customer, which are allocated to the lease and service component in relation to the transaction price. Any discount specific to a discount period is only allocated to the discount period.

On the commencement date Enpal recognizes the following in connection with the lease component:

- Revenue at the fair value of the leased assets, i.e. the photovoltaic system, battery storage and electric vehicle charging system or, if lower, at the present value of the lease payments
- Cost of sales at the historical cost of the system, and
- Any gain or loss on sale equal to the difference between revenue and the cost of sale.

Subsequent to the commencement date, Enpal accounts for the lease components as follows:

- Interest income contained in the lease receivable is recognized in operating finance income over the term of the lease and therefore reported under revenue.
- The net investment in the lease is reduced by any lease payments received less the imputed interest income.
- Impairments of the net investment in the lease, and any expected credit losses in particular, are posted to selling expenses.

The lessee has the option to buy the photovoltaic system, the battery storage and the electric vehicle charging system. Based on observable market data, Enpal expects that most customers will exercise this option upon expiry of the lease, at which point only a symbolic price needs to be paid by the client to buy the system. Enpal assumes that only a small percentage of the customers will exercise the option during the term of the lease except in the first months in which Enpal offers a reduced purchase price. If a customer decides not to exercise the purchase option at the end of the lease term, Enpal has an obligation to dismantle the photovoltaic system, battery storage and electric vehicle charging system (see the comments on dismantling obligations). For customers originated since the previous financial year, Enpal charges a fee to the customer for dismantling the system.

Service components in the rental contract

The portion of the consideration that is attributable to service components is recognized as revenue in accordance with IFRS 15. The relative standalone selling price of each individual component is calculated at the sales price that a third party is expected to pay for such a service. The services comprise the provision of maintenance and repair services for the photovoltaic systems, battery storages and electric vehicle charging systems, including a

right granted to the customer to replace the battery storage if it loses more than 30% of its storage capacity or the electric vehicle charging system if its functionality is impaired.

The repair and maintenance service is an obligation for a series of distinct goods or services, which is recognized on a straight-line basis over time over the full term of the contract. This gives rise to contract assets as the first date of payment does not necessarily coincide with the inception of the contract. There are no contract liabilities associated with this performance obligation.

The performance obligations to replace the battery storage and/or electric vehicle charging system qualify as service-type warranties. The obligations are performed over time with the progress of completion being calculated on the basis of inputs. As a result, the revenue associated with the service-type warranties is recognized in full on the date on which the replacement is made. The customer payments for these performance obligations are recognized as contract liabilities from the inception of the lease. Upon replacement of the battery or electric vehicle charging system, the associated contract liability is derecognized through profit or loss and a trade receivable is recognized for the outstanding right to receive payment until the end of the lease term. The trade receivable is subsequently reduced by the amount of the monthly lease payments attributable to the respective component. During the term of the lease, Enpal reviews the contract liabilities to determine whether a replacement is unlikely, and revenue should be recognized.

Minor maintenance work on photovoltaic systems, battery storage systems or electric vehicle charging systems is borne by the customer on a case-by-case basis. Such charges only need to be paid by the customer once the work has actually been performed. Consequently, these payments are not considered in the initial transaction price.

Sale of photovoltaic or other systems in combination with a financing agreement (“loan”)

The transaction price is allocated to the sale of the photovoltaic system, battery storage, back-up switch, electric vehicle charging system and heat pumps and the significant financing component. The amount is determined by discounting the customer's payments using a discount rate that reflects the customer's creditworthiness. The discounted amount reflects the transaction price for the sale of the photovoltaic system, battery storages and electric vehicle charging system.

The selling price of the photovoltaic or other system is recognized as revenue when control of the photovoltaic system transfers to the customer. A loan receivable towards the customer is recognized in the same amount. Enpal accounts for the loan receivable in accordance with IFRS 9. In principle, interest income is shown separately from revenue from contracts with customers in accordance with IFRS 15. However, since the interest income is part of Enpal's ordinary business activities, the interest income is presented as revenues and separately disclosed in the notes.

Sale of systems and materials to installers

Revenue from the sale of systems and materials to independent installers is recognized when control of the asset is transferred to the customer, typically upon delivery or final acceptance by the customer. The transaction price is based on the consideration specified in the contract less rebates and discounts.

Electricity supply contracts

Enpal generates revenue from electricity supply contracts with customers. According to IFRS 15, these contain a separate performance obligation to supply a series of goods or services as the contract does not set a defined volume of power. Rather, Enpal agrees to supply electricity to the customer at the previously arranged terms and conditions. The contracts may generally be terminated by both parties at the end of any month upon notice of four weeks. Revenue is recognized on a monthly basis.

Contract balances*Incremental costs of obtaining contracts*

Enpal grants commission to its employees for successfully concluding a customer contract. In addition, referral payments are made to existing customers or others if they attract new customers. As these constitute incremental costs of obtaining a contract, the portion of the costs that is attributable to the service obligations is recognized as non-financial asset and amortized on a straight-line basis over the contractual term of 20 years. The amortization is charged to selling expenses. The incremental costs of obtaining a contract are presented under non-financial assets.

Contract assets

A contract asset is recognized when Enpal satisfies its contractual performance obligations, the customer has not yet paid the consideration and the due date of the receivable is tied to other conditions. Contract assets at Enpal arise as there is a timing difference between the payment by the customer and the performance of the contractual obligation. Contract assets are presented within non-financial assets and are tested for impairment.

Trade receivables

A receivable is recognized when Enpal obtains an unconditional right to receive consideration from a customer, i.e. the due date will automatically arise over the course of time. As described above, trade receivables at Enpal arise as a result of the replacement of battery storage systems and electric vehicle charging systems at the amount of contractual performance obligation rendered. No such balances are recorded to date.

Contract liabilities

A contract liability is recognized when a customer makes a payment, or the payment falls due (depending on which event comes first) before Enpal has rendered the good or service to the customer. Contract liabilities are recognized as revenue as soon as Enpal has satisfied its contractual performance obligations. As described above, a contract liability at Enpal is recognized in connection with the right to have battery storage systems and electric vehicle charging systems replaced. The contract liability rises by the amount of the monthly consideration and is posted to revenue upon replacement of the battery storage system or electric vehicle charging system.

2.11 Impairment of Intangible Assets, Property, Plant and Equipment and Right-of-Use Assets

Intangible assets with definite useful lives, property, plant and equipment and right-of-use assets are tested for impairment whenever circumstances or events indicate that their carrying amount is possibly not recoverable. An impairment loss is recognized at the amount by which the carrying amount of an asset exceeds its recoverable amount. The latter corresponds to the higher of the asset's fair value less cost of disposal and the discounted net cash flows from its continuing use (value in use). When testing an asset for impairment, assets are combined at the smallest cash-generating unit for which cash flows can be identified that are generally independent of those generated by the rest of the Enpal Group.

In the case of a reversal of an impairment, the carrying amount of the asset is written back up but may not exceed amortized cost. Impairment losses recognized on goodwill are never reversed.

2.12 Inventories

Inventories comprise raw materials, consumables and supplies as well as work in progress. Photovoltaic systems, battery storage systems, electric vehicle charging systems and heat pumps are recognized under work in progress when assembly has begun but has not yet been completed. Inventories are recognized at the lower of cost and net realizable value. Cost is measured at annual weighted average prices. In addition to directly attributable costs, the historical cost of work in progress includes an appropriate portion of production overheads assuming normal utilization of capacity. Borrowing costs are not capitalized.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs to complete the sale.

2.13 Cash and Cash Equivalents

Cash and cash equivalents comprise current bank deposits denominated in EUR and USD, cash on hand and investments in money market funds with top ratings that have a residual term of no more than three months on the date of acquisition, can be readily liquidated and

are subject to an insignificant risk of changes in value. In addition, this line item contains cash and cash equivalents that are subject to restricted disposal.

2.14 Provisions

Provisions are recognized when a past event gives rise to a present legal or constructive obligation, the settlement of which is more likely than not to lead to an outflow of future economic resources. It must be possible to reliably measure the amount of the obligation. Provisions are recognized at their expected settlement amount. Non-current provisions are discounted using a discount rate that properly reflects the associated risks.

If Enpal expects a refund (e.g. from insurance indemnification) it recognizes the right to the refund as a separate asset provided the refund is almost certain to be collected.

Enpal recognizes provisions for the costs of dismantling photovoltaic systems, battery storages and electric vehicle charging systems for customer contracts which offer dismantling by Enpal at no charge. The provision is measured at the present value of the estimated future dismantling costs. The expected dismantling costs are included in the cost of sales. The estimated future cash flows are discounted using a discount rate that is commensurate to the terms and risks. The discount is unwound in the period in which the expense is incurred and posted to other finance cost.

Warranty provisions are recognized at the amount of the undiscounted warranty costs expected to incur in the future. The costs are reported under cost of sales.

Provisions are recognized for potential losses on pending contracts in the case of onerous contracts where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from it. They are recognized at the lower of the net cost incurred to fulfill the contract or any compensation to be paid or penalties arising from the failure to fulfill it. The expected costs are reported under administrative expenses.

2.15 Share-Based Payments

Selected employees are offered virtual share option rights, which may be either cash-settled or equity-settled. An equity-settled share-based payment transaction is recognized, with the fair value of the virtual share options being measured at the grant date. The corresponding entry is recorded in equity as part of the share-based payment reserve. The fair value of the equity-settled options is not remeasured after the grant date. The pro-rata earned portion of the fair value is recognized as an expense over the vesting period.

For cash-settled share-based payment transactions, a liability is recognized at the fair value of the cash-settled liability and presented in provisions. Upon the initial grant date, the fair value of the virtual share options is expensed on a pro-rata temporis basis over the employee's vesting period. The fair value of the liability is remeasured at each reporting

date. Consequently, the liability presented at each reporting date always corresponds to the pro-rata earned portion of the estimated fair value of the virtual share options.

The expenses resulting from share-based compensation are posted to either the cost of sales, selling expenses, or administrative expenses, depending on the function to which the employee is allocated. The cost of virtual share options issued to third parties is recognized under other operating expenses.

Transitions from a cash-settled to an equity-settled share-based payment require the revaluation of the fair value of the options at the time of the modification. The equity-settled share-based payment transaction, as well as the liability for the cash-settled share-based payment transaction, is measured by reference to the modification date fair value of the equity instruments granted at that date. The equity-settled share-based payment transaction is recognized in equity on the modification date to the extent to which goods or services have been received. The liability for the cash-settled share-based payment transaction as at the modification date is derecognized, and any difference between the carrying amount of the liability derecognized and the amount recognized in equity on the modification date is recognized immediately in profit or loss. The fair value is determined at the date of change and is not adjusted afterward.

2.16 Financial Instruments

Financial instruments are contracts that give rise to a financial asset at one party to the contract and a financial liability or equity instrument at the other party. Enpal recognizes regular way purchases and sales of non-derivative financial assets on the settlement date and derivatives on the trading date. All Financial Instruments are initially recognized at fair value.

Financial assets

Upon initial recognition, financial assets are allocated to one of the following three categories:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income
- Financial assets measured at fair value through profit or loss

They are classified on the basis of the business model and the nature of their cash flows.

Financial assets are measured at amortized cost when they are held with the objective of collecting contractual cash flows and the cash flows of the financial asset constitute solely payments of principal and interest. At Enpal trade receivables, other financial assets (except derivatives) and cash and cash equivalents (except money market funds) are allocated to this measurement category.

A financial asset is measured at fair value through other comprehensive income when it is held with the objectives of collecting contractual cash flows and for selling these instruments, and the cash flows of the financial asset constitute solely payments of principal and interest. As at the reporting date, Enpal does not carry any such financial assets. Consequently, no debt instruments are allocated to this category.

An equity instrument can also be allocated at fair value through other comprehensive income if, in the individual case, the reporting entity has irrevocably elected to allocate them to this category upon initial recognition. Upon disposal of such financial assets, the accumulated profits or losses recorded in other comprehensive income are not recycled through the consolidated statement of profit or loss. Within the Enpal Group, there are no equity instruments allocated to this category.

All financial assets that do not meet the above criteria are measured at fair value through profit or loss. At Enpal these instruments are represented by investments, convertible loan investments in other companies, derivative foreign currency instruments, derivative interest rate swaps, and investments in money market funds. Changes in the fair value of these financial assets are recognized through profit and loss. Fair Value changes of derivative financial instrument designated in an effective hedge are recognized in other comprehensive income. Other than foreign currency instruments.

Financial assets are derecognized when the contractual right to the cash flows from an asset expires or the Group has transferred the right to receive the cash flows and substantially all the risks and rewards of ownership attached to the financial asset. Any differences arising upon derecognition are posted through profit or loss.

The allocation to the fair value hierarchy is based on the lowest level of inputs that is significant for measuring fair value in its entirety:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices that are observable, either directly or indirectly, and are material to the measurement of an asset or liability
- Level 3: at least one input factor is unobservable

Any reclassification between the levels of the hierarchy is performed on the reporting date.

Impairment of financial assets

Each reporting date Enpal measures the expected credit losses from financial assets measured at amortized cost looking forward.

Expected credit losses on lease and loan receivables are separated into two measurement bases. If there has not been a significant increase in credit risk since initial recognition of the financial asset, the expected credit losses are considered on the basis of the possible default events within the next 12 months. For those financial assets where there has been a

significant increase in credit risk since initial recognition of the financial asset, expected credit losses are measured over the residual lifetime of the lease receivables. The Enpal Group considers the credit risk of a financial asset to have increased significantly if at least one lease installment is more than 30 days past due.

With regard to the remaining trade receivables, other financial assets and cash and cash equivalents, Enpal recognizes a valuation allowance for expected credit losses.

The measurement of expected credit losses is a function of the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). When calculating expected credit losses, the Group applies the specific probabilities of default specific to the operation as determined by recognized providers of market data. Customers are assigned to internal rating classes from A to H based on a scoring model that evaluates creditworthiness using historical payment behavior and other relevant risk indicators. If such data is not available, the Group derives the probabilities of default from historical data and makes adjustments for the respective risks attached to the corresponding receivables. Credit losses are thus determined on a historic basis and adjusted to reflect any forward-looking information.

In certain cases, the Group considers a financial asset to have defaulted if internal or external information indicates that the Group is unlikely to collect the outstanding payments. The Enpal Group considers a default of lease or loan receivables if at least one installment is more than 150 days past due. The respective lease or loan receivables are considered to be credit-impaired.

Classification of financial instruments as equity

Instruments that (1) can be settled by delivering a fixed number of entity's own equity and (2) do not give rise to a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable, are classified as equity. The equity instruments issued by the Group are measured at the proceeds received upon their issue less any directly attributable costs associated with the issue.

Financial liabilities

Upon initial recognition, financial liabilities are separated into two categories:

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

Liabilities allocated to the category of financial liabilities measured at fair value through profit or loss include liabilities that are held for trading as well as derivatives (including embedded derivatives) that are not a component of a designated hedge and contingent consideration on business combinations.

Enpal entered into direct marketing agreements with certain customers (“Direct Marketing Agreements”). Under these agreements Enpal has an obligation to buy surplus electricity produced by the customer for a period of 2–4 years at a fixed price over the contract period. These agreements form derivative financial instruments under IFRS 9 as the contracts can be fulfilled by net payments and the “own use exemption” under IFRS 9.2.4 is not applicable. Financial liabilities from these contracts are measured at fair value. The initial recognition is recognized under selling expenses.

All other financial liabilities are allocated to the measurement category of financial liabilities measured at amortized cost. They are initially recognized at fair value less any associated transaction costs. Subsequently, they are measured at amortized cost using the effective interest method.

Any gain or loss arising from subsequent measurement is posted to profit or loss. Financial liabilities are derecognized if the contractual obligations have been satisfied or have expired. In the event of changes to the conditions of a contract, such as a prolongation of the contractual term, the Enpal Group reviews whether such changes substantially modify the terms and conditions of the contract. If this is the case, the financial liability is derecognized and a new financial liability is recognized in its place. The difference between the carrying amount of the original liability and the fair value of the new liability is posted through profit or loss along with any transaction costs.

