

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and Management Report



December 31, 2025

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AUTHORIZATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND CONSOLIDATED MANAGEMENT REPORT

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. and Subsidiaries
Consolidated statement of financial position as at December 31, 2025
(Thousands of euros)

ASSETS	Notes	2025	2024
NON-CURRENT ASSETS		2,239,399	1,806,877
Intangible assets	6	306	326
Patents, licenses, trademarks and similar rights		76	76
Computer software		230	250
Surface rights	9	186,599	144,113
Property, plant and equipment	7	1,837,733	1,527,993
Land and buildings		2,068	43,482
Plant and machinery		1,251,507	985,061
Property, plant and equipment under construction		584,158	499,450
Non-current financial assets		75,727	87,464
Other financial assets	11.2	2,489	1,851
Derivatives	14.3	73,238	85,613
Investments in associates	8	96,547	-
Deferred tax assets	15	42,487	46,981
CURRENT ASSETS		204,065	161,765
Non-current assets held for sale	10	28,944	28,944
Trade and other receivables		89,334	70,525
Trade receivables	11.1	78,641	69,966
Other taxes receivable	15	10,693	559
Current financial investments		10,836	6,477
Other financial assets		141	82
Derivatives	14.3	10,695	6,395
Prepayments for current assets		1,622	1,470
Cash and cash equivalents	11.3	73,329	54,349
Cash		73,329	54,349
TOTAL ASSETS		2,443,464	1,968,642

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. and Subsidiaries
Consolidated statement of financial position as at December 31, 2025
(Thousands of euros)

EQUITY AND LIABILITIES	Notes	2025	2024
EQUITY		709,369	617,836
SHAREHOLDERS' EQUITY		664,034	570,602
Capital	12.1	1,250	1,250
Registered capital		1,250	1,250
Share premium	12.2	309,676	309,676
Reserves	12.3	260,560	167,112
Legal reserve		5,311	5,311
Voluntary reserves		255,249	161,801
Non-controlling interests	12.5	5,162	3,950
Profit for the year attributable to equity holders of the parent		137,390	88,614
Treasury shares	12.6	(50,004)	-
VALUATION ADJUSTMENTS		45,335	47,234
Hedging transactions	12.4	46,478	47,488
Translation differences		(1,143)	(254)
NON-CURRENT LIABILITIES		1,339,672	1,057,537
Government grants related to assets	14.5	5,100	-
Non-current loans and borrowings		1,274,499	1,017,829
Bank borrowings	14.1	969,427	746,960
Bonds and other marketable securities	14.1	111,029	109,068
Lease liabilities	14.2	176,883	138,715
Derivatives	14.3	17,160	23,087
Deferred tax liabilities	15.2	60,073	39,708
CURRENT LIABILITIES		394,423	293,269
Current loans and borrowings		252,141	153,968
Bank borrowings	14.1	84,643	56,675
Bonds and other marketable securities	14.1	149,747	79,189
Lease liabilities and other financial liabilities	14.2	17,029	16,825
Derivatives	14.3	722	1,278
Trade and other payables		142,282	139,301
Trade and other payables	14.5	136,300	122,304
Personnel - salaries payable	14.5	3,178	3,229
Current tax liabilities	15	198	10,904
Other taxes payable	15	2,606	2,864
TOTAL EQUITY AND LIABILITIES		2,443,464	1,968,642

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. and subsidiaries
Consolidated income statement
for the year ended December 31, 2025
(Thousands of euros)

	Notes	2025	2024
CONTINUING OPERATIONS			
Revenue	16.1	197,443	176,906
Other income	16.1	105,509	33,538
Other income/(expense)	16.1	-	28,944
Share of profit/(loss) of associates	16.5	547	-
Personnel expenses	16.2	(21,353)	(21,161)
Salaries, wages and similar		(17,709)	(17,413)
Employee benefits expense		(3,644)	(3,749)
Other operating expenses	16.3	(16,051)	(16,957)
External services		(6,463)	(7,392)
Taxes other than income tax		(9,588)	(9,565)
Amortization and depreciation	6.7, 9	(48,423)	(43,656)
OPERATING PROFIT		217,672	157,614
Finance income	16.4	637	625
Other finance income		637	625
Finance costs	16.4	(48,259)	(38,096)
Interest on third-party borrowings		(48,259)	(38,096)
NET FINANCE INCOME/(EXPENSE)		(47,622)	(37,471)
CONSOLIDATED PROFIT BEFORE TAX		170,050	120,143
Income tax expense	15.1	(32,660)	(31,529)
CONSOLIDATED PROFIT - CONTINUING OPERATIONS		137,390	88,614
Non-controlling interests	12.5	-	-
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		137,390	88,614
Basic and diluted earnings per share (€)	18	1.10	0.71

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. and subsidiaries
Consolidated statement of other comprehensive income
for the year ended December 31, 2025
(Thousands of euros)

	Notes	2025	2024
Profit for the year		137,390	88,614
Other comprehensive income			
Gain/(loss) on cash flow hedges	12.4	(1,346)	2,188
Tax effect		336	(547)
Exchange differences on translation of foreign operations		(889)	713
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax		(1,899)	2,354
Total comprehensive income for the year, net of tax		135,491	90,968
Attributable to the equity holders of the parent		135,491	90,968
Attributable to non-controlling interests		-	-

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. and subsidiaries
Consolidated statement of changes in equity
for the year ended December 31, 2025
(Thousands of euros)

	Registered capital (Note 12.1)	Share premium (Note 12.2)	Legal reserve (Note 12.3)	Other reserves and prior years' losses	Profit for the year	Treasury shares (Note 12.6)	Non- controlling interests (Note 12.5)	Hedging transactions (Note 12.4)	Translation differences	TOTAL
BALANCE AT DECEMBER 31, 2023	1,250	309,676	5,311	54,287	107,514	-	1,200	45,847	(967)	524,118
Total comprehensive income	-	-	-	-	88,614	-	-	1,641	713	90,968
Distribution of profit/(loss)	-	-	-	107,514	(107,514)	-	-	-	-	-
Other changes	-	-	-	-	-	-	2,750	-	-	2,750
BALANCE AT DECEMBER 31, 2024	1,250	309,676	5,311	161,801	88,614	-	3,950	47,488	(254)	617,836
Total comprehensive income	-	-	-	-	137,390	-	-	(1,010)	(889)	135,491
Distribution of profit/(loss)	-	-	-	88,614	(88,614)	-	-	-	-	-
Other changes	-	-	-	4,834	-	(50,004)	1,212	-	-	(43,958)
BALANCE AT DECEMBER 31, 2025	1,250	309,676	5,311	255,249	137,390	(50,004)	5,162	46,478	(1,143)	709,369

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. and subsidiaries
Consolidated statement of cash flows
for the year ended December 31, 2025
(Thousands of euros)

	Notes	2025	2024
Profit for the year before tax		170,050	120,143
Adjustments to reconcile profit before tax to net cash flows:		41,459	52,183
Amortization and depreciation	6.7, 9	48,423	43,656
Finance income	16.4	(637)	(625)
Finance costs	16.4	48,259	38,096
Other income/(expense)	8.1	(54,586)	(28,944)
Working capital changes		(15,828)	(20,567)
Trade and other receivables		(18,809)	(11,531)
Trade and other payables		2,981	(9,036)
Other cash flows used in operating activities		(57,517)	(36,440)
Interest paid		(44,649)	(37,064)
Income tax recovered/paid		(12,868)	624
Net cash flows from operating activities		138,164	115,319
Investing activities			
Purchase of property, plant and equipment and intangible assets		(398,262)	(187,385)
Net cash flows used in investing activities		(398,262)	(187,385)
Financing activities			
Acquisition of own equity instruments	12.6	(106,664)	-
Disposal of own equity instruments		61,533	-
Issue/repayment of bonds and other marketable securities		71,851	(41,166)
Issue of bank borrowings		324,698	155,258
Repayment of bank borrowings		(60,075)	(56,641)
Repayment of finance lease (IFRS 16)		(12,265)	(8,329)
Net cash flows from financing activities		279,078	49,122
Net increase/(decrease) in cash and cash equivalents		18,980	(22,945)
Cash and cash equivalents at January 1	11.3	54,349	77,294
Cash and cash equivalents at December 31	11.3	73,329	54,349

1. Corporate information

Solaria Energía y Medio Ambiente, S.A. (“Solaria”, “the Company” or “the Parent”) was incorporated on November 27, 2002, as a limited liability company (sociedad anónima) in Spain for an indefinite period. Since July 1, 2009, the Company’s registered address is Calle Princesa, 2, Madrid.