Enpal has issued a convertible loan. The conversion option granted to the creditors is accounted for separately from the underlying liability. If the conversion price is variable, the option is recognized as a derivative liability at fair value through profit or loss. If the conversion price is fixed, the conversion option meets the criteria for recognition as equity. The underlying liability is initially recognized as the residual amount of the proceeds received after deducting the fair value of the conversion option and is subsequently measured at amortized cost using the effective interest method. The underlying liability is recognized at amortized cost. If an amendment to a contract qualifies as a significant modification of the convertible loan, the former liability and conversion option are derecognized, and the convertible loan is remeasured at the changed terms and conditions.

Derivative financial instruments and hedge accounting

Upon initial recognition, derivative financial instruments and separable embedded derivative financial instruments are measured at fair value. They are allocated to fair value through profit or loss unless they are a component of a designated hedge.

Enpal uses interest swaps to hedge against interest exposures from liabilities and designates these as cash flow hedges. In addition, Enpal uses interest swaps to hedge against interest exposures from loan receivables. The effective portion of gains or losses from changes in the fair value of the hedging instrument are posted to the cash flow hedge reserve under other comprehensive income while the ineffective portion is expensed

immediately through profit or loss together with the borrowing costs for the asset-backed loans under operating finance costs. The cash flow hedge reserve is adjusted to reflect the lower of accumulated gain or loss on the hedging instrument and the accumulated change in the fair value of the underlying.

Within the framework of its risk management, the Enpal Group has formally set and documented its objectives and strategies to reduce the risk of using cash flow hedges.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statement of financial position if there is a currently legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to liquidate the assets and settle the related liabilities simultaneously. The legally enforceable right may not be contingent upon future events and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

2.17 Finance Income and Finance Costs

Finance income represents foreign currency gains, dividends received from investments to money market funds, and fair value changes from investments to money market funds. Finance costs represent interests other than interests for asset-backed-finance agreements. Finance costs include non-recurring costs for asset-backed-finance agreements, such as prepayment penalties or consent fees.

2.18 Current and Deferred Taxes

The income tax expense contains both current and deferred taxes. Taxes are recognized in the statement of profit or loss unless they relate to items that are recognized either directly in equity or in other comprehensive income. In this case, the taxes are recognized in equity or other comprehensive income respectively.

Current taxes are calculated applying the tax legislation that has been enacted as at the reporting date in those countries where the Group entities operate and generate taxable income. Enpal regularly reviews its tax returns, particularly with regard to matters that are subject to interpretation and recognizes liabilities at the amount that is expected to be transferred to the tax authorities, if appropriate and more likely than not to eventuate.

Deferred taxes are recognized for all temporary differences between the tax base of the assets and liabilities and their carrying amounts. If deferred taxes on temporary differences arise in the course of a transaction that is not a business combination from the initial recognition of an asset or liability and the transaction is recognized outside of profit or loss, then the taxes are not deferred on the date of initial recognition nor thereafter. The tax rates used to calculate deferred taxes are those that will apply on the date on which the

temporary differences are likely to reverse, or the unused tax loss utilized. This does not apply to tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD. Therefore, we neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Deferred tax assets are only recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary difference or unused tax loss can be utilized.

Deferred tax liabilities that arise with regard to temporary differences associated with investments in subsidiaries and associates are recognized unless the timing of the reversal of the temporary differences can be controlled by the Group, and it is probable that the temporary differences will not reverse in the foreseeable future due to this influence.

Deferred tax receivables and liabilities are offset if there is an enforceable legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities which intend to settle on a net basis.

IFRIC 23 clarifies the application of the recognition and measurement requirements of IAS 12 when there is uncertainty about the income tax treatment. For recognition and measurement, estimates and assumptions must be made, e.g. whether an estimate is made separately or together with other uncertainties, a most likely amount or expected amount for the uncertainty is used and whether changes have occurred compared to the previous period. The risk of detection from tax authorities is irrelevant for the recognition of uncertain balance sheet items. Accounting is based on the assumption that the tax authorities are investigating the matter in question and that they have all relevant information at their disposal.

3 Significant Accounting Judgments, Estimates and Assumptions

All estimates and judgments are reassessed on an ongoing basis and are based on past experience and other factors, including the expectations of future events that appear reasonable given the circumstances.

Enpal makes forward-looking estimates and assumptions. By nature, actual events in the future only match the estimates in exceedingly rare situations. Estimates and assumptions that bear a significant risk of subsequent adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Classification of leases (Enpal as lessor)

The lease arrangement involving the lease of photovoltaic systems and, if chosen by the customer, battery storages, back-up switches and/or electric vehicle charging systems is classified as a manufacturer lease as the customer controls the use of the photovoltaic system, battery storage, back-up switch and electric vehicle charging system, the 20-year term of lease covers the majority of the economic life of the asset, the present value of the lease payments at the inception of the lease equals the fair value of the photovoltaic system, battery storage and electric vehicle charging system, and the photovoltaic systems are installed specifically for the customer. Enpal controls the entire production process of the customer-specific photovoltaic systems and therefore qualifies as the manufacturer in accordance with IFRS 16.

Standalone selling price and allocation of discounts

The transaction price is broken down into the lease and the service components. The lease payments are allocated to the components on the basis of their relative standalone prices which are derived from the arm's length prices that a third party would be expected to pay for the component. The assessment of the standalone prices affects the amount of revenue as revenue attributable to each performance obligation is recognized at different points in time.

Term of leases (Enpal as lessee)

Leases for offices, warehouses, fleet of vehicles and IT hardware contain significant options. Both on the commencement date and in the event of any significant changes to the underlying facts and circumstances, Enpal makes a discretionary judgment as to whether it is sufficiently probable that an option to prolong a lease will be exercised or an option to terminate will not be exercised. Enpal considers all relevant facts and circumstances which provide Enpal, as the lessee, with an incentive to exercise or not exercise the option (e.g. significant tenant improvements, business strategies and business decisions, etc.). To the extent that a lease can be terminated at any time by either the lessor or the lessee without

more than an insignificant disadvantage (in the form of penalties or vacant property) being incurred by the lessor, the term of the lease beyond the earliest possible date of termination is not considered.

Incremental borrowing rate (Enpal as lessee)

Enpal is not able to readily determine the interest rate implicit in a lease and therefore applies its incremental borrowing rate when measuring its lease liabilities. The incremental borrowing rate is the rate of interest that Enpal would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of similar value in a similar economic environment. Enpal estimates its incremental borrowing rate using a risk-free rate and the probability of default. The risk-free rate is determined by reference to the corresponding interest curves for government bonds, which therefore also consider the country risks. The probability of default is determined by reference to the bank ratings. From this starting point, the risk attached to the terms of the instruments is measured by referring to European corporate bonds issued by a peer group (denominated in EUR).

Fair value of share-based payment liabilities

The calculation of the fair value of share-based payments requires the use of a suitable valuation technique. Enpal applies the Black-Scholes model to determine the value of its virtual share options. This assessment involves determining the most suitable input parameters for the valuation technique to measure the value of the shares, e.g. the anticipated volatility of the share prices and the likelihood and timing of any bonus paid upon an exit. A back-Solve model has been applied to determine the value of the common shares considering the liquidation preferences.

Fair value of convertible loan components

For the valuation of the convertible loan including its debt and equity component, Enpal applies common options pricing models. Part of the model inputs are non-observable and subject to estimation, such as Enpal's share price, the share price volatility and Enpal's credit spread.

Expected credit losses on lease receivables

Assessing expected credit losses on lease receivables is subject to estimation uncertainty. These primarily relate to the probability of default, the loss given default and any adjustments due to forward-looking information.

Measurement of net realizable value of inventory

Materials that are returned to the warehouses might have a net realizable value below cost. The estimate of the net realizable value is based on past experience and reflects the estimated price on any secondary market to the extent materials cannot be used anymore.

Recognition of deferred tax assets on tax loss carryforwards

The recognition and measurement of deferred tax assets related to tax loss carryforwards require significant judgment due to the inherent uncertainty associated with future taxable profits. Management's assessment involves a careful evaluation of historical and projected financial performance, business strategies and plans, the legal and regulatory environment, external factors, and tax planning strategies. Any changes in these factors may result in adjustments to the carrying amount of deferred tax assets and impact the financial statements.

Allocation of the transaction price for sales in combination with a financing agreement ("loan")

The transaction price is allocated to the sale of the photovoltaic system, battery storage and electric vehicle charging system and the significant financing component. The amount is determined by discounting the customers payments using a discount rate that reflects the customer's creditworthiness. Determining the discount rate requires judgement. Enpal uses externally available scores in order to determine the discount rate.

Recognition of financial liabilities in connection with direct marketing agreements

The measurement of financial liabilities in connection with direct marketing agreements requires significant judgement due to unobservable parameters used in determining the fair value. These include the estimated amount of surplus produced by the customer, which is subject to size of the photovoltaic system, external conditions (weather) and individual behavior (usage of consumers with high electricity requirements, such as electric vehicles or heat pumps). In addition, Enpal uses externally available hourly-forward-curves in order to estimate the average net cash payment.

4 Notes to the Consolidated Financial Statements

(1.) Revenue

EUR m	2024	2023
Revenue from transferring leased photovoltaic and other systems	250.1	830.9
Revenue from sale of goods	608.0	64.2
Interest income from manufacturer's leases	22.6	51.5
Interest income from loan contracts	13.2	0.8
Other Revenue	19.4	12.9
Total	913.4	960.4

Other Revenue includes service revenue and revenue from the electricity supply contracts. Service revenue is recognized over the contract term. Enpal generates monthly revenue from electricity supply contracts with customers. Revenue from sale of goods includes loan revenue and goods sold at a point in time. The revenue arising from the sale of heat pumps, the sale of materials to installers, the exercise of purchase options and other revenue is recognized at the point in time when the good or service is rendered.

Revenue is primarily generated in Germany.

(2.) Cost of Sales

The cost of sales consists of material and fulfillment expenses totaling EUR 661.0m (2023: EUR 670.6m).

Material expenses primarily relate to components for PV systems, heat pumps, and other related systems.

EUR m	2024	2023
Non-personnel fulfillment expenses	267.7	167.6
Personnel fulfillment expenses	116.9	100.7
Total	384.6	268.3

The non-personnel fulfillment expenses consist mainly of third party fulfillment costs, portfolio costs and depreciation.

(3.) Selling Expenses

EUR m	2024	2023
Non-personnel expenses	168.7	81.0
Personnel expenses	125.6	94.6

Total	294.3	175.6
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Non-personnel expenses mainly include third party services, fair value changes from direct marketing agreements and expected credit losses. Expected credit losses were EUR 11.5m in 2024 (2023: EUR 4.2m).

(4.) Administrative Expenses

EUR m	2024	2023
Non-personnel expenses	50.8	61.6
Personnel expenses	41.0	52.1
Total	91.8	113.7

Non-personnel expenses mainly include third party services, depreciation and amortization, software costs, telecommunication costs, costs in connection with office leases and lease expenses for short-term leases. Development expenses that do not meet the recognition criteria as defined by IAS 38 (2024: EUR 9.7m; 2023: EUR 8.5m) are presented in administrative expenses.

(5.) Other Operating Income and Other Operating Expenses

Other operating income mainly consists of foreign exchange gains and other operating income.

Other operating expenses mainly consist of credit losses on trade receivables (bad debts) of EUR 4.6m (2023: EUR 0.2m) and foreign exchange losses.

(6.) Financial Income

EUR m	2024	2023
Remeasurement from modification of convertible loan	0.0	4.4
Fair value changes of money market fund	0.0	2.9
Gain from deconsolidation	10.2	0.0
Other financial income	17.8	1.3
Total	28.0	8.6

Other financial income includes foreign currency gains of EUR 4.3m (2023: EUR 4.9m). For the gain of deconsolidation refer to section 20 of the financial notes.

(7.) Financial Cost

EUR m	2024	2023
Transaction cost related to the sale of financing entities	0.0	6.4
Expense from supplier finance liabilities	4.4	5.5
Convertible loan expenses	2.2	4.4
Interest expenses from bank loans and credit lines	5.8	1.3
Foreign currency losses	4.9	0.4
Other finance costs	15.5	3.2
Total	32.8	21.1

Other finance costs primarily consist of hedge expenses and other financing-related transaction cost and structuring fees.

(8.) Income Taxes

EUR m	2024	2023
Current income tax	1.5	3.6
Deferred income tax expenses/income	16.4	0.2
Total	17.9	3.8

The tax reconciliation between the reported income tax expense and the product of multiplying the earnings before tax with the applicable tax rate of the Group is presented below. The Group's tax rate lies at 30.175% (2023: 30.175%). The effective tax rate lies at 12.5% (2023: 26.8%).

EUR m	2024	2023
Earnings before tax	(143.3)	(14.2)
Expected income tax expense/income	(43.2)	(4.3)
Non-deductible expenses	2.5	8.7
Trade tax corrections	0.7	1.5
Tax rate differences	1.1	0.1
Tax Free Income	(0.4)	0.0
Permanent differences	6.1	(2.2)
Non-recognition of deferred tax on deductible differences	4.9	2.5
Non-recognition of deferred tax assets on tax loss carryforwards	47.6	5.1
Utilization of non-recognized tax loss carryforwards	(0.5)	(2.5)
Recognition of deferred tax assets on tax loss carryforwards	0.0	(4.2)

EUR m	2024	2023
Prior year adjustments	1.0	0
Impact of tax rate changes	0.3	(0.7)
Other effects	(2.2)	(0.1)
Income tax expense/income	17.9	3.8

In prior year financial statements, impact from permanent differences was EUR 2.2m and was included in line "Non-deductible expenses". In the current year, impact from permanent differences amounts to EUR 6.1m and is presented as a separate line in reconciliation above. Source of permanent differences is mainly consolidation adjustments, and in 2024 includes the result from sale of subsidiaries (refer to note 20).

Deferred tax assets and liabilities relates to the following:

EUR m	31 Dec 2023		2024		31 Dec 2024	
	Deferred tax asset	Deferred tax liabilities	Through P&L	Through OCI or equity	Deferred tax asset	Deferred tax liabilities
Non-current assets	27.4	(43.3)	6.2	(0.7)	39.5	(49.9)
Intangible assets	-	(1.5)	(1.8)	-	-	(3.3)
Property, plant and equipment	27.4	(1.9)	11.3	-	38.7	(1.9)
Right-of-use assets	-	(9.3)	(9.6)	-	-	(18.9)
Lease receivables	-	(26.6)	7.1	-	0.8	(20.3)
Investments in associates	-	-	(0.1)	-	-	(0.1)
Other financial assets	-	(0.2)	-	(0.7)	-	(0.9)
Other non-financial assets	-	(3.8)	(0.7)	-	-	(4.5)
Current assets	2.7	(2.7)	(18.3)	-	2.9	(21.2)
Inventories	2.4	-	(1.7)	-	0.7	-
Trade receivables	-	-	1.9	-	1.9	-
Lease receivables	-	(2.3)	(18.9)	-	-	(21.2)
Other financial assets	-	-	-	-	-	-
Other non-financial assets	-	(0.4)	0.7	-	0.3	-

EUR m	31 Dec 2023		2024		31 Dec 2024	
	Deferred tax asset	Deferred tax liabilities	Through P&L	Through OCI or equity	Deferred tax asset	Deferred tax liabilities
Cash and cash equivalents	0.3	-	(0.3)	-	-	-
Non-current liabilities	15.1	(1.7)	6.0	-	21.6	(2.1)
Convertible loan	-	(1.5)	0.6	-	-	(0.9)
Asset-backed loans	-	(0.1)	(0.9)	-	-	(1.0)
Lease liabilities	7.4	-	6.2	-	13.6	-
Provisions	4.3	-	0.9	-	5.4	(0.2)
Other financial liabilities	3.3	-	(0.8)	-	2.5	-
Other non-financial liabilities	0.1	-	-	-	0.1	-
Current liabilities	2.1	0.1	0.9	-	3.2	(0.1)
Convertible loan	-	-	-	-	-	-
Lease liabilities	1.9	-	0.5	-	2.4	-
Provisions	-	-	(0.1)	-	(0.1)	-
Other financial liabilities	0.2	0.1	(0.1)	-	0.3	(0.1)
Other non-financial liabilities	-	-	0.6	-	0.6	-
Tax loss carryforwards	17.6	-	(12.3)		5.3	
Deferred tax assets / (liabilities)	65.0	(47.6)	(17.5)	(0.7)	72.5	(73.3)
Offsetting	(44.7)	44.7	-	-	(67.7)	67.7
Deferred tax assets / (liabilities)	20.3	(2.9)	(17.5)	(0.7)	4.8	(5.6)

In 2024, EUR 13.9m of deferred tax assets on the unused tax loss carryforward and EUR 2.8m of deferred tax on temporary differences were derecognized in the current year based on revised taxable income forecast.