The Parent engages primarily in:

1. The installation and repair of solar, thermal, photovoltaic, wind, and any other type of renewable energy facilities.
2. The installation and repair of plumbing, gas, electricity, cooling, heating, and air conditioning systems.
3. The design and execution of technical projects related to the above.
4. The provision of maintenance and conservation services for works performed by the Company or third parties.
5. The manufacture of solar, thermal, photovoltaic and other renewable energy modules, cells, and components.

The Group’s core businesses in 2025 and 2024 entailed power generation and sales.

The Parent’s shares have been listed on Spain’s four official stock exchanges and quoted on the Spanish electronic trading platform (continuous market) since June 19, 2007. They were included on the IBEX 35 index on October 19, 2020.

Solaria is the parent of a Group comprising 115 companies as at December 31, 2025 (2024: 105), all wholly owned by the Company except for Indarberri, S.L., which is 75%-owned (Note 12.5).

The majority of Solaria Group companies engage mainly in the operation of photovoltaic (PV) solar plants in Spain and other countries where they are located abroad. Information on investments in Group companies as at December 31, 2025 and 2024 is provided in the Appendix.

On the same date as the accompanying consolidated financial statements, the directors of the Parent authorized for issue the financial statements of Solaria Energía y Medio Ambiente, S.A. for the year ended December 31, 2025.

The separate and consolidated financial statements of Solaria Energía y Medio Ambiente, S.A. for the year ended December 31, 2024, were approved at the General Shareholders’ Meeting held on June 26, 2025, and placed on file at the Madrid Companies Register.

In 2025, the Parent closed an agreement over a 125 million euro capital increase with a specialized infrastructure fund for the joint investment in renewable land assets of Generia Land S.L. From the date of the operation, the investment will be accounted for using the equity method (Note 8).

2. Basis of preparation of the consolidated financial statements, consolidation principles and regulatory framework

2.1 Basis of preparation and true and fair view

Solaria Group's consolidated financial statements for the year ended December 31, 2025, were prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and all requirements of the applicable regulatory framework for financial reporting effective as at December 31, 2025, to give a true and fair view of the consolidated equity and financial position of Solaria Energía y Medio Ambiente, S.A. and subsidiaries at December 31, 2025, and of the consolidated results of their operations, changes in consolidated equity and the consolidated cash flows for the year then ended.

The accompanying 2025 financial statements were authorized for issue by the Parent's Board of Directors and will be submitted for approval at the General Shareholders' Meeting. They are expected to be approved without any changes.

The 2025 consolidated financial statements have been prepared from the accounting records of the Parent and the other entities comprising the Group. Each company prepares its separate financial statements using the principles and criteria in effect in the country in which they operate; accordingly, adjustments and reclassifications are made upon consolidation to align these principles and criteria with IFRS-EU.

2.2 Comparative information

In accordance with company law, for comparative purposes for each item of the consolidated statement of financial position, the consolidated income statement, the consolidated statement of changes in equity and the consolidation statement of cash flows, in addition to the figures for 2025, those for the previous year are presented. Quantitative information for the previous period is also included in the notes to the consolidated financial statements unless an accounting standard specifically states that this is not required.

2.3 Changes in accounting policies

a) Standards and interpretations approved by the European Union and applied for the first time during the current reporting period

The accounting policies used to prepare the accompanying consolidated financial statements are the same as those used the previous year except for the following standards, interpretations, and amendments that were applied for the first time during the current reporting period:

Amendments to IAS 7 and IFRS 7: Supplier finance arrangements

Amendments to IAS 7 and IFRS 7 *Financial Instruments: Disclosures*, clarify the characteristics of supplier finance arrangements and require additional disclosures to assist users of financial

statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

These disclosures are provided in Note 14.2 to the financial statements.

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current.

These amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- Right to defer settlement. If the entity's right to defer settlement of a liability is subject to future covenants, the entity has a right to defer payment even if it does not comply with those future covenants using the reporting date in the calculation of the information.
- Expected deferrals. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least 12 months after the reporting period.
- Settlement by way of an entity's own equity instruments. There is an exception to the requirements for settling liabilities with equity instruments that affects the classification of the liability.

b) Standards and interpretations issued by the IASB, but not effective in the reporting period

The Group intends to apply the new standards, interpretations and amendments issued by the IASB whose application is not mandatory in the European Union when they become effective, to the extent applicable to the Group. Although the Group is still in the process of analyzing their impact, based on the analysis performed to date, it estimates that their first-time application will not have a significant impact on its consolidated financial statements.

Amendments to IFRS 9 and IFRS 7: Nature-dependent electricity contracts

These amendments allow companies to better reflect renewable energy contracts in their financial statements through amendments to IFRS 9 and IFRS 7:

- clarifying the application of the 'own-use' requirements;
- permitting hedge accounting if these contracts are used as hedging instruments; and
- adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

These amendments are effective for annual periods beginning on or after January 1, 2026.

IFRS 18 Presentation and Disclosure in Financial Statements

Among other changes, IFRS 18 introduces three sets of new requirements to improve the way companies report their financial performance and provide investors a better basis for analyzing and comparing companies:

- Improved comparability in the statement of profit or loss introducing three new categories: operating, investing and financing, and new subtotals: operating profit and profit before financing and income taxes.

- Enhanced transparency of management-defined performance measures introducing new guidance and disclosures
- More useful grouping of information in the financial statements.

That standard is effective for annual periods beginning on or after January 1, 2027.

2.4 Responsibility for the information, significant estimates and judgments made in applying the accounting policies

The information in these consolidated financial statements is the responsibility of the Parent's directors. The preparation of the consolidated financial statements required Group management to make certain estimates that affect the reported amounts of certain assets, liabilities, revenue, expenses and commitments recognized therein. These estimates are reviewed on an ongoing basis.

The Group's success will largely hinge on its ability to develop new projects and build new plants, while remaining cost efficient. The expansion of its production capacity is subject to the risks and uncertainties inherent to business projects.

To manage the expansion of its activities efficiently, the Group improves its operating and financial systems, procedures, and controls continuously to enhance their efficiency.

Estimates and assumptions are based on the best information available at the date of authorization for issue of the consolidated annual financial statements on the estimation of uncertainties at the reporting date, which is reviewed regularly. Future events could require adjustments in subsequent periods. The effects of any changes to estimates are recognized prospectively.

2.5 Functional and presentation currency

The functional currency of Group companies is the euro, except for subsidiaries Yarnel, S.A. and Natelu, S.A. in Uruguay, whose functional currency is the US dollar. The Group's consolidated financial statements are presented in thousands of euros, which is the Parent's functional and presentation currency, rounded up to the nearest thousand, unless indicated otherwise in the explanatory notes.

2.6 Foreign currency transactions and balances

Foreign currency transactions are translated into euros at the spot exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange gains or losses arising on this process and on settlement of these assets and liabilities are recognized in profit or loss for the reporting period in which they occur.

Non-monetary items measured in terms of historical cost are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value are translated using the exchange rates at the date when the fair value is determined. Exchange gains or losses are recognized in profit or loss, unless the change

in value of the non-monetary item is recognized in equity, in which case the exchange gains or losses are also recognized in equity.

2.7 Basis of consolidation

2.7.1 Subsidiaries

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries for the year ended December 31, 2025, considering subsidiaries as companies over which the Parent has, directly or indirectly, control.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights results in control.

Subsidiaries are fully consolidated and all their assets, liabilities, income, expenses and cash flows are included in the consolidated financial statements after making uniformity adjustments for accounting policies, the monetary translation of financial statements to the Group's presentation currency, and eliminations for intragroup transactions.

The revenue, expenses and cash flows of subsidiaries are included in the consolidated financial statements from the acquisition date; i.e. the date on which the Group obtains effective control. Consolidation of subsidiaries ceases when control is lost.

The financial statements of subsidiaries used in the preparation of the consolidated financial statements have the same reporting date and period as those of the Parent. The accounting policies of subsidiaries have been adapted to those of the Group for like transactions and other events in similar circumstances.