No deferred tax assets were recognized on the unused tax loss carryforwards for corporate income tax purposes of EUR 173.6m (2023: EUR 19.8m) nor on the unused tax loss carryforwards for trade tax purposes of EUR 161.7m (2023: EUR 14.1m) that can be carried forward

indefinitely. No deferred tax assets were recognized on the temporary differences of EUR 25.7m (2023: EUR 8.4m).

Deferred tax liabilities of EUR 0.9m (2023: EUR 1.3m) were not recognized on temporary differences related to shares in subsidiaries of the Group.

As of 31 December 2023, EUR 6.8m of deferred tax liabilities were included in the liabilities held for sale related to the disposal group (see note 20). Subsidiaries were deconsolidated on 31 March 2024, and Group's Consolidated Profit and Loss statement includes three months of results from sold subsidiaries, including a deferred income tax gain of EUR 1.2m.

No interest carryforwards exist.

The Group is subject to the global minimum top-up tax under Pillar Two tax legislation. Based on the assessment performed, the Group does not have to recognize any current tax expense related to the top-up tax (2023: nil). The Group can apply safe harbour rules.

(9.) Personnel Expenses

EUR m	2024	2023
Wages and salaries	238.0	206.2
Social security	41.2	38.4
Share-based payments	14.7	11.3
Total	293.8	255.9

The Enpal Group employed an average of 4,339 employees (2023: 4,809):

EUR	2024	2023
Sales	2,016	1,888
Fulfillment	1,780	2,325
Administration	451	529
Supply Chain	92	67
Total	4,339	4,809

(10.) Intangible Assets

EUR m	Software and licenses	Internally-generated software	Internally-generated software under development	Total
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Historical cost:

1 Jan 2024	0.6	8.4	0.0	9.0
Additions	0.1	10.3	0.0	10.4
Reclassifications	0.0	0.0	0.0	0.0
31 Dec 2024	0.7	18.7	0.0	19.3

Accumulated amortization and impairment:

1 Jan 2024	(0.3)	(3.2)	(0.0)	(3.5)
Depreciation and amortization	(0.1)	(4.6)	0.0	(4.7)
31 Dec 2024	(0.3)	(7.9)	0.0	(8.2)

Carrying amount:

1 Jan 2024	0.3	5.2	0.0	5.4
31 Dec 2024	0.3	10.8	0.0	11.1

EUR m	Software and licenses	Internally-generated software	Internally-generated software under development	Total
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Historical cost:

1 Jan 2023	0.4	3.6	0.3	4.3
Additions	0.2	4.5	0.0	4.7
Reclassifications	0.0	0.3	(0.3)	0.0
31 Dec 2023	0.6	8.4	0.0	9.0

Accumulated amortization and impairment:

1 Jan 2023	(0.2)	(1.3)	(0.0)	(1.5)
Depreciation and amortization	(0.1)	(1.9)	(0.0)	(2.0)
31 Dec 2023	(0.3)	(3.2)	(0.0)	(3.5)

Carrying amount:

1 Jan 2023	0.2	2.2	0.3	2.7
31 Dec 2023	0.3	5.2	0.0	5.4

Internally generated intangible assets include self-developed software used to monitor photovoltaic systems, battery storages and electric vehicle charging systems, an app for customers and an app to administer and document the construction process. In addition, Enpal started building a Virtual Power Plant (VPP) that enables the aggregation and

optimized management of distributed energy resources such as photovoltaic systems and battery storages.

(11.) Property, Plant and Equipment

EUR m	Smart electricity meters	Safety scaffolding and tools	Computer hardware and other office equipment	Smart electricity meters in construction	Total
Historical cost:					
1 Jan 2024	17.5	14.1	6.8	0.3	38.7
Additions	10.1	4.4	3.2	0.2	19.7
Reclassifications	0.3	-	-	(0.3)	(0.3)
31 Dec 2024	27.8	18.5	10.0	0.2	58.1
Accumulated amortization and impairment:					
1 Jan 2024	(1.5)	(3.0)	(2.4)	-	(6.9)
Depreciation and amortization	(2.9)	0.4	(1.9)	-	(6.4)
31 Dec 2024	(4.4)	(2.6)	(4.3)	-	(13.3)
Carrying amount:					
1 Jan 2024	15.9	11.2	4.4	0.3	31.9
31 Dec 2024	23.4	15.9	5.7	0.2	45.3

EUR m	Smart electricity meters	Safety scaffolding and tools	Computer hardware and other office equipment	Smart electricity meters in construction	Total
Historical cost:					
1 Jan 2023	5.0	7.9	3.7	0.0	16.6
Additions	12.5	8.7	5.4	0.3	26.9
Reclassifications	0.0	(2.5)	(2.2)	(0.0)	(4.7)
31 Dec 2023	17.5	14.1	6.8	0.3	38.7
Accumulated amortization and impairment:					
1 Jan 2023	(0.3)	(0.6)	(1.1)	(0.0)	(2.0)
Depreciation and amortization	(1.2)	(1.6)	(1.8)	(0.0)	(4.5)
Impairment losses	(0.0)	(1.9)	(0.6)	(0.0)	(2.5)
Disposals	0.0	1.1	1.1	0.0	2.2
31 Dec 2023	(1.5)	(3.0)	(2.4)	(0.0)	(6.9)
Carrying amount:					
1 Jan 2023	4.7	7.3	2.6	0.0	14.5
31 Dec 2023	15.9	11.2	4.4	0.3	31.9

Enpal acts as a metering point operator (Messstellenbetreiber) and therefore recognizes the smart electricity meters installed at its customers under its own property, plant and equipment.

The Group had entered into purchase commitments of EUR 0.5m (2023: EUR 17.4m) for property, plant and equipment.

(12.) Right-of-Use Assets and Lease Liabilities

The following table presents the carrying amounts of right-of-use assets and their development:

EUR m	Offices	Warehouses	Vehicles	IT hardware	Total
1 Jan 2023	5.5	3.7	0.2	2.3	11.6
Additions	12.8	0.6	13.9	1.7	29.0
Disposals	(0.1)	(0.2)	(0.0)	(0.1)	(0.4)
Depreciation	(5.7)	(0.9)	(1.2)	(1.5)	(9.3)

31 Dec 2023	12.5	3.2	12.9	2.4	30.9
Additions	32.3	0.1	16.4	0.0	48.7
Disposals	(2.6)	(0.2)	(0.0)	(2.6)	(5.4)
Depreciation	(5.8)	(0.9)	(5.4)	1.2	(10.9)
31 Dec 2024	36.3	2.2	23.8	1.0	63.3

The increase in right-of-use assets is primarily due to the lease of additional offices and vehicles. There are no indications that right-of-use assets are impaired.

The following table presents the carrying amounts of lease liabilities and their development:

EUR m	Offices	Warehouses	Vehicles	IT hardware	Total
1 Jan 2023	5.5	3.7	0.2	2.2	11.7
Additions	12.5	0.6	13.8	1.7	28.6
Interest expenses on lease liabilities	0.2	0.1	0.1	0.1	0.5
Cash flows for leases	(5.6)	(1.2)	(1.3)	(1.5)	(9.6)
31 Dec 2023	12.6	3.3	12.8	2.5	31.2
Additions	32.3	0.1	16.4	0.0	48.7
Interest expenses on lease liabilities	0.6	0.1	0.5	0.1	1.3
Cash flows for leases	(7.9)	(1.1)	(5.5)	(1.4)	(15.9)
31 Dec 2024	37.6	2.3	24.2	1.1	65.2

The due dates of lease liabilities are presented below. The figures are based on contractual undiscounted payments:

EUR m	31 Dec 2024	31 Dec 2023
< 1 year	13.9	14.7
1 to 5 years	33.8	22.6
> 5 years	17.6	0.4
Total	65.2	37.8

In addition to depreciation, the following amounts were posted through profit or loss:

EUR m	2024	2023
Expenses for leases of low-value assets	1.1	2.2
Expenses for short-term leases	0.9	0.6
Interest expenses on lease liabilities	1.3	0.5

Total	3.3	3.4
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No variable lease payments were due in the reporting year or in the prior year. The lease agreements for vehicles do not include any options to prolong or terminate the lease. Enpal has considered the options included in the leases for offices, warehouses and computer hardware.

The following table presents the undiscounted potential lease payments for periods after the date on which unilateral options to prolong or terminate a lease can be exercised that are not considered in the term of the lease and lease payments for contracts that have not yet commenced but agreed:

EUR m	< 1 year	1 to 5 years	> 5 years	Total
Leases that have been entered into by the lessee but have not yet commenced	0.0	9.5	17.5	27.0
Renewal options that are not expected to be exercised	2.9	4.6	42.8	50.3
Total	2.9	14.0	60.3	77.3

(13.) Lease and Loan Receivables

Lease receivables from the lease of photovoltaic systems and, if chosen by the customer, battery storages, back-up switches and/or electric vehicle charging systems are recognized at the net investment in the lease. The net investment is composed of the following future lease payments:

EUR m	31 Dec 2024	31 Dec 2023
due within one year	12.9	8.2
due within 1 to 5 years	52.4	32.7
due within more than 5 years	163.7	96.4
Gross investment in the lease	229.1	137.2
Unrealized finance income	80.2	39.8
Net investment in the lease	148.8	97.4

Lease and loan receivables are exposed to credit risk. The Group only enters into contractual relationships with customers who can demonstrate that they meet a certain minimum credit rating in compliance with our underwriting policy.

Allowances of EUR 11.5m (2023: EUR 4.2m) have been recognized for expected credit losses on receivables from manufacturer leases and from loans and presented under selling expenses.

The following tables present the reconciliation for risk provisions for lease and loan receivables:

Lease Receivables			
EUR m	Level 1	Level 2	Level 3
1 Jan 2024	0.3	0.0	0.0
Additions	0.3	0.1	0.0
Transfer (reclassification) to:			
Level 1	0.1	0.0	0.0
Level 2	(0.3)	0.3	0.0
Level 3	0.0	(0.1)	0.1
Revaluation effect over the year	0.7	(0.1)	0.0
31 Dec 2024	1.2	0.3	0.0
Write-off and utilization of the risk provision	0.0	0.0	0.0

Loan Receivables			
EUR m	Level 1	Level 2	Level 3
1 Jan 2024	0.0	0.0	0.0
Additions	1.4	0.1	0.0
Transfer (reclassification) to:			
Level 1	0.0	0.0	0.0
Level 2	(0.2)	0.2	0.0
Level 3	0.0	0.0	0.0
Revaluation effect over the year	0.1	(0.2)	0.0
31 Dec 2024	1.3	0.1	0.0
Write-off and utilization of the risk provision	0.0	0.0	0.0

The following tables present a reconciliation of the gross carrying amount of lease and loan receivables:

Lease Receivables			
EUR m	Level 1	Level 2	Level 3
1 Jan 2024	94.5	2.3	0.4
Additions	54.0	2.2	0.0
Transfer (reclassification) to:			
Level 1	3.6	(2.9)	(0.7)

Level 2	(3.7)	4.0	(0.3)
Level 3	(0.5)	(0.5)	1.0
Revaluation of Stock	(3.2)	0.4	0.8
31 Dec 2024	144.7	5.5	1.2

Loan Receivables			
EUR m	Level 1	Level 2	Level 3
1 Jan 2024	26.5	0.6	0.0
Additions	427.5	0.3	0.0
Transfer (reclassification) to:			
Level 1	0.4	(0.4)	0.0
Level 2	(2.1)	2.1	0.0
Level 3	0.0	0.0	0.0
Derecognition of financial assets	(179.9)	(1.9)	0.0
Revaluation of Stock	(11.0)	0.4	0.0
31 Dec 2024	261.5	1.1	0.0

(14.) Equity-accounted investees

EUR m	31 Dec 2024	31 Dec 2023
Investment in joint ventures and associates	8.5	-
Total	8.5	-

EUR m	31 Dec 2024	31 Dec 2023
Share of profit of equity-accounted investees	(0.9)	-
Total	(0.9)	-

The share of profit of equity-accounted investees is included in the finance costs.

Joint Venture – Flexa GmbH (“Flexa”)

Flexa GmbH ("Flexa"), Munich, is a joint venture between the Group and Entrix GmbH ("Entrix") with Group holding a 65% direct interest and Entrix GmbH holding 35%. Through the agreement, both the Group and Entrix have equal participation in all significant financial and operating decisions. The Company has therefore determined that it does not control

the entity, while it holds 65% of the voting rights. Enpal B.V. is the parent company of the joint venture. Enpal's 65% interest is accounted for under the equity method.

In the financial year, the Company provided a shareholder loan to Flexa with an amount of EUR 0.8m, which is considered as part of the net investment.

In 2024, the Company recognized its share of loss from Flexa in amount of EUR 0.6m, which decreased its investment in Flexa from EUR 0.5m to EUR 0.0m, and the remaining part of the loss in amount of EUR 0.1m.

Associates – Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH

Associates	Enpal Green Future Holding GmbH	Enpal Green Solutions Holding GmbH
Financial statements reporting date	31 Dec 2024	31 Dec 2024
Place of incorporation and operation	Germany	Germany
Principal Activity	Financing	Financing
Ownership and voting rights as 31 Dec 2024	10%	10%
Current assets	44.7	203.2
Non-current assets	405.0	975.9
Current liabilities	(25.9)	(121.1)
Non-current liabilities	(393.5)	(1,004.1)
Net Assets (100%)	30.3	53.9
Group's share of net assets (10%)	3.0	5.4
Carrying amount in the statement of the financial position	3.0	5.4
Revenue	19.0	299.5
Profit or loss from continuing operations	(1.4)	(9.9)
Other comprehensive income	(1.1)	(1.6)
Total comprehensive income (loss)	(2.5)	(11.5)
Cash dividends received by the Company	0.0	0.0

In December 2023 Enpal entered into a share purchase agreement to sell 90% of shares in Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH to Equitix, Keppel Infrastructure Trust and MM Capital Partners, see note 20. The transaction consisted of several closings, and as of March 15, 2024, following the completion of the second closing that concluded of sale of 90% shares in both entities, the Company concluded that it no longer exercises control over these entities.

Given the contractual agreements between Enpal Green Future Holding GmbH, Enpal Green Solutions Holding GmbH and the Group, the Company concluded that it has significant influence even though it holds less than 20 percent of the voting rights. Enpal B.V. is the parent company of the associate. Enpal's 10% interest is accounted for under the equity method.

(15.) Inventories

EUR m	31 Dec 2024	31 Dec 2023
Raw materials, consumables and supplies	119.3	153.1
Unfinished photovoltaic and other systems	18.7	30.5
Total	138.0	183.7

The cost of inventories recognized under the cost of sales in the reporting year amounts to EUR 258.6m (2023: EUR 333.1m). Materials have been impaired by EUR 6.0m (2023: EUR 1.9m).

(16.) Trade Receivables

Trade receivables mainly consist of receivables from sale of heat pumps, photovoltaic systems and receivables from deconsolidated entities (see note 35).