The translation of the financial statements of foreign subsidiaries whose functional currency is not the euro (applicable to businesses abroad whose functional currency is not that of a hyperinflationary economy) is carried out as follows:

- Assets and liabilities are translated using the spot rates of exchange at the reporting date.
- Income statement items are translated using the average exchange rate for the reporting period, which approximates the exchange rate applicable to each transaction.
- Equity is carried at historical rates.
- The exchange differences arising from the translation of these financial statements into euros are recognized in "Translation differences" in other comprehensive income.

2.7.2 Investments in associates

In the consolidated financial statements associates are accounted for using the equity method, i.e., at the Group's share of the associate's net assets, adjusted for any dividends received and other equity eliminations.

The value of these investments in the consolidated statement of financial position includes any implicit goodwill arising on their acquisition.

Where the Group's investment in associates gives rise to losses and the carrying amount of the net investment has been reduced to zero, only the additional constructive obligations assumed by the Group, if any, in subsidiaries accounted for using the equity method are recognized, in non-current provisions in the statement of financial position.

Under the equity method, on initial recognition the investment in an associate or a joint venture is recognized at cost. The carrying amount is increased or decreased to recognize the Group's share of net assets of the associate or joint venture after the date of acquisition. The gain related to the associate or joint venture is included in the carrying amount of the investment.

The financial statements of the associate or joint venture are prepared for the same financial period as those of the Group and the necessary adjustments are made to make their accounting policies conform to those of the Group.

2.7.3 Intragroup eliminations

All balances receivable and payable and all transactions carried out between and among subsidiaries have been eliminated on consolidation, in accordance with the financial reporting framework applicable to the Group (Note 2.7.4).

2.7.4 Uniformity of measurement

The consolidation of the companies included in the scope of consolidation was performed based on their separate financial statements, prepared in accordance with the Spanish General Accounting Plan for those resident in Spain and local GAAP for foreign companies. All the significant adjustments required to adapt them to International Financial Reporting Standards and/or to make them uniform with the Parent's accounting policies were considered during consolidation.

2.8 Regulatory framework

At December 31, 2025 and 2024, the Group had assets with 34.9 MW of installed capacity.

The main regulations affecting the Group's operations are as follows:

Electricity Sector Act and Royal Decree-Law 9/2013, of July 12

At year-end 2025, the main regulation governing electricity was Law 24/2013 of December 26 on the Electric Sector (the "Electric Sector Act"), which establishes the remuneration system for the type of facilities operated by the Group and is based on the facilities' necessary participation in the market, supplementing, if necessary, market revenues with a specific regulated remuneration allowing these technologies to compete on an equal footing with the other technologies in the market.

Regulatory periods of six years and half-periods of three years are established to calculate the remuneration. The first regulatory period began on July 14, 2013, and ended on December 31, 2019.

For the regulatory half-periods, the remuneration parameters are adjusted based on deviations in the market price from the estimates made for the preceding three-year period and applied over each facility's remaining useful life.

Royal Decree-Law 17/2019

On November 22, 2019, Royal Decree-Law 17/2019 was enacted adopting urgent measures for the required adaptation of remuneration parameters affecting the electricity system and addressing the process for discontinuing activity of thermal power plants:

a) General remuneration regime

Based on this regulation, the reasonable return applicable to the remainder of the regulatory useful life of standard facilities is 7.09%.

b) Exceptional remuneration regime

Exceptionally, the Royal Decree-Law introduces a provision designed to guarantee the possibility of availing of an exceptional remuneration regime that maintains a reasonable return for these facilities

of 7.398% in the 2020-2031 period, which is above the 7.09% set for the 2020-2025 period, thus avoiding the uncertainty of the 2026-2031 period.

Availing of this regime implies the early termination of any arbitration or legal proceedings based on amendments to the special remuneration regime for facilities and the waiver of the receipt of any indemnity or compensation recognized as a result of such proceedings, subject to accreditation before the Spanish Directorate-General of Energy Policy and Mines by September 30, 2020.

The Group companies that operate this kind of asset have availed themselves of the 7.398% remuneration regime for all their facilities.