(17.) Other Financial Assets

EUR m	31 Dec 2024	31 Dec 2023
Security deposits	0.6	0.9
Derivatives with a positive fair value	0.6	0.6
Equity investments – at FVOCI	10.3	0.0
Loans	36.9	2.0
Non-current financial assets	48.4	3.4
Convertible loan	0.0	2.0
Security deposits	0.7	0.5
Other current financial assets	4.1	2.4
Current financial assets	4.8	4.9
Total	53.2	8.3

Other current financial assets comprise receivables due from entities belonging to the deconsolidated disposal group.

Equity investments at FVOCI include those investments in equity instruments for which the Company does not have significant influence. The Company irrevocably elected to present

the changes in fair value of such equity instruments, which are not held for trading, in other comprehensive income, because these investments are held as long-term strategic investments that are not expected to be sold in the short to medium term. Equity investments – at FVOCI include the following:

EUR m	31 Dec 2024	31 Dec 2023
Entrix	8.5	0.0
Theion	1.8	0.0
Investments at FVOCI	10.3	0.0

Entrix GmbH

Entrix GmbH ("Entrix"), Germany, is a start-up in energy tech sector with a solution which dynamically markets battery storage across various energy markets.

The Company signed a Convertible Loan Agreement for EUR 2.0m with Entrix on 14 April, 2023. The loan was converted into newly issued shares following a financing round and Enpal made additional equity contributions of EUR 4.0m.

Theion GmbH

Theion, Germany, is a start-up company that is working in the field of energy storage. The Company signed a Convertible Loan Agreement for EUR 2.0m with Theion on 1 June 2023. In 2024, following a financing round, the loan was converted into newly issued shares.

(18.) Other Non-Financial Assets

EUR m	31 Dec 2024	31 Dec 2023
Deferred borrowing costs	17.0	10.6
Other non-current non-financial assets	1.5	3.9
Non-current non-financial assets	18.5	14.5
Input tax receivables	55.4	36.7
Other current non-financial assets	5.0	6.0
Current non-financial assets	60.5	42.6
Total	79.0	57.2

Deferred borrowing costs consist of transaction costs incurred for the asset-backed lines of credit that have not yet been drawn on and commitments fees. The transactions costs are deducted from the face value of the credit lines when they are drawn.

(19.) Cash and Cash Equivalents

Cash and cash equivalents comprise current bank deposits denominated in EUR, deposits of EUR 28.6m (2023: EUR 26.8m) denominated in USD, investments in money market funds of EUR 20.4m (2023: EUR 119.1m), and, to a minor extent, cash on hand.

As at the reporting date, current bank deposits of EUR 10.1m (2023: EUR 12.2m) were subject to restricted disposal.

(20.) Disposal of subsidiaries

In December 2023 Enpal entered into a share purchase agreement to sell 90% of its shares in Enpal Green Future Holding GmbH (“EGFH”) and Enpal Green Solutions Holding GmbH (“EGSH”) (the “sale of financing entities”) and 90% of the shareholder loans granted by Enpal B.V. to these subsidiaries. Initially, the share purchase agreement included 4 closings, where:

- In the first closing completed on 2 January 2024, Enpal sold 90% of shares EGSH, 49% of shares in EGFH, 80% of shareholder loans granted to EGSH as of 31 December 2023 and 90% of shareholder loans granted to EGFH as of 31 December 2023.
- In the second closing completed on 14 March 2024, Enpal sold 41% of shares in EGFH, 10% of shareholder loans granted to EGSH as of 31 December 2023 and 90% of shareholder loans granted to EGSH in during January 2024.
- In the third and fourth closings completed on 14 May 2024 and 26 July 2024 respectively, Enpal transfers 90% of shareholder loans granted to EGSH in the period from 1 February 2024 to 30 June 2024.

On 25 July 2024, the share purchase agreement was amended to introduce a fifth closing, which would include shareholder loans provided to EGSH during the period from 1 July 2024 to 30 September 2024. The fifth closing was completed on 28 February 2025, see note 37 for details.

As of 31 December 2023, assets and liabilities of EGHF and EGSH were classified as held-for-sale.

As of 15 March 2024, when the second closing was completed, Enpal lost control over sold subsidiaries, deconsolidated assets and liabilities, recognized remaining investment (10% in EGFH and EGSH) and gain on sale.

The consideration amounted to EUR 149.2m, which included:

- Cash of EUR 135.0m;
- Receivables of EUR 14.2m.

Enpal derecognized EUR 6.5m of accrued interest, which represents 90% of interest accrued on shareholder loans granted to EGFH and EGSH as of date of signing the share purchase agreement.

Furthermore, Enpal has previously capitalized EUR 4.3m (as of 15 March 2024) of Cost to Obtain related to obtaining customer contracts held by sold subsidiaries, as a result of the transaction this capitalized Cost to Obtain was written off.

Enpal retained a 10% interest in both EGFH and EGSH and concluded that it has significant influence over these entities, as it holds a managing director position in each as at 31 December 2024. As a result, Enpal recognized an investment in amount of EUR 9.4m, which represents Enpal's share of fair value of assets and liabilities of EGFH and EGSH as of 15 March 2024.

Upon disposal of EGFH and EGSH, a total of EUR 5.0m net deferred tax liability was derecognized.

Table below summarizes the impact of disposal of EGFH and EGSH:

EUR m	31 Dec 2024
Lease receivables	1,311.0
Other financial assets	7.2
Other non-financial assets	34.2
Cash and cash equivalent	124.0
Total Assets	1,476.4
Asset-backed loans	1,209.9
Provisions	9.9
Other financial liabilities	241.3
Other non-financial liabilities	1.1
Trade payables	18.5
Deferred tax liabilities	5.0
Total Liabilities	1,485.7
Total net assets	(9.3)
% of net assets sold	90%
Total net assets disposed of	(8.4)
Consideration	135.0
Consideration receivable	14.2
Shareholder loans (incl. accrued interest) derecognized	(155.7)
Cost to obtain derecognized	(4.3)
Recognized retained investment (10%)	9.4
Reclassification of other reserves	3.2
Gain on disposal	10.2

(21.) Equity

Issued capital amounts to EUR 0.1m (2023: EUR 0.1m) with a face value of EUR 1.00 per share. 66,337 shares have been issued (2023: 66,337), of which 41,152 are preference shares that are equipped with preferential treatment in the event of an exit, meaning any proceeds from liquidation are paid to these shareholders first. In addition, special shares exist, which as long as they are held by a founder or founding company, entitle the holder to cast two votes per special share. In the prior year transaction costs related to the Series D financing round of EUR 9.0m were offset against the share premium. In 2024, another 0.3m of Series D transaction costs were offset against the share premium.

As in the prior year, the terms and conditions of the convertible loan were modified on 2 December 2024, prolonging it to February 2026 (in December 2023 it had been prolonged from February 2024 till February 2025). The term of the loan was extended, leading to a lower value for the conversion right, which was already recognized in share premium in the prior years. The share premium decreased by EUR 1.8m (2023: EUR 2.4m) on account of this modification. Retained earnings were increased by the same amount (see the notes on the Convertible Loan).

In 2024, Enpal modified its share-based payment program (VSP). Following the amendments to the VESOP/VMSOP agreements, the granted options are now classified as equity-settled instruments. This modification resulted in an increase in the share premium of EUR 21.2m (refer to the notes on Share-Based Payments for further details). Other reserves comprise the accumulated foreign currency translation differences arising from the investment in Enpal China Ltd., the cash flow hedge reserve as well as the fair value measurement of strategic equity investments classified as FVTOCI in accordance with IFRS 9 (see notes on other Financial Assets for more details).

The retained earnings consist of the accumulated profits or losses of the Group per the reporting date.

A non-controlling interest of 30% is held in Enpal ezee GmbH. Enpal ezee GmbH holds shares in ezee Benefit GmbH, Enpal ezee Benefit GmbH and Enpal ezee Benefit III GmbH, without change on the prior year. In addition, non-controlling interests hold 100% of the shares in Green Finance Solution SA and Golden Ray SA.

The composition and development of equity is shown in the statement of changes in equity.

(22.) Convertible Loan

On 12 February 2021, Enpal entered into a convertible loan.

On 2 December 2024 the term of the convertible loan of EUR 15.0m was extended until February 2026. The interest rate was reduced to 0.25% p.a. in the course of the prolongation in 2023. This change to the contract was treated as a significant contractual modification, which entailed derecognizing the existing liability and recognizing the new one. The

extension of the term and the reduction in the interest rate resulted in the fair value of the underlying loan (excluding the conversion rights) being lower than the carrying amount of the convertible loan prior to the modification. Consequently, a gain of EUR 4.0m resulted from the derecognition of the previous liability at the time of the modification and recognition of the new liability (without conversion right). The conversion right previously recognized under equity still constitutes an equity component after the contractual modification. The share premium decreased by EUR 1.8m compared to previous year on account of this modification. Retained earnings were increased by the same amount. From the date of the modification until 31 December 2024, an effective interest expense of EUR 4.1m was recognized. As at 31 December 2024, the convertible loan had a carrying amount of EUR 13.4m.

(23.) Bank Loans

In December 2024, a new syndicated revolving credit facility agreement with a total volume of EUR 75.0m was entered into. As of the reporting date, the new facility remained fully undrawn, resulting in a utilization amount of EUR 0.0m (2023: EUR 67.7m).

Prior to the new agreement, four bilateral revolving credit facilities were in place, with a total volume of EUR 180.0m, which were cancelled following the conclusion of the syndicated revolving credit facility in December 2024 (2023: EUR 180.0m).

The syndicated credit facility is secured by a collateral assignment of certain inventories amounting to EUR 71.8m as at 31 December 2024. The decision to reduce the credit facility volume to a total of EUR 75m was made due to lower anticipated inventory levels over the commitment period.

The commitment expires in December 2025 and includes financial covenants and change-of-control clauses. The financial covenants comprise an equity ratio, a defined margin and a minimum liquidity requirement for the operating subgroup.

The financial indicators may not over- or undershoot the respective covenant thresholds. Enpal monitors compliance with the covenants on a day-to-day basis and reports them to the creditors on a monthly basis. Accordingly, the risk of non-compliance is considered low. In the financial year 2024 and as at 31 December 2024, all financial covenants were met.

(24.) Asset-Backed Loans

The contractual terms and conditions of the asset-backed loans are as follows:

EUR m	Nominal interest rate	Volume	Due date	31 Dec 2024		31 Dec 2023	
				Face value	Carrying amount	Face value	Carrying amount

Contract 1	3.22%	14.0	2035	10.7	10.7	11.5	11.5
Contract 2	1.3% - 2.0%	30.0	2038-2040	23.8	23.7	25.4	25.3
Contract 3	1.9% - 2.2%	50.0	2035-2040	39.9	39.8	42.7	42.5
Contract 4	1.1% + 1M Euribor	500.0	2027	20.3	20.1	44.4	44.2
Contract 5	8.0% + 1M Euribor	94.0	2027	3.8	3.8	8.2	8.2
Contract 6	1.0% + 1M EURIBOR	500.0	2028	40.1	39.9	0.0	0.0
Contract 7	7.281% + 1M EURIBOR	58.0	2028	4.7	4.6	0.0	0.0
Contract 8	1.0% + 1M EURIBOR	500.0	2028	0.0	0.0	0.0	0.0
Contract 9	7.3% + 1M EURIBOR	58.0	2028	0.0	0.0	0.0	0.0
Contract 10	1.4% + 1M EURIBOR	100.0	2029	0.9	0.9	0.0	0.0
Contract 11	1.4% + 1M EURIBOR	75.0	2029	1.2	1.2	0.0	0.0
Contract 12	0.4% + 1M EURIBOR	48.3	2057	48.3	48.0	0.0	0.0
Contract 13	0.8% + 1M EURIBOR	144.0	2057	144.0	143.2	0.0	0.0
Contract 14	1.5% + 1M EURIBOR	12.0	2057	12.0	12.0	0.0	0.0
Contract 15	2.0% + 1M EURIBOR	9.6	2057	9.6	9.6	0.0	0.0
Contract 16	3.5% + 1M EURIBOR	4.8	2057	4.8	4.8	0.0	0.0
Contract 17	4.95% + 1M EURIBOR	2.4	2057	2.4	2.4	0.0	0.0
Contract 18	4.72%	215.0	2045	4.9	4.9	0.0	0.0
Contract 19	4.75% + fixed Mid-Market EUR Swap Rate of 2.568%	16.0	2044	2.5	2.5	0.0	0.0
Contract 20	1.25% - 2.0% + EURIBOR	265.0	2046	48.2	47.6	0.0	0.0

Total		2,696.1		422.1	419.7	132.1	131.7
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Enpal enters into long-term asset-backed loan arrangements to finance its customers the purchase or rental of the photovoltaic systems, heat pumps, and other systems. The asset-backed loan volume in active loan facilities increases each month by the number of new systems that are leased or financed in that month. Financing arrangements are entered into both as senior and mezzanine facilities. Contracts 10 through 20 were concluded in the financial year. The asset-backed loans are repaid over their residual term and are subject to fixed interest rates except for contracts 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 20. The interest rates for contracts 1, 2, 3, 18 and 19 were fixed upon drawdown of the tranches. Interest swaps have been concluded to hedge the variable interest rate of contract 12, 13, 14, 15, 16, 17 and 20. Contracts 4, 5, 6, 7, 10 and 11 contain a series of swap agreements to hedge the variable interest cashflows.

Under the lease model, Enpal retains legal title to the photovoltaic systems, battery storage and electric vehicle charging systems. Under the loan model, the photovoltaic systems, battery storage systems and electric vehicle charging systems are granted as collateral, and legal title transfers to the customer upon full payment of the installments. The asset-backed loans are also secured by collateral assignment of receivables of EUR 416.8m (2023: 1,357.9m), a pledge of the current bank deposits of EUR 41.7m.

In addition, there are financial covenants in place which allow the creditor to demand immediate repayment in the case of non-compliance which also include change-of-control clauses. The financial covenants differ from contract to contract and rely primarily on financial indicators such as the equity ratio at the level of the special-purpose entity, the net profit or loss of the special-purpose entity, the debt service coverage ratio (DSCR), minimum cash requirements at the level of Enpal B.V., net tangible equity at the level of Enpal B.V. or loss ratios in the respective customer portfolio. The financial indicators may not over- or undershoot the respective covenants. Enpal monitors compliance with the covenants on a day-to-day basis and reports them to the creditors semi-annually or monthly. For this reason, the risk of non-compliance is deemed to be low. In the financial year and as at 31 December 2024, financial covenants have been met.

(25.) Provisions

EUR m	1 Jan 2024	Utilization	Additions	31 Dec 2024
Warranty provisions	0.8	(0.8)	0.9	0.9
Dismantling obligations	0.8	-	0.5	1.3
Other provisions	0.3	-	3.0	3.3
Total	1.9	(0.8)	4.4	5.5

The dismantling obligations are due at the end of the lease term and therefore in the financial years 2037 to 2043. Warranty and other provisions are short-term. Other provisions mainly include provisions for energy customer acquisition costs.

Liabilities from share-based payments of EUR 4.2m (2023: EUR 13.2m) are presented in provisions. Please refer to the notes on share-based payments for further details.

(26.) Trade Payables

Trade payables include liabilities of EUR 4.6m (2023: EUR 1.4m) that are denominated in foreign currencies.

(27.) Supplier Finance Liabilities

There are multiple supplier finance arrangements in place with different partners to whom the liabilities towards installation partners and suppliers have been transferred or via whom these liabilities are settled.

	31 Dec 2024	31 Dec 2023
Factored liabilities (EUR m)	74.2	62.4
Range of payment period after transfer (in days)	90 - <180	90 - <180
Range of Payment period originally (in days)	0 -120	0 - 90

* Terms are dependent on the supplier's individual payment terms. Payment terms are not adjusted through the factoring party.

(28.) Other Financial Liabilities

EUR m+	31 Dec 2024	31 Dec 2023
Financial liabilities from direct marketing agreements (derivatives)	6.1	8.4
Derivatives with negative fair value	12.7	2.5
Other non-current financial liabilities	1.0	1.9
Non-current financial liabilities	19.8	12.7
Liabilities towards employees	16.8	13.0
Current IC liabilities	2.1	0.0
Other current financial liabilities	18.4	1.1
Current financial liabilities	37.3	14.2
Total	57.0	26.9

Other current financial liabilities consist mainly of liabilities from energy contracts with customers.

(29.) Other Non-Financial Liabilities

EUR m	31 Dec 2024	31 Dec 2023
Contract liabilities	0.4	0.4
Non-current non-financial liabilities	0.4	0.4
Sales tax liability	13.6	29.4
Other current non-financial liabilities	8.9	3.2
Current non-financial liabilities	22.5	32.6
Total	22.9	33.0

Enpal reports contract liabilities of EUR 0.4m related to the right of replacement for battery storage systems and electric vehicle charging systems (2023: EUR 0.3m). Other current non-financial liabilities mainly consists of social security liabilities.

(30.) Share-Based Payments

Option Programs

In order to bind employees to the Company, Enpal allows selected employees to participate in the growth of the Enpal Group’s business value within the framework of a virtual share option program. In addition, non-controlling interests in Enpal ezee GmbH were granted share-based payments as consideration for supplies of merchandise. The virtual share options grant the holder the right to payment of a bonus when certain conditions are met.

Enpal has three virtual share option programs:

- Virtual share option program of Enpal B.V. (“VSOP”)
- Virtual share option program of Enpal B.V. (“Phoenix”)
- Virtual share option program (“Exit Stock”)

In 2024, the VSP program was modified. The revised Virtual Employee Participation Program is referred to as VESOP. The main changes are:

- **IPO becomes exit event:** A future initial public offering (IPO) should also trigger a payment claim for the beneficiaries under the VSP.
- **Equity Payment Option:** Payment claims of the beneficiaries under this program can be fulfilled through an equity payment at Enpal’s full discretion.
- **VMSOP:** Enpal introduces a modified form of the VESOP intended for selected senior executives – the so-called VMSOP.

The participants of Enpal VSOP and Phoenix programs are employees. The participant of the Exit Stock program is the non-controlling shareholder of Enpal ezee GmbH.

Contracts with employees who left the company prior to the modification remain subject to the previous VSP regulations.

Contractual terms

The virtual share options offered in the VSP/VESOP/VMSOP and Phoenix programs are subject to certain vesting conditions. If the vesting conditions are not met, the virtual share options are returned to the Enpal Group and all of the employee's rights attached to the virtual share options are extinguished. The vesting period is measured in full months which are laid out for the beneficiary in the corresponding agreement. Generally, the individual vesting period is 84 months for VSP/VESOP/VMSOP and exit stock and 9 months for Phoenix.

Additionally, the VSP/VESOP/VMSOP plan has a 12-month cliff, meaning that if the employee leaves the company after less than 12 months, they will not be entitled to any of the options. The beneficiaries of all plans must continue to work for a Group entity during the vesting period for the virtual share options to vest. Even vested stock options are extinguished in the event that the employee is terminated for due cause (bad leaver).

An accelerated vesting period applies under the VSP/VESOP/VMSOP for the event that an exit event occurs within the first 48 months after granting and the employee is still an employee of Enpal. The exit payment is then calculated on a vesting period of 48 months instead of the usual 84 months. For all virtual share options Enpal has the right to pay a severance payment in order to repurchase the virtual share options granted under the plan if, for example, the employee leaves the Enpal Group prior to an exit event (good leaver).

The grant of virtual share options with cash settlement gives rise to a liability that is measured at the fair value of any vested bonus payments. The fair value is calculated at each reporting date.

The expenses for the service rendered by the participating employees are recognized over the respective term, with the liability increasing accordingly. The expense is charged to cost of sales, selling expenses or administrative expenses, depending on the function to which the beneficiary is assigned.

Accounting and valuation parameters

Options granted under the modified VESOP/VMSOP agreements are treated as equity-settled options.

Exit stock and options granted under VSP and Phoenix continue to be treated as cash-settled, as in previous years.

The grant of virtual share options with cash settlement gives rise to a liability that is measured at the fair value of any vested bonus payments. The fair value is calculated at each reporting date. The expenses for the service rendered by the participating employees are recognized over the respective term, with the liability increasing accordingly. The

expense is charged to cost of sales, selling expenses or administrative expenses, depending on the function to which the beneficiary is assigned. The transitions from a cash-settled to an equity-settled share-based payment requires the revaluation of the fair value of the options at the time of the modification. The equity-settled share-based payment transaction is recognized in equity on the modification date to the extent to which goods or services have been received. The liability recorded for the formerly cash-settled share-based payment transaction as at the modification date is derecognized, and any difference between the carrying amount of the liability derecognized and the amount recognized in equity on the modification date is recognized immediately in profit or loss. The fair value is determined at the date of change and is not adjusted afterward. The pro-rata earned portion of the fair value is recognized as an expense over the vesting period.

The liability recognized for virtual share options granted to employees amounts to EUR 2.9m (2023: EUR 13.2m). The decrease refers to the partial transition of the plans from cash-settled to equity-settled. The intrinsic value of this liability amounts to EUR 2.9m (2023: EUR 13.2m).

For the equity-settled plans, EUR 21.4m have been recognized under capital reserves in 2024 (2023: EUR 0.0m). The corresponding equity recognition reflects the value of the granted options as at the modification date. Expenses of EUR 1.6m (2023: EUR 11.3m) have been recognized for employee services rendered during the financial year under cash-settled plans, while expenses of EUR 11.4m have been recognized for equity-settled plans (2023: EUR 0.0m).

The following table shows the number and weighted average exercise prices (WAEP) of and movements in virtual share options over the course of the year:

	2024	2024	2023	2023
	Number	WAEP	Number	WAEP
1 Jan	7,862	6,229	7,066	2,723
Issued during the year	2,578	10,050	1,908	2,341
Lapsed during the year	(892)	9,891	(753)	15,68
Exercised during the year	0	-	0	-
Repurchased during the year ("severance payment" and "Secondary Sales")	0	-	(359)	15
31 Dec	9,548	6,709	7,862	6,229

The following tables combine the key measurement parameters for all the plans used to determine the fair value of the virtual share options:

	VSOP/VESOP/ VMSOP	Phoenix	Exit stocks
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31 Dec 2024			
Weighted fair value	14.364	19.336	19.336
Dividend yield (%)	0.0%	0.0%	0.0%
Expected volatility (%)	77.8%	77.8%	77,8%
Risk-free rate (%)	1.86%	1.86%	1.86%
Expected residual vesting period (years)	3.73	-	-
Expected term (years)	4.57	4.57	4.57
Weighted average share price (EUR)	19,336	19,336	19,336
Model	Black-Scholes	Black-Scholes	Black-Scholes
31 Dec 2023			
Weighted fair value	17,104	19,088	19,088
Dividend yield (%)	0.0%	0.0%	0.0%
Expected volatility (%)	77.8%	80.2%	80.2%
Risk-free rate (%)	1.95%	1.99%	1.99%
Expected residual vesting period (years)	5.63	-	0.1
Expected term (years)	4.01	4.01	4.01
Weighted average share price (EUR)	19,088	19,088	19,088
Model	Black-Scholes	Black-Scholes	Black-Scholes

The expected term of the virtual share options is based on historical data and current expectations and does not necessarily reflect the term until an anticipated exit event. The expected volatility reflects the assumption that the historical volatility over a period similar to the term of the options is an approximation of future trends. However, this does not necessarily reflect the actual events. The residual vesting period reflects the average remaining vesting period.

(31.) Financial Instruments

The following table presents the carrying amounts and fair values of financial assets and financial liabilities and their allocation to the fair value hierarchy. It does not contain any information on the fair value of financial assets and financial liabilities that are not measured at fair value if the carrying amount of such items sufficiently approximates their fair value:

EUR m	Amounts recognized in the statement of financial position:	31 Dec 2024				
		Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets at fair value						

Other participating interest	Other financial assets	10.3	10.3		10.3
Hedging Instruments	Other financial assets	0.6	0.6		0.6
Money market funds	Cash and cash equivalents	20.4	20.4	20.4	
Financial assets at amortized cost					
Trade receivables	Trade receivables	57.0			
Loan receivables	Loan receivables	269.4			
Other financial assets	Other financial assets	42.3			
Cash and cash equivalents	Cash and cash equivalents	169.1			
Total					
Financial liabilities at fair value					
Interest swaps used in designated hedges*	Other financial liabilities	10.0	10.0		10.0
Foreign currency instruments	Other financial liabilities	1.7	1.7		1.7
Financial liabilities from direct marketing agreements	Other financial liabilities	19.0	19.0		19.0
Financial liabilities at amortized cost					
Convertible loan	Convertible loan	13.4	13.4		13.4
Asset-backed loans	Asset-backed loans	417.8	409.0	221.1	187.9
Trade payables	Trade payables	115.2			
Supplier finance liabilities	Supplier finance liabilities	74.2			
Other financial liabilities	Other financial liabilities	40.0			
Total					

* Such instruments do not fall into one of the IFRS 9 categories.

Enpal entered into three foreign currency forward sale transactions. These transactions include a total selling position of USD 29.1m. As at 31 December 2024, the fair value of the forward instruments amounted to negative EUR 1.7m.

All convertible loan instruments as a lender outstanding as of the prior reporting period were converted into equity instruments during the 2024 financial year. The reconciliation of the fair values determined using valuation techniques for financial instruments recognized at fair value is shown in the following table:

EUR m	Carrying Amount as at 1 January 2024	Additions	Disposals	Gains/Losses recorded in profit or loss	Carrying Amount as at 31 December 2024
Financial liabilities from direct marketing agreements	8.4	19.0	8.4	19.0	19.0

No reclassifications from and in level 3 took place in 2024.

EUR m	Amounts recognized in the statement of financial position:	31 Dec 2023				
		Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets at fair value						
Convertible loan	Other financial assets	2.0	2.0		2.0	
Convertible loan and other participating interest	Other financial assets	2.0	2.0		2.0	
Foreign currency Instruments	Other financial assets	0.6	0.6		0.6	
Money market funds	Other financial assets	0.5	0.5	0.5		
Money market funds	Cash and cash equivalents	119.1	119.1	119.1		
<i>Disposal group:</i>						
Interest swaps used in designated hedges*	Other financial assets	6.7	6.7		6.7	
Financial assets at amortized cost						
Trade receivables	Trade receivables	4.4				
Loan receivables	Loan receivables	27.3				
Other financial assets	Other financial assets	3.3				
Cash and cash equivalents	Cash and cash equivalents	175.0				

Disposal group:

<i>Other financial assets</i>	<i>Other financial assets</i>	6.7		
<i>Cash and cash equivalents</i>	<i>Cash and cash equivalents</i>	115.0		

Total (excluding disposal group) 334.1

Financial liabilities at fair value

Interest swaps used in designated hedges*	Other financial liabilities	2.5	2.5	2.5
Financial liabilities from direct marketing agreements	Other financial liabilities	8.4	8.4	8.4

Disposal group:

<i>Interest swaps used in designated hedges*</i>	<i>Other financial liabilities</i>	11.5	11.5	11.5
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Financial liabilities measured at amortized cost

Convertible loan	Convertible loan	11.2	11.2	11.2
Bank loans	Bank loans	67.7		
Asset-backed loans	Asset-backed loans	132.2	117.6	117.6
Trade payables	Trade payables	108.6		
Supplier finance liabilities	Supplier finance liabilities	62.4		
Other financial liabilities	Other financial liabilities	16.0		

Disposal group:

<i>Asset-backed loans</i>	<i>Asset-backed loans</i>	1,220.3	1,207.2	1,207.2
<i>Trade payables</i>	<i>Trade payables</i>	1.8		
<i>Other financial liabilities</i>	<i>Other financial liabilities</i>	10.7		

Total (excluding disposal group) 420.3

* Such instruments do not fall into one of the IFRS 9 categories.

The allocation to the fair value hierarchy is based on the lowest level of inputs that is significant for measuring fair value in its entirety:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices that are observable, either directly or indirectly, and are material to the measurement of an asset or liability
- Level 3: at least one input factor is unobservable

Any reclassification between the levels of the hierarchy is performed on the reporting date.

The fair value of financial instruments that are carried at amortized cost is measured by discounting their future cash flows using market interest rates that are commensurate to the credit risks and terms of the instruments. For current financial instruments it is assumed that their fair value approximates their carrying amounts as an accounting convenience.

The material inputs used to determine the fair value of the convertible loan are the company-specific credit margin, the likelihood of the possible dates on which the rights will be exercised and the risk-free rate. The credit risk is modeled in order to account for the higher risk borne by investors in connection with their convertible instrument on each measurement date. The risk-free rate is based on the Euribor for instruments of an equivalent term and the swap rates.

Interest hedging instruments are measured through customary market methods using the market interest rates applicable on the reporting date (6M Euribor and the ESTR interest rate) for instruments of an equivalent residual term and debt servicing structure, using accessible market information. During the period an expense of EUR -6.3m was reclassified from the cash flow hedge reserve into financial result.

The fair value of the foreign currency derivatives is measured based on the price indications provided by the counterparties of the agreement (financial institutes).

Derivatives from direct marketing agreements are measured via a discounted cash flow model. For determining the fair value, the estimated amount of surplus produced by the customer, which is subject to size of the photovoltaic system, external conditions (weather) and individual behavior (usage of consumers with high electricity requirements, such as electric vehicles or heat pumps) is used. Enpal uses the average sunshine hours in Germany. These affect the customers' average feed-in in kWh, which in turn influences the payout to the customer. An increase of 10% of the average sunshine hours would have resulted in a higher financial liability of EUR 1.4m, a decrease of 10% of the average sunshine hours would have resulted in a lower financial liability of EUR 2.7m.

The net result of financial instruments, broken down by measurement category, breaks down as follows:

EUR m	Financial assets at amortized cost	Financial assets at fair value (not in a designated hedge)	Financial liabilities at amortized cost	Financial liabilities at fair value
2024				
Fair value adjustment	0.0	(0.1)	0.0	19.0
Derecognition	0.0	0.0	1.8	0.0
Currency translation	(0.6)	0.0	0.0	0.0
Impairment losses	(4.6)	0.0	0.0	0.0

Other financial income	15.3	0.0	0.0	0.0
Other finance costs	0.0	0.0	(14.7)	0.0
2023				
Fair value adjustment	0.0	2.9	0.0	8.4
Derecognition	0.0	0.0	4.4	0.0
Currency translation	(0.4)	0.0	0.0	0.0
Impairment losses	(0.2)	0.0	0.0	0.0
Other financial income	1.3	0.0	0.0	0.0
Other finance costs	0.0	0.0	(11.2)	0.0

(32.) Risks from Financial Instruments

Generally, the Group is exposed to risks of changes in interest rates, foreign currencies, liquidity and, with regard to assets, credit ratings and risks of default.

Interest risk

Enpal understands interest risk to be the risk of higher borrowing costs due to rising interest rates. The Enpal Group is exposed to interest risk for an asset-backed loan agreement with variable interest rate. As at the reporting date, Enpal has entered into interest rate swaps to hedge the interest risk which qualify as designated hedges and have developed as follows:

EUR m	31 Dec 2024	31 Dec 2023
Positive fair values	0.0	0.6
Negative fair values	(10.0)	(2.5)
Fair value adjustment to the hedging instrument – designated risk	(1.2)	(1.1)
OCI – cash flow hedge reserve	(1.1)	(1.0)
Ineffective portion of hedges posted through profit or loss – designated risk	(0.1)	0.1

EUR m	2024	2023
Fair value adjustment to the underlying (hypo)– designated risk	1.1	1.0

The hedged items in designated hedges caused a reduction in the cash flow hedge reserve of EUR 0.1m (2023: EUR 13.4m).