Regulatory framework in Spain

At December 31, 2025 and 2024, the Group had assets with 34.9 MW of installed capacity under Royal Decree-Law 17/2019, of November 22, 2019, adopting urgent measures for the required adaptation of remuneration parameters affecting the electricity system and addressing the process for discontinuing activity of thermal power plants.

Royal Decree-Law 6/2022 and Royal Decree-Law 11/2022

On March 29, 2022, Royal Decree-Law 6/2022 was published, establishing the bases for the exceptional decision to update the remuneration parameters for standard facilities that produce electricity using renewable sources, cogeneration and waste applicable to 2022 that was originally established in Order TED/171/2020.

To apply the methodology for updating the remuneration parameters, the regulatory half-period from January 1, 2020, to December 31, 2022, was divided into two regulatory periods, the first from January 1, 2020 to December 31, 2021, and the second from January 1, 2022 to December 31, 2022.

In addition, on June 26, 2022, Royal Decree-Law 11/2022 was published adopted and extending certain measures in response to the economic and social consequences of the war in Ukraine in order to remedy situations of social and economic vulnerability and foster the economic and social recovery of the island of La Palma.

These Royal Decree-Laws established, on an exceptional basis, the extension of the temporary suspension of the tax levied on the value of electricity output for electricity generating facilities and their inclusion in the electric system as of 2022. This required modification in the calculation of taxable income and regulated tax payments in accordance with tax legislation.

Accordingly, for the purposes of calculating the instalments corresponding to the four quarters of 2022, the value of electricity production incorporated into the electricity system during those periods was 0 euros.

Finally, Royal Decree-Law 6/2022 established that the CNMC, as the body responsible for settlement, must carry out the necessary settlement to adapt remuneration under the specific remuneration regime by deducting the outstanding amounts owed by the facilities pursuant to the suspension of the tax on the value of electricity output ("IVPEE"). This suspension was extended to December 31, 2023, through Royal Decree-Law 20/2022 of December 27, 2022. In 2024, the tax was reinstated and applied progressively.

The CNMC made the adjustments related with the settlements of the facilities arising from the waiver of IVPEE in 2022, together with the related monthly power sales settlements.

Order TED/1232/2022

On December 14, 2022, Order TED/1232/2022, updating the remuneration parameters for standard plants applicable to certain electricity producing facilities that use renewable sources, cogeneration and waste for application to 2022, was published, as provided for in Royal Decree-Law 6/2022.

The update of the remuneration parameters factored in the new estimate of the average annual price for the day-ahead and intraday market for 2022, which amounted to 121.92 euros/MWh.

Royal Decree-Law 20/2022

On December 28, 2022, Royal Decree-Law 20/2022 was published adopting and extending certain measures in response to the economic and social consequences of the war in Ukraine in order to remedy situations of social and economic vulnerability and foster economic and social recovery in the island of La Palma.

That Royal Decree-Law established, on an exceptional basis, the extension of the temporary suspension of the tax levied on the value of electricity output for electricity generating facilities and their inclusion in the electric system until December 31, 2023.

Accordingly, for the purposes of calculating the instalments corresponding to the four quarters of 2023, the value of electricity production incorporated into the electricity system during those periods was 0 euros.

Order TED/741/2023

On July 8, 2023, Order TED/741/2023, of June 30, 2023, updating the remuneration parameters of standard plants applicable to certain facilities that produce electricity from renewable sources, cogeneration and waste for application to the regulatory half-period beginning January 1, 2023, was published.

This update of remuneration parameters factored in an estimated average annual price for the day-ahead and intraday market of 109.31 euros/MWh for 2023, 108.86 euros/MWh for 2024 and 89.37 euros/MWh for 2025 and beyond.

Moreover, the calculation of the new remuneration parameters took into account the suspension of the tax levied on the value of electricity production established in Royal Decree-Law 20/2022.

Lastly, on January 25, 2024, the CNMC published Resolution INF/DE/019/24 establishing the average annual price for the day-ahead and intraday market for 2023 of 87.01 euros/MWh, and the final kurtosis coefficients for that year.