The interest rate swaps are in designated hedges and accounted for as such except for a pre-hedge structure within the Enpal B.V. which is not designated in a hedge relationship in the sense of IFRS 9 with a market value of EUR 0.6m. In addition, interest rate hedges within Green Finance Solutions S.A. are also not designated as hedging relationships. Ineffective

hedges arise from a mismatch between the terms of the underlying and the hedging instrument. The contingent interest rate swap also contains a contingent premium that is not part of the hedged item and therefore a source of ineffectiveness. The changes in the fair value of the hedged items in designated hedges are calculated using the hypothetical derivative method.

The sensitivity analyses presented below show how the fair values of the interest rate swaps would have changed had the interest rates been different on the reporting date. A change of more than 50 basis points was considered for those purposes.

EUR m	Change in the interest curve		Change in the interest curve	
	2024	2024	2023	2023
	+50 BP Shift	-50 BP Shift	+50 BP Shift	-50 BP Shift
Interest rate swaps	2.3	(2.4)	2.5	(2.6)

Consequently, the interest curves show that if the parameters changed as assumed in the sensitivity analysis other reserves within equity would rise by EUR 0.6m or fall by EUR 0.6m (2023: rise by EUR 2.5m, fall by EUR 2.6m) and net income for the period rise by EUR 1.7m or fall by EUR 1.7m (2023: rise by EUR 0.0m, fall by EUR 0.0m).

The interest swaps designated in hedge relationship fall due between 2043 and 2049. They have nominal volumes of EUR 248.0m (2023: EUR 141.0m). The average hedged interest rate comes to 3% (2023: 2.01%).

Liquidity risk

Liquidity risk refers to the risk that there may not be enough cash available to meet the financial obligations of the Enpal Group. The risk can arise from insufficient liquidity where it is needed, inaccurate cash flow projections or a one-sided investment strategy for the cash reserves of the Enpal Group.

Enpal manages its liquidity risks by keeping sufficient cash, credit lines at banks and other facilities as well as day-to-day cash flow planning at the level of the Group.

The table below presents the undiscounted contractually agreed cash flows of the financial liabilities. Their allocation to the periods when the cash flows will occur is based on the earliest possible date on which the cash flows can occur. Any breach of the covenants agreed for the asset-backed loans could trigger an immediate repayment obligation.

Financial liabilities by maturity as at 31 Dec 2024

EUR m	less than 1 year	between 1 and 5 years	over 5 years	Total contractual cash flows
Liabilities from direct marketing agreements	12.9	6.1	0.0	19.0
Interest swaps	3.3	10.0	5.3	18.7
Convertible loan	0.0	16.4	0.0	16.4
Liabilities to banks	0.0	0.0	0.0	0.0
Asset-backed loans	28.2	147.7	601.8	777.7
Trade payables	113.4	0.0	0.0	113.4
Supplier finance liabilities	74.2	0.0	0.0	74.2
Other financial liabilities	36.8	0.0	0.0	36.8

Financial liabilities by maturity as at 31 Dec 2023				
EUR m	less than 1 year	between 1 and 5 years	over 5 years	Total contractual cash flows
Liabilities from direct marketing agreements	5.7	3.1	0.0	8.8
Interest swaps used in designated hedges	0.1	1.3	1.5	3.0
Convertible loan	0.0	16.4	0.0	16.4
Liabilities to banks	67.7	0.0	0.0	67.7
Asset-backed loans	9.6	84.7	53.9	148.2
Trade payables	108.6	0.0	0.0	108.6
Supplier finance liabilities	62.4	0.0	0.0	62.4
Other financial liabilities	16.0	0.0	0.0	16.0
<i>Interest swaps used in designated hedges</i>	<i>(0.4)</i>	<i>7.7</i>	<i>5.9</i>	<i>13.2</i>
<i>Asset-backed loans</i>	<i>148.9</i>	<i>388.5</i>	<i>1,142.8</i>	<i>1,680.3</i>
<i>Trade payables</i>	<i>6.9</i>	<i>0.0</i>	<i>0.0</i>	<i>6.9</i>

Credit risk

Credit risk is understood to be the risk of customers or contractual partners defaulting on their payment obligations. Any defaults result in the recognition of impairment losses on assets, financial assets or receivables. These losses are limited to the carrying amount of the assets. Credit risks at Enpal relate mostly to lease and loan receivables. Based on the

aging and past experiences, allowances are recognized for expected credit losses to cover the credit risk. Bad debts are written off in full by specific allowances.

There are no significant concentrations of credit risks.

In addition, there is also a credit risk attached to cash and cash equivalents in the event that financial institutes are no longer able to meet their obligations. The maximum credit risk corresponds to the carrying amount of the financial assets on the respective closing date. The Enpal Group counters this risk by distributing its bank deposits among various banks, all of which have high credit ratings, and using money market funds with AAA ratings.

The following tables present the gross carrying amounts of lease and loan receivables by category of default:

Loan receivables			
Rating	Level 1	Level 2	Level 3
A	113.0	0.3	0.0
B	66.4	0.1	0.0
C	24.3	0.0	0.0
D	20.2	0.1	0.0
E	17.7	0.2	0.0
F	12.5	0.1	0.0
G	7.3	0.2	0.0
H	0.1	0.0	0.0
Total	261.5	1.1	0.0

Lease receivables			
Rating	Level 1	Level 2	Level 3
A	53.0	1.2	0.1
B	34.9	1.0	0.1
C	15.1	0.3	0.1
D	12.9	0.4	0.0
E	10.5	0.5	0.1
F	8.1	0.5	0.1
G	5.2	0.4	0.1
H	6.3	0.3	0.2
Total	146.1	4.6	0.7

(33.) Capital Management

The objective of the Enpal Group is to retain a strong equity and debt base in order to maintain the trust of investors and banks and secure the sustained development of the Enpal Group moving forward. Enpal pursues the objective of securing the capital needed for equity-funded growth of the Group and using asset-backed loans outside of the Operating Subgroup at matching terms to finance loans and leases offered to customers.

Based on the cash flow projections, the Group’s cash flows are monitored and any need for finance is identified at an early stage, allowing countermeasures to be initiated. Changes are analyzed at regular intervals and the necessary corrections made. In addition to the projected level of cash and cash equivalents carried by the subsidiaries, other indicators used to manage the Group are the financial covenants agreed on with the lenders. The most important covenants agreed on with the lenders entail the right of termination upon a change in ownership and the failure to attain the financial covenants linked to the financial indicators of the Group at the level of the separate entities. Should a breach of covenants trigger an immediate repayment obligation of the loans, this would lead to a liquidity risk (see the notes on asset-backed loans). All covenants were complied with during the reporting year and also during the prior year.

(34.) Cash Flow Statement

The increase in cash flow from operating activities can be attributed to the higher business volume of the Enpal Group. The higher cash flow from financing activities results mainly from the additional asset-backed loans.

Changes in financial liabilities are presented in the following table:

EUR m	31 Dec 2023	Cash flow	Non-cash additions (disposals)	Non-cash income and expenses	Transfer to disposal group	31 Dec 2024
Convertible loan	11.2	0.0	(1.8)	4.0	0.0	13.4
Bank loans	67.7	(67.7)	0.0	0.0	0.0	0.0
Asset-backed loans	132.2	320.4	0.0	(34.7)	0.0	417.8
Lease liabilities	31.2	(15.9)	48.7	1.3	0.0	65.2
Total	242.3					

EUR m	31 Dec 2022	Cash flow	Non-cash additions (disposals)	Non-cash income and expenses	Transfer to disposal group	31 Dec 2023
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Convertible loan	11.2	0.0	(4.4)	4.4	0.0	11.2
Bank loans	41.5	26.1	0.0	0.0	0.0	67.7
Asset-backed loans	517.6	854.0	0.0	(19.2)	(1,220.3)	132.2
Lease liabilities	11.7	(9.6)	28.6	0.4	0.0	31.2
Total	582.1	870.6	24.2	(14.4)	(1,220.3)	242.3

The liquidity presented under cash and cash equivalents comprises bank deposits, investments in money market funds and cash on hand, some of which is subject to restrictions on disposal (see the notes on cash and cash equivalents).

(35.) Related Party Disclosures

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Transactions with shareholders

There were no transactions with shareholders in the current or prior years.

Transactions with key management personnel

Remuneration of key management personnel in accordance with IAS 24:

EUR m	2024	2023
Short-term employee benefits	1.5	2.5
Share-based payment expenses	2.1	3.0
Total	3.6	5.5

The short-term employee benefits paid to management in key positions of the Group comprises their salaries and fringe benefits paid in kind. In the financial year, share-based payment expenses also comprise a one-off effect from the extraordinary early exercise of virtual shares.

On 26 April 2024, the Company purchased 100% of shares in Enpal China Ltd. from a senior executive of Enpal Group for EUR 0.3m. In 2023, Enpal owned 0% of shares in Enpal China Ltd., however concluded that it has control over Enpal China Ltd. which resulted from contractually secured rights.

MVK Asset Management GmbH is controlled by Mario Kohle, who holds a key management position. This company exercises control over the Group. Members of management in key positions hold 31% (2023: 31%) of the shares in Enpal B.V.

Other related party transactions

	Transaction values for the year ended December 31		Balance outstanding as at December 31	
	2024	2023	2024	2023
Sales of goods and services	90.8	0	22.0	0
Associates	90.8	0	22.0	0
Purchase of goods and services	0	0	0	0
Associates	0	0	0	0

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash. None of the balances are secured. No expenses have been recognized in the current year or prior year for bad or doubtful debts in respected of amounts owed by related parties. No guarantees have been given or received.

As of 31 December 2024, Enpal provided a shareholder loan to Flexa that amounts to EUR 0.7m (2023: EUR 0.8m). In 2024, Enpal's recorded its share of losses in Flexa, where EUR 0.1m was allocated to the shareholder loan as part of the net investment in Flexa.

As of 31 December 2024, Enpal has outstanding shareholder loans granted to EGFH in amount of EUR 13.9m and to EGSH in amount of EUR 17.6m. Interest income accrued on the shareholder loans recorded in the current year's statement of profit and loss amounts to EUR 1.5m for EGFH and EUR 0.9m for EGSH respectively. In the prior year, EGFH and EGSH were controlled by Enpal with shareholder loans fully eliminated at consolidation. Please refer to note 20 for more details.

(36.) Auditor's fees

The fee for audit services charged by the KPMG Group amounts to EUR 0.8m (2023: EUR 0.8m). This comprises the fee for the audit of the consolidated financial statements and the financial statements of Enpal B.V. as well as the financial statements of further subsidiaries. Extra costs were recognized in the financial year for the audit of the prior year's financial statements.

(37.) Subsequent events

On 28 February 2025, the Fifth Closing under the Share Purchase Agreement (SPA) between Enpal B.V. (the Seller) and Equitix, Keppel Infrastructure Trust and MM Capital Partners (the

Purchaser) was completed. This marked the transfer of 90% of additional shareholder loans related to Enpal Green Future Holding GmbH and Enpal Green Solutions Holding GmbH. The Fifth Closing Confirmation document formally records that all conditions and closing actions were fulfilled, completing the transaction under the SPA.

In early 2025, Enpal B.V. successfully entered into a convertible loan agreement with a group of institutional investors, raising gross proceeds of EUR 110m. The financing is structured as a convertible loan that includes provisions requiring investors to convert the outstanding loan amount into equity in Enpal B.V. upon the occurrence of certain predefined triggering events, in accordance with the agreed terms and conditions.

The purpose of this financing is to support the company's continued expansion, strengthen its capital base, and fund strategic investments.

This transaction reinforces Enpal B.V.'s financial position and provides the company with increased flexibility to pursue its long-term growth objectives.

Separate Financial Statements

Separate Statement of Financial Position as at 31 December 2024

(Before appropriation of result)

EUR m	Note	31 Dec 2024	31 Dec 2023
Fixed assets		468.2	362.5
Intangible fixed assets	(6)	11.0	5.4
Tangible fixed assets	(7)	76.5	43.4
Financial fixed assets	(8)	380.7	313.7
Current assets		419.6	670.7
Inventories	(9)	135.4	182.5
Trade and other receivables	(10)	193.2	239.0
Cash and cash equivalents	(11)	90.9	249.1
Total assets		887.8	1,033.1

EUR m	Note	31 Dec 2024	31 Dec 2023
Equity		311.6	441.4
Issued capital	(12)	0.1	0.1
Share premium	(12)	511.3	492.3
Legal reserve	(12)	9.4	5.1
Fair value gains/losses on investments	(12)	0.7	0.0
Retained earnings	(12)	(58.6)	(43.7)
Result of the year	(12)	(151.3)	(12.3)
Provisions		11.7	23.1
Provisions	(13)	11.7	23.1
Non-current liabilities		51.8	22.4
Convertible loan	(14)	13.4	11.2
Lease liabilities	(7)	30.7	11.2
Other non-current liabilities	(19)	7.7	0.0
Current liabilities		512.6	546.2
Bank loans	(15)	0.0	67.7
Lease liabilities	(7)	4.2	2.2
Trade payables	(16)	404.7	399.3
Supplier finance liabilities	(17)	74.1	62.4
Income tax liabilities		0.0	0.7
Other financial liabilities	(18)	27.2	13.3
Other current liabilities	(19)	2.4	0.7
Total equity and liabilities		887.8	1,033.1

The notes on pages 111 to 131 are an integral part of these separate financial statements.

Separate Statement of Profit or Loss for Financial Year 2024

EUR m	Note	2024	2023
Share in results from participating interests, after taxation	(2)	10.3	9.0
Other income and expenses, after taxation	(3)	(161.6)	(21.3)
Net profit (loss) for the period		(151.3)	(12.3)

The notes on pages 111 to 131 are an integral part of these separate financial statements.

Notes to the Separate Financial Statements for Financial Year 2024

1 General Remarks

These separate financial statements and the consolidated financial statements together constitute the statutory financial statements of Enpal B.V. (“Enpal”). The financial information of Enpal is included in Enpal’s consolidated financial statements, as presented on pages 34 to 107.

Enpal GmbH changed its legal form to Enpal B.V. on 24 January 2023. Enpal B.V. is a private company with limited liability incorporated under the laws of the Netherlands, having its official seat in Amsterdam, the Netherlands, and its office at Koppenstraße 8, 10243 Berlin, Germany. Enpal B.V. does not use a two-tier board system. The company is represented by its executive directors who remain in Berlin. Main departments of Enpal are Sales, Marketing, Product, Logistics, Installation, Procurement, Finance and Human Resources.

2 Basis of preparation

The separate financial statements for the year ended 31 December 2024 were prepared based on Part 9, Book 2 of the Dutch Civil Code and the Annual Reporting Guidelines (DASs). Dutch law distinguishes the following combinations:

These separate financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of results for its separate financial statements, the Company makes use of the option provided in section 2:362(8) of the Dutch Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the separate financial statements of the Company are the same as those applied for the consolidated EU-IFRS financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. In case no other principles are mentioned, refer to the accounting principles as described in the consolidated financial statements. For an appropriate interpretation of these statutory financial statements, the separate financial statements should be read in conjunction with the consolidated financial statements.

Information on the use of financial instruments and related risks for the Group is provided in the notes for the consolidated financial statements of the Group.

All amounts in the financial statements are presented in EUR million, unless stated otherwise.

Participating interests in Group companies

Group companies are all entities in which Enpal has direct or indirect control. Participating interests in Group companies are accounted for according to the equity method, with the principles for the recognition and measurement of assets and liabilities and determination of results as set out in the notes to the consolidated financial statements.

Participating interests with a negative net asset value are valued at zero. This measurement also covers any receivables provided to the participating interests that are, in substance, an extension of the net investment. In particular, this relates to loans for which settlement is neither planned nor likely to occur in the foreseeable future. A share in the profits of the participating interest in subsequent years will only be recognized if and to the extent that the cumulative unrecognized share of loss has been absorbed. If Enpal fully or partially guarantees the debts of the relevant participating interest, or if has the constructive obligation to enable the participating interest to pay its debts (for its share therein), then a provision is recognized accordingly to the amount of the estimated payments Enpal on behalf of the participating interest.

Share of result of participating interests

The share in the result of participating interests consists of the share of Enpal in the result of the participating interests. Results of transactions involving the transfer of assets and liabilities between Enpal and its participating interests and mutually between participating interests themselves, are eliminated to the extent that they can be considered as not realized.

Corporate income tax

Enpal is the head of the fiscal unity with multiple subsidiaries. Enpal recognizes the portion of corporate income tax that it would owe as an independent taxpayer, taking into account the allocation of the advantages of fiscal unity. Settlement within the fiscal unity between Enpal and its subsidiary takes place through current account positions.

Enpal has assessed the expected impact of the Pillar 2 – global minimum top-up tax and notes that the separate financial statements are not impacted due to the local effective tax rate that is higher than 15 percent and the entity has not paid any Pillar 2 top-up tax on behalf of other entities in the Group. Also, no Pillar 2 top-up tax has been recharged to the entity.

Notes to the Separate Financial Statements

(1.) Net Turnover

The following table summarizes the total revenue by product type:

EUR m	2024	2023
Sale of photovoltaic systems	477.7	597.0
Sale of battery storages	200.2	215.3
Sales of heat pumps	39.8	28.4
Sale of electric vehicle charging systems	29.3	48.0
Sale of components to installers	18.7	6.1
Sale of meter cabinets	-	1.8
Other sales	44.5	(1.2)
Total	810.3	895.5

Other sales include discounts to customers, sale of other products to customers and other revenue charges to subsidiaries. Turnover is primarily generated in Germany.

(2.) Share in Results from Participating Interests

An amount of EUR 10.3m (2023: EUR 9.0m) of share in results from participating interests relates to Group companies.

(3.) Other Income and Expenses

The following table displays the composition of other income and expenses, after taxation:

EUR m	2024	2023
Net turnover	810.3	895.5
Cost of sales	(659.1)	(703.4)
Selling expenses	(202.8)	(104.3)
Administrative expenses	(75.7)	(98.7)
Other operating income/expenses	(19.4)	1.8
Financial result	0.9	(12.2)
Taxes on income	(15.9)	0.1
Total	(161.6)	(21.3)

(4.) Employee Benefits

Wages and salaries and social security charges relating to the employees of Enpal are as follows:

EUR m	2024	2023
Wages and salaries	52.2	40.3
Social security charges	8.0	6.4
Total	60.2	46.7

Wages and salaries include an amount of EUR 2.5m (2023: EUR 5.1m) for virtual share options. There are no pension plans in place.

(5.) Number of Employees

All employees were employed outside the Netherlands and can be divided into the following staff categories, presented with employee numbers on average:

	2024	2023
Administration	306	379
Development	110	129
Production	25	54
Sales	111	47
Total	552	609

(6.) Intangible Fixed Assets

Please refer to the intangible fixed assets paragraph in the notes to the consolidated financial statements.

(7.) Tangible Fixed Assets

The following table presents the development of property, plant and equipment:

EUR m	Smart electricity meters	Safety scaffolding and tools	Computer hardware and other office equipment	Pre-payments	Total
Historical cost:					
1 Jan 2024	17.5	10.9	5	0.3	33.7
Additions	10.6	5.5	2.7	0.1	18.9
31 Dec 2024	28.1	16.4	7.7	0.4	52.6
Accumulated depreciation and impairment:					
1 Jan 2024	(1.5)	(0.8)	(1.4)	(0.0)	(3.7)

Depreciation	(2.9)	(1.4)	(1.7)	0.0	(6)
31 Dec 2024	(4.4)	(2.2)	(3.1)	(0.0)	(9.7)

Carrying amount:

1 Jan 2024	15.9	10.2	3.6	0.3	30.1
31 Dec 2024	23.7	14.3	4.5	0.4	42.9

EUR m	Smart electricity meters	Safety scaffolding and tools	Computer hardware and other office equipment	Pre-payments	Total
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Historical cost:

1 Jan 2023	5.0	5.2	3.2	0.0	13.4
Additions	12.5	8.3	4.4	0.3	25.5
Reclassifications	0.0	(2.6)	(2.7)	(0.0)	(5.3)
31 Dec 2023	17.5	10.9	5.0	0.3	33.7

Accumulated depreciation and impairment:

1 Jan 2023	(0.3)	(0.3)	(0.7)	(0.0)	(1.4)
Depreciation	(1.2)	(0.8)	(1.7)	(0.0)	(3.7)
Disposals	0.0	0.4	1.1	0.0	1.4
31 Dec 2023	(1.5)	(0.8)	(1.4)	(0.0)	(3.7)

Carrying amount:

1 Jan 2023	4.7	4.9	2.5	0.0	12.0
31 Dec 2023	15.9	10.2	3.6	0.3	30.1

Enpal acts as a metering point operator and therefore recognizes the smart electricity meters installed at its customers under its own property, plant and equipment.

Enpal had entered purchase commitments of EUR 0.5m (2023: EUR 17.4m) for property, plant and equipment.

The following table presents the carrying amounts of right-of-use assets and their development:

EUR m	Offices	Warehouses	Vehicles	Computer hardware	Total
1 Jan 2023	4.6	2.3	0.2	2.2	9.3
Additions	8.9	0.5	0.0	1.7	11.1
Depreciation	(5.0)	(0.6)	(0.1)	(1.6)	(7.4)

Disposals	0.0	0.0	0.0	(0.1)	(0.1)
31 Dec 2023	8.5	2.1	0.1	2.4	13.2
Additions	29.3	0.0	0.0	0.0	29.3
Depreciation	(2.4)	0.0	0.0	(2.6)	(5.0)
Disposals	(4.4)	(0.6)	(0.1)	1.2	(3.9)
31 Dec 2024	31.1	1.5	0.0	1.1	33.7

The increase in right-of-use assets is primarily due to the lease of additional offices and warehouses. The increase is mainly offset by the impact of a lease contract modification for an office. In addition, computer hardware such as laptops and smartphones has been leased. There are no indications that right-of-use assets are impaired.

The following table presents the carrying amounts of lease liabilities and their development:

EUR m	Offices	Warehouses	Vehicles	Computer hardware	Total
1 Jan 2023	4.6	2.3	0.2	2.3	9.4
Additions	8.6	0.5	0.0	1.7	10.9
Interest expenses on lease liabilities	0.2	0.1	0.0	0.1	0.3
Cash flows for leases	(5.0)	(0.7)	(0.1)	(1.5)	(7.3)
31 Dec 2023	8.4	2.2	0.1	2.5	13.3
Additions	29.3	0.0	0.0	0.0	29.3
Interest expenses on lease liabilities	0.4	0.1	0.0	0.1	0.6
Cash flows for leases	(6.2)	(0.7)	(0.1)	(1.4)	(8.4)
31 Dec 2024	32.1	1.6	0.0	1.1	34.9

The due dates of lease liabilities are presented below. The figures are based on contractual undiscounted payments:

EUR m	31 Dec 2024	31 Dec 2023
< 1 year	4.2	8.2
1 to 5 years	13.1	5.6
> 5 years	17.6	0.0
Total	34.9	13.8

In addition to depreciation, the following amounts were posted through profit or loss:

EUR m	2024	2023
Interest expenses on lease liabilities	0.6	0.3
Expenses for short-term leases	0.0	0.8
Expenses for leases of low-value assets	0.8	0.5
Total	1.4	1.7

No variable lease payments were due in the financial year or in the prior year. The lease agreements for vehicles do not include any options to prolong or terminate the lease. Enpal has considered the options included in the leases for offices, warehouses, and computer hardware.

The following table presents the undiscounted potential lease payments for periods after the date on which unilateral options to prolong or terminate a lease can be exercised that are not considered in the term of the lease and lease payments for contracts that have not yet commenced but agreed:

EUR m	< 1 year	1 to 5 years	> 5 years	Total
Renewal options that are not expected to be exercised	2.7	3.1	40.1	45.9
Leases that have been entered into by the lessee but have not yet commenced	0.0	21.0	44.8	65.8
Total	2.7	24.1	84.9	111.7

(8.) Financial Fixed Assets

EUR m	Participating interests in Group companies	Other participating interests	Loans to Group companies	Other Securities	Deferred tax assets	Other receivables	Total
1 Jan 2024							
Cost of acquisition	3.0	2.0	281.0	0.0	0.0	7.2	293.2
Accumulated impairments	0.0	0.0	(7.4)	0.0	0.0	0.0	(7.4)
Accumulated revaluations	23.4	0.0	(12.7)	0.6	16.7	0.0	27.9
Carrying amount:	26.4	2.0	260.9	0.6	16.7	7.2	313.7
Changes during the financial year:							
Investments and loans provided	2.0	6.0	130.7	0.6	0.0	23.1	162.4
Divestments and redeemed loans	0.0	0.0	(65.2)	(0.6)	0.0	(3.0)	(68.8)
Acquisition of participating interest	0.5	0.0	0.0	0.0	0.0	0.0	0.5
Deconsolidation of participating interests	(12.7)	0.0	(14.0)	0.0	0.0	11.4	(15.3)
Impairments	(2.2)	(0.0)	(13.2)	0.0	0.0	0.0	(15.4)
Provision	0.0	0.0	(3.1)	0.0	0.0	(0.1)	(3.2)
Revaluation	0.0	29.6	0.0	0.0	(16.7)	0.0	12.9
Share in results of participating interests	3.2	0.0	0.0	0.0	0.0	0.0	3.2
Reversal of impairments	0.0	0.0	10.0	0.0	0.0	0.0	10.0
Total changes	(9.2)	35.6	45.0	0.0	(16.7)	31.4	86.3
31 Dec 2024							
Cost of acquisition	5.5	8.0	346.5	0.0	0.0	27.3	387.3
Accumulated impairments	(14.9)	0.0	(13.7)	0.0	0.0	0.1	(28.7)
Accumulated revaluations	26.6	29.6	(26.7)	0.6	0.0	11.4	41.5
Carrying amount:	17.3	37.6	306.0	0.6	0.0	38.5	400.0

For details on the deferred tax assets, reference is made income tax paragraph in the notes to the consolidated financial statements.

Some participating interests have a negative net asset value and are valued at zero without a provision being recognized, because the company does not fully or partially guarantee the debts of those participating interests and has no constructive obligation to support those participating interests to pay their debts. Enpal's share in the negative equity value of participating interests amounts to EUR 3.5m (2023: EUR 0.4m). The unrecognized share of the losses during the financial year amounts to EUR 15.5m (2023: EUR 10.7m). The unrecognized accumulated losses of participating interests amount to EUR 39.4m (2023: EUR 23.9m) on the reporting date.

Enpal is the parent company and has the following direct financial interests in Group companies:

Entity	Registered seat	Share in capital
Consolidated participating interests		
EFS Deutschland GmbH (until 4 June 2024 Enpal Financial Services Deutschland GmbH)	Berlin (Germany)	100%
EFS Holding GmbH (until 5 June 2024 Enpal Financial Services Holding GmbH)	Berlin (Germany)	100%
EFS Italia Srl	Milan (Italy)	100%
Enpal Albania Shpk	Tirana (Albania)	100%
Enpal Asset Management GmbH* (until 25 September 2024 Enpal Assets GmbH, until 31 May 2024 Enpal Tech GmbH)	Berlin (Germany)	100%
Enpal BH d.o.o.	Sarajevo (Bosnia)	100%
Enpal Business Installations GmbH* (until 19 December 2024 Enpal Montage Hamburg GmbH)	Hamburg (Germany)	100%
Enpal Business Solutions GmbH* (until 30 May 2024 engea Wallbox GmbH)	Berlin (Germany)	100%
Enpal China Ltd.	Shenzhen (China)	100%
Enpal Customer Care GmbH* (until 24 June 2024 Enpal Asset Management GmbH)	Berlin (Germany)	100%
Enpal Dragon GmbH*	Berlin (Germany)	100%
Enpal Electrical Services GmbH* (until 20 August Enpal Electrical Installation GmbH, until 6 June 2024 Enpal Montage Hannover GmbH)	Hannover (Germany)	100%

Enpal Enablement GmbH*	Berlin (Germany)	100%
Enpal Energy GmbH*	Berlin (Germany)	100%
Enpal ezee Benefit GmbH**	Berlin (Germany)	70%
Enpal ezee GmbH**	Berlin (Germany)	70%
Enpal Fulfillment B.V.	Amsterdam (Netherlands)	100%
Enpal Green Advantage GmbH**	Schönefeld (Germany)	100%
Enpal Green Advantage Holding GmbH**	Schönefeld (Germany)	100%
Enpal Green Innovations Holding GmbH**	Berlin (Germany)	100%
Enpal Green Innovations I GmbH**	Berlin (Germany)	100%
Enpal Green Technologies Holding GmbH**	Berlin (Germany)	100%
Enpal Green Technologies I GmbH**	Berlin (Germany)	100%
Enpal Green Vision GmbH**	Schönefeld (Germany)	100%
Enpal Green Vision Holding GmbH**	Schönefeld (Germany)	100%
Enpal Grid Operations GmbH*	Berlin (Germany)	100%
Enpal Installation Nord GmbH*	Artern (Germany)	100%
Enpal Installation Süd GmbH*	Artern (Germany)	100%
Enpal Italia S.r.l.	Mailand (Italy)	100%
Enpal Montage GmbH*	Berlin (Germany)	100%
Enpal Planning GmbH*	Berlin (Germany)	100%
Enpal Pro GmbH* (until 12 July 2024 Enpal Production GmbH)	Berlin (Germany)	100%
Enpal Production GmbH*	Berlin (Germany)	100%
Enpal Sales B.V.	Amsterdam (Netherlands)	100%
Enpal Sales Enablement GmbH*	Berlin (Germany)	100%
Enpal Sales GmbH*	Berlin (Germany)	100%
Enpal Sales Nord GmbH*	Hamburg (Netherlands)	100%
Enpal Sales Süd GmbH*	München (Germany)	100%
Enpal Sales West GmbH* (until 3 June 2024 Enpal Sales NRW GmbH)	Essen (Germany)	100%
Enpal Services GmbH*	Berlin (Germany)	100%
Enpal Montage Köln GmbH*	Berlin (Germany)	100%
Enpal Shelf III GmbH* (until 20 December 2024 Enpal Montage Berlin/Brandenburg GmbH)	Berlin (Germany)	100%
Enpal Shelf IV GmbH* (until 18 December 2024 Enpal Montage Nürnberg GmbH)	Berlin (Germany)	100%

Enpal Shelf V GmbH* (until 23 December 2024 Enpal Montage Rhein/Main GmbH)	Berlin (Germany)	100%
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Other participating interests, including non-consolidated

Enpal ezee Benefit II GmbH	Schönefeld (Germany)	Associated
Enpal Green Future I GmbH	Schönefeld (Germany)	Associated
Enpal Green Solutions I GmbH	Schönefeld (Germany)	Associated
Enpal Green Future Holding GmbH	Schönefeld (Germany)	Associated
Enpal Green Solutions Holding GmbH	Schönefeld (Germany)	Associated
Flexa GmbH	Munich (Germany)	Joint venture
Entrix GmbH	Munich (Germany)	Investment
Theion GmbH	Berlin (Germany)	Investment

Enpal can exercise significant influence over Green Finance Solutions SA and Golden Ray SA as a result from contractually secured rights even though Enpal does not hold most of the voting rights.

(9.) Inventories

Inventories consist of the following items:

EUR m	31 Dec 2024	31 Dec 2023
Raw materials, consumables and supplies	116.7	152.0
Unfinished photovoltaic and other systems	18.7	30.5
Total	135.4	182.5

The cost of inventories recognized under the cost of sales in the financial year amounts to EUR 258.0m (2023: EUR 326.8m). Materials have been impaired by EUR 6.0m (2023: EUR 1.9m).