Royal Decree-Law 8/2023

On December 28, 2023, Royal Decree-Law 8/2023 of December 27 was published establishing that the tax base for 2024 for the tax on the value of electricity production will comprise the total amount receivable by the taxpayer for producing and evacuating electricity to the power system measured at busbar cost for each facility in the tax period, minus half of the remuneration for electricity evacuated to the system in the first calendar quarter and minus one-fourth of the remuneration for electricity evacuated in the second calendar quarter.

Accordingly, for the purposes of calculating the instalments corresponding to the four quarters of 2024, the value of electricity production evacuated to the electricity system was 50% during the first quarter and 75% during the second quarter.

Order TED/353/2024

Order TED/353/2024 of April 11, 2024 establishing the operation remuneration values for the second calendar half of 2023 applicable to certain facilities that produce electricity from renewable sources, cogeneration and waste and approving new standard facilities and their remuneration parameters was published on 23 April 2024.

This Order introduces a correction to Annex V of Order TED/741/2023 after an error was uncovered in setting the upper and lower limits applicable to 2023, 2024 and 2025 for each technology. That Order stated that these limits were to be multiplied, for each year and technology, by the corresponding actual kurtosis coefficients, whereas in reality the kurtosis coefficients estimated by the CNMC should be used, since those limits derive from the estimated electricity market price for each technology, calculated using the corresponding estimated kurtosis coefficient.

CNMC resolutions INF/DE/027/25 and RDN-DE-002-25

The resolutions published by the CNMC establishing the average annual price for the day-ahead and intraday market for 2024 and 2025 were as follows:

- Resolution INF/DE/027/25, published on January 23, 2025, establishing the average annual price for the day-ahead and intraday market for 2024 of 62.96 euros/MWh.
- Resolution RDN-DE-002-25, published on January 22, 2026, establishing the average annual price for the day-ahead and intraday market for 2025 of 65.26 euros/MWh.

Those CNMC resolutions also disclose the definitive annual kurtosis coefficients for each technology, which for PV solar amounted to 0.5784 for 2025 (2024: 0.6672).

Royal Decree 917/2025

Royal Decree 917/2025 of October 15 amending Royal Decree 413/2014 of June 6 on calculation of the number of equivalent operating hours considered to obtain annual revenue from remuneration for investment of facilities was published on October 16, 2025.

Specifically, although energy sold on the market during hours in which electricity prices on the day-ahead market are negative throughout all trading periods corresponding to six or more consecutive calendar hours will still not be considered, effective January 1, 2024, energy sold by the facilities at zero prices during all trading periods corresponding to a minimum of six consecutive full calendar hours will count as equivalent operating hours.

It also amends Article 21.2 of Royal Decree 413/2014 for calculating, from January 1, 2024, as equivalent hours of operations energy not produced and sold due to technical restrictions (“dispatches”) imposed by the system operator on facilities. Facilities whose annual revenues from the specific remuneration regime are affected by those dispatches must submit a request to the body in charge of settlement (“CNMC”), within four months from the entry into force of this Royal Decree, for corrections to 2024, and by May 31, 2026, for those of 2025.

Order TED/53/2026

Order TED/53/2026 of January 27 updating the remuneration parameters of standard plants applicable to certain facilities that produce electricity from renewable sources, cogeneration and waste, for application to the regulatory half-period beginning on January 1, 2026, and approving new standard facilities and their corresponding remuneration parameters, was published on February 3, 2026.

Regulatory framework in Italy

Italy’s energy bill was introduced under EU Directive 2001/77/EC and subsequently implemented with enactment of Legislative Decree 387 of 2003. This mechanism became effective when Inter-Ministerial Decrees 07/28/2005 and 02/06/2006 (Conto Energia I) introducing the operating account financing system for electricity production entered into force.

Ministerial Decree 2/19/2007 (Conto Energia II) introduced certain new characteristics, such as applying incentive tariffs on all power produced by the plant, simplifying the rules for gaining access to these incentives, and differentiating tariffs according to type of architectural integration and the system’s size.

A bonus was also provided for PV systems combined with efficient energy use.

Conto Energia III became effective in 2010 through Ministerial Decree 6/8/2010, and was applicable to plants entering into operation between January 1, 2011 and May 31, 2011. It introduced specific integrated PV system tariffs with innovative characteristics and concentration PV systems.