(10.) Trade and other Receivables

EUR m	31 Dec 2024	31 Dec 2023
Trade receivables	120.8	71.5
Prepaid expenses and deferred charges	56.6	4.8
Input tax receivables	9.3	30.9
Shareholder loans to financing entities within the Group	1.8	128.6
Convertible loan	-	2.0
Advance payments on inventories	0.9	0.3
Security deposits	0.2	0.2
Other current financial assets	3.7	0.7
Other financial assets	193.2	239.0

Trade receivables of EUR 106.2m (2023: EUR 68.7m) result from transactions with Group companies. Shareholder loans to financing entities within the Group were reclassified to current trade and other receivables, as those shareholder loans are subject to a sale within one year after the reporting date.

All receivables have a maturity of less than one year. The carrying values of the recorded receivables are a reasonable approximation of their respective fair values, given the short maturities of the positions. Neither have allowances for doubtful debts been recognized in the current nor in the previous financial year as all receivables are most likely to be collected.

(11.) Cash and Cash Equivalents

Cash and cash equivalents comprise current bank deposits denominated in EUR, deposits of EUR 28.6m (2023: EUR 26.8m) denominated in USD, investments in money market funds of EUR 20.4m (2023: EUR 119.1m), and, to a minor extent, cash on hand.

As at the reporting date, current bank deposits of EUR 3.2m (2023: EUR 5.4m) were subject to restricted disposal. Of this amount, EUR 2.4m (2023: EUR 0.2m) was pledged to the lessors of real estate and EUR 0.8m (2023: EUR 5.2m) were placed in special-purpose accounts for the purchase of materials.

(12.) Shareholders' Equity

A reconciliation of movements in equity is presented in the following table:

EUR m	Issued capital	Share premium	Other legal reserves	Other reserves	Retained earnings	Result for the year	Equity
1 Jan 2023	0.1	293.0	2.5	0.0	(66.1)	22.5	252.0
Appropriation of result	0.0	0.0	0.0	0.0	22.5	(22.5)	0.0
Profit (loss) for the period	0.0	0.0	0.0	0.0	0.0	(12.3)	(12.3)
Capital increase	0.0	208.0	0.0	0.0	0.0	0.0	208.0
Transaction cost for capital increase	0.0	(6.3)	0.0	0.0	0.0	0.0	(6.3)
Conversion option	0.0	(2.4)	0.0	0.0	2.4	0.0	0.0
Additions to other legal reserves	0.0	0.0	2.6	0.0	(2.6)	0.0	0.0
31 Dec 2023	0.1	492.3	5.1	0.0	(43.7)	(12.3)	441.4
Appropriation of result	0.0	0.0	0.0	0.0	(12.3)	12.3	0.0
Profit (loss) for the period	0.0	0.0	0.0	0.0	0.0	(151.3)	(151.3)
Share based payment	0.0	21.2	0.0	0.0	0.0	0.0	21.2
Transaction cost for capital increase	0.0	(0.3)	0.0	0.0	0.0	0.0	(0.3)
Conversion option	0.0	(1.8)	0.0	0.0	0.0	1.8	0.0
Other comprehensive income	0.0	0.0	0.0	0.7	0.0	0.0	0.7
Additions to other legal reserves	0.0	0.0	4.3	0.0	(4.3)	0.0	0.0
31 Dec 2024	0.1	511.3	9.4	0.7	(60.3)	(131.7)	311.6

Issued capital amounts to EUR 0.1m (2023: EUR 0.1m) with a face value of EUR 1.00 per share. 66,337 shares have been issued (2023: 66,337), of which 41,152 are preference shares that are equipped with preferential treatment in the event of an exit, meaning any proceeds from liquidation are paid to these shareholders first. In addition, special shares exist, which if they are held by a founder or founding company, entitle the holder to cast two votes per special share.

On 2 December 2024 the term of the remaining convertible loan of EUR 15.0m was extended until 19 February 2026. The interest rate was reduced from 2% p.a. to 0.25% p.a. in the course of the prolongation in 2023. The extension of the term and the reduction in the interest rate resulted in the fair value of the underlying loan (excluding the conversion rights) being lower than the carrying amount of the convertible loan prior to the modification. The conversion right previously recognized under equity still constitutes an equity component after the contractual modification. The share premium decreased by EUR 1.8m on account of this modification. Retained earnings increased by the same amount. From the date of the modification until 31 December 2024.

Other legal reserves consist of a legal reserve for capitalized development costs of EUR 9.4m (2023: EUR 5.1m). Other reserves include fair value reserves of EUR 2.3m, deferred tax reserves EUR -0.9m and cash flow reserves from equity investments EUR -0.7m.

The retained earnings consist of the accumulated profits or losses per the reporting date.

Unappropriated result

Appropriation of profit 2023

The financial statements for the financial year 2023 have been adopted by the Shareholders on 19 August 2024. The Shareholders adopted the appropriation of profit after tax as proposed by the executive directors.

Proposal for loss appropriation 2024

The executive directors propose to the Shareholders to appropriate the losses in the retained earnings.

The following table presents the reconciliation of shareholders' equity and net result per the consolidated financial statements with shareholders' equity and net result per the separate financial statements:

EUR m	31 Dec 2024	31 Dec 2023
Shareholders' equity according to the consolidated statement of financial position	286.8	424.8
Cumulative effects beginning of the year	16.6	1.0
Profit/loss for the period	9.9	5.7
Cash flow hedges	(0.4)	9.9
Other	(1.3)	(0.1)
Shareholders' equity according to the separate statement of financial position	311.6	441.4

EUR m	2024	2023
Profit/loss for the period in the consolidated financial statements	(161.2)	(18.1)
Impairments/revaluations of loans to participating interests	6.5	(7.4)
Unrealized gains/losses of participating interests	15.5	10.7
Intra-profit elimination	0.0	2.2
Reconciliation consolidation of earnings and expenses	(12.1)	0.2
Profit/loss for the period in the separate financial statements	(151.3)	(12.3)

(13.) Provisions

Provisions developed as follows:

EUR m	1 Jan 2024	Utilization	Additions	Reversals	31 Dec 2024
Share-based payments	13.2	(0.6)	1.5	(10)	4.1
Warranty provisions	0.8	(0.8)	0.9	0.0	0.9
Provision for participating interests	8.9	0.0	0.0	(3.5)	5.4
Other provisions	0.3	0.0	1.0	0.0	1.3
Total	23.1	(1.4)	3.4	(13.5)	11.7

The warranty and other provisions are short-term. Provisions for share-based payments of EUR 0.6m (2023: EUR 0.6m) are short-term. Other provisions mainly consist of marketing provisions.

(14.) Convertible Loan

Please refer to the convertible loan paragraph in the notes to the consolidated financial statements.

(15.) Bank Loans

Please refer to the bank loans paragraph in the notes to the consolidated financial statements.

(16.) Trade Payables

The amount of EUR 315.6m (2023: EUR 303.8m) relates to trade payables from Group companies.

All trade payables have an estimated maturity shorter than one year. The carrying values of the recorded payables are a reasonable approximation of their respective fair values, given the short maturities of the positions.

(17.) Supplier Finance Liabilities

Please refer to the supplier finance liabilities paragraph in the notes to the consolidated financial statements.

(18.) Other Financial Liabilities

Other financial liabilities break down as follows:

EUR m	31 Dec 2024	31 Dec 2023
Liabilities from subsidiaries	8.5	10.8
Liabilities towards employees	2.5	1.8
Other current financial liabilities	16.2	0.8
Total	27.2	13.3

(19.) Other Current Non-Financial Liabilities

Other current liabilities break down as follows:

EUR m	31 Dec 2024	31 Dec 2023
Payroll taxes	1.6	0.7
Other*	0.8	0.0
Total	2.4	0.7

* Includes mainly accrued expenses

(20.) Share-Based Payments

Please refer to the share-based payments paragraph in the notes to the consolidated financial statements.

(21.) Financial Instruments

The following table presents the carrying amounts and fair values of financial assets and financial liabilities and their allocation to the fair value hierarchy. It does not contain any information on the fair value of financial assets and financial liabilities that are not measured at fair value if the carrying amount of such items sufficiently approximates their fair value:

EUR m	Amounts recognized in the statement of financial position:	31 Dec 2024				
		Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets at fair value						
Other participating interest	Financial fixed assets	18.8	18.8	0.0	18.8	0.0
Money market funds	Cash and cash equivalents	20.4	20.4	20.4	0.0	0.0
Financial assets at amortized cost						
Trade receivables	Trade and other receivables	122.6				
Other financial assets	Financial fixed assets	344.5				
Other financial assets	Trade and other receivables	59.4				
Cash and cash equivalents	Cash and cash equivalents	70.5				
Total		636.3				
Financial liabilities measured at amortized cost						
Convertible loan	Convertible loan	13.4	13.4	0.0	0.0	13.4
Trade payables	Trade payables	394.4				
Supplier finance liabilities	Supplier finance liabilities	74.1				
Other liabilities	Other financial liabilities	37.5				
Total		519.4				

Please refer to the financial instruments paragraph in the notes to the consolidated financial statements.

In the notes to the consolidated financial statements information is included about Enpal Group's exposure to financial risks, the Enpal Group's objectives, policies and processes for measuring and managing risk, and the Enpal Group's management of capital. These risks, objectives, policies and processes and the management of capital apply also to the separate financial statements of Enpal. However, the risks are limited to the risks described below:

Liquidity risk

Liquidity risk refers to the risk that there may not be enough cash available to meet the financial obligations of Enpal. The risk can arise from insufficient liquidity where it is needed, inaccurate cash flow projections or a one-sided investment strategy for the cash reserves.

Enpal manages its liquidity risks by keeping sufficient cash, credit lines at banks and other facilities as well as day-to-day cash flow planning at the level of the Group.

The table below presents the undiscounted contractually agreed cash flows of the financial liabilities. Their allocation to the periods when the cash flows will occur is based on the earliest possible date on which the cash flows can occur.

EUR m	less than 1 year	between 1 and 5 years	over 5 years	Total contractual cash flows
Convertible loan	0.0	16.4	0.0	16.4
Trade payables	394.4	0.0	0.0	394.4
Supplier finance liabilities	74.1	0.0	0.0	74.1
Other liabilities	37.5	0.0	0.0	37.5

Off-Balance Sheet Assets and Liabilities

Enpal had entered purchase commitments of EUR 0.5m (2023: EUR 17.4m) for property, plant and equipment.

Together with multiple subsidiaries, Enpal B.V. forms a fiscal unity for corporate tax and value-added tax. The standard conditions stipulate that each of the companies is liable for the tax payable by both companies belonging to the fiscal unity. Enpal B.V. has a profit transfer agreement with Enpal Sales GmbH. Moreover, Enpal B.V. has cost-plus agreements with multiple subsidiaries.

On 31 December 2024 Enpal guarantees in the form of issued comfort letters for all outstanding liabilities on behalf of several Group companies (see the corresponding remarks in the table of consolidated subsidiaries of the consolidated financial statements).

(22.) Related Parties

Regarding the transactions with key management personnel reference is made to the related parties' paragraph in the notes to the consolidated financial statements.

The tables below present the related party transactions and balances of Enpal:

	2024		2023	
EUR m	Income	Expenses	Income	Expenses
Group companies	375.3	(298.2)	844.1	(444.4)

	31 Dec 2024		31 Dec 2023	
EUR m	Receivables	Liabilities	Receivables	Liabilities
Group companies	457.9	315.7	478.4	314.7

All outstanding balances with these related parties are priced on an arm's length basis.

(23.) Auditor's Fees

The fee for audit services charged by the KPMG Group amounts to EUR 0.8m (2023: EUR 0.8m). Thereof EUR 0.2m (2023: EUR 0.2m) are charged by KPMG Accountants N.V. The fee relates to the audit of the consolidated financial statements and the separate financial statements of Enpal B.V. as well as the separate financial statements of eight Group companies. Extra costs of were recognized in the financial year for the audit of the prior year's financial statements.

(24.) Subsequent Events

Regarding the subsequent event as at the date of this Annual Report reference is made to the subsequent event paragraph in the notes to the consolidated financial statements.

(25.) Remuneration of executive directors and advisory board

Regarding the remuneration of the key management personnel, reference is made to the related party disclosures and sub-paragraph transactions with key management personnel in the notes to the consolidated financial statements. The advisory board members did not receive compensation for their services.

Executive directors

Amsterdam, 30 June 2025

Mario Kohle

Dr. Florian Christ

Stephan Rink

Henning Rath

Viktor Wingert

Other information

Provisions in the Articles of Association governing the Profit Appropriation

Under article 25 of Enpal's Articles of Association, the profit is at the disposal of the General Meeting, which can allocate the profits as determined by the adoption of the annual accounts and to declare distributions to the shareholders. Any distributions to the shareholders, including profit distributions or distributions from reserves or liquidation proceeds, are paid out in a specific order based on the seed round.

Special Provision in the Articles of Association regarding Governance

The special shares are held by MVK Asset Management GmbH, whose executive director is an executive director at Enpal and a member of the advisory Board. Special shares, as long as they are held by a founder or founding company, entitle the holder to cast two votes per special share.

Auditor's report of the independent auditor

The auditor's report with respect to the consolidated and separate financial statements is set out on the next pages.



Independent auditor's report

To: the General Meeting of Enpal B.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the financial statements 2024 of Enpal B.V., based in Amsterdam. The financial statements comprise the consolidated financial statements and the separate financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Enpal B.V. as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying separate financial statements give a true and fair view of the financial position of Enpal B.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

- 1 the consolidated statement of financial position as at 31 December 2024;
- 2 the following statements for 2024: the consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flow; and
- 3 the notes comprising material accounting policy information and other explanatory information.

The separate financial statements comprise:

- 1 the separate statement of financial position as at 31 December 2024;
- 2 the separate statement of profit or loss for 2024;
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Enpal B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).



We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of fraud and non-compliance with laws and regulations and going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

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

Information in support of our opinion

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapter 'Risk Management' of the Management Report, management describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment and the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's whistleblowing hotline, anti-money-laundering-policy, anti-corruption directive and supplier code of conduct and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with the management and other relevant functions, such as the legal counsel. We have also incorporated elements of unpredictability in our audit.

As a result from our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the financial statements in case of non-compliance:

- anti-bribery and corruption laws and regulations;
- data privacy legislation.

Our procedures did not result in the identification of a reportable risk of material misstatement in respect of non-compliance with laws and regulations.

Based on the above and on the auditing standards, we identified the following presumed fraud risks laid down in the auditing standards, and responded as follows:

Management override of controls (a presumed risk)

Risk:

Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Responses:

- We evaluated the design and the implementation of internal controls that mitigate fraud risks, such as processes related to journal entries.

- As part of the fraud risk assessment, we performed a data analysis of the journal entries population to determine if high-risk criteria for testing applies and evaluated relevant estimates and judgments for bias by the Company's management. Where we identified instances of unexpected journal entries or other risks through our data analysis, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.
- We identified and selected journal entries and other adjustments made at the end of the reporting period for testing.

Revenue recognition (a presumed risk)

Risk:

We identified a fraud risk in relation to the recognition of revenue. This risk inherently includes the fraud risk that management deliberately understates revenue in the cut off, as management may feel pressure to achieve planned results for the next year.

Responses:

- We evaluated the design and the implementation of internal controls related to the revenue process.
- We performed substantive audit procedures in the cut off of revenues by determining the fulfillment of performance obligations (revenue recognition) by assessing the terms and conditions and vouching revenues recorded to the underlying sales transactions, agreements and supporting documentation such as delivery documents.

We communicated our risk assessment, audit responses and results to management.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

Management has performed its going concern assessment and has not identified any going concern risks. To assess management's assessment, we have performed, inter alia, the following procedures:

- we considered whether management's assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we analyzed the company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the Management Report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Management Report, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors 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 the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.



We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Zwolle, 30 June 2025

KPMG Accountants N.V.

W. Hoekstra RA