With Law 129/2010 (the “Alcoa Savings Law”), 2010 tariffs under Conto Energia II were confirmed for all plants able to certify termination of construction work by December 31, 2010, and the start-up of operations on June 30, 2011.

After Legislative Decree 28/2011 was published, Ministerial Decree 5/5/2011 (Conto Energia IV) was issued, defining the incentives mechanism for plants having started up after May 31, 2011; its purpose was to align tariffs with photovoltaic energy tariff trends, as well as to introduce an annual accumulated limit for incentive expenses, set at 6 billion euros.

Based on the cost-containment approach set out in Conto Energia IV, Ministerial Decree 7/5/2012 was published (Conto Energia V), partially confirming the terms outlined in Ministerial Decree 5/5/2011 and establishing the cumulative cost of incentives at 6.7 billion euros. Incentive regulations in the Energy Law have not applied since July 6, 2013, when the ceiling of 6,700 billion euros was reached.

All plants currently owned by Solaria in Italy operate under Conto Energia II or Conto Energia IV.

On June 25, 2014, the Italian government unveiled Decree Law 91/2014 proposing a series of urgent measures to reduce the cost of electricity. On August 21, Law 116, of August 11, 2014, was enacted, without introducing hardly any amendments to the proposed draft decree law. Article 26 of this Law establishes a series of measures affecting all PV plants with peak power over 200 kW (Spalma Incentivi), for which a number of different options are available to reduce incentives:

- a) The tariff is extended from 20 to 24 years, with a reduction based on the remaining years of operation.

Remaining years of incentive	Tariff reduction percentage
12	25%
13	24%
14	22%
15	21%
16	20%
17	19%
18	18%
19 or more	17%

- b) The duration of the tariff incentive is maintained at 20 years, with an initial reduction of 17% of revenue over a 7-year period and an undefined increase commencing from year 8.
- c) The 20-year period is maintained, with a specific reduction of:
- 6% for PV plants of between 200 and 500 kW;
 - 7% for PV plants of between 500 and 900 kW; and
 - 8% for PV plants of over 900 kW.

The new tariffs became effective from January 1, 2015. The Group's plants in Italy are subject to options b) and c).

On April 28, 2022, Decree-Law 17/2022 whose purpose was to simplify Italy's regulatory framework for renewable energies in the country was published.

3. Appropriation of profit of the Parent

The appropriation of the Parent's profit for 2025 proposed by the directors and expected to be approved at the General Shareholders' Meeting is as follows:

(Thousands of euros)	2025
Basis of appropriation	
Profit for the year	180,125
Appropriation of profit	
Reserves	180,125

3.1 Limitations on the distribution of dividends

The Parent is obliged to earmark 10% of profit for the year for the legal reserve until such reserve represents at least 20% of capital. Unless the balance of the reserve exceeds this amount, it cannot be distributed to shareholders.

Dividends may only be drawn on the year's profit or freely available reserves after meeting the requirements laid down by law and in the by-laws, and if the value of the corporate equity is not, or as a result of such distribution would not be, less than the company's capital. For these purposes, any profit directly allocated to equity may not be distributed either directly or indirectly. In the event of losses in preceding years that reduce corporate equity to less than the Parent's capital, profits shall be used to offset such losses.

The Parent's legal reserve at December 31, 2025, and 2024 was 5,311 euros, so it was fully allocated.

4. Significant accounting policies

The significant accounting policies applied by the Group in the preparation of the accompanying consolidated financial statements are as follows:

4.1 Materiality

The Group assessed materiality in determining what disclosures to be included in the accompanying consolidated financial statements.

4.2 Intangible assets

Intangible assets acquired by the Group are measured on initial recognition at acquisition or production cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

Intangible assets are amortized systematically on a straight-line basis over their estimated useful life, taking into account their residual value. Amortization methods and periods are reviewed at the end

of each reporting period, and adjusted prospectively where applicable.

Intangible assets are recognized if, and only if: (a) it is probable that the expected future benefits that are attributable to the asset will flow to the entity, and (b) the cost of the asset can be measured reliably. The entity shall assess the probability of expected future economic benefits using reasonable and supportable assumptions that represent management’s best estimate of the set of economic conditions that will exist over the useful life of the asset.

Patents and trademarks

The Group pays cash for its patents and licenses. Patents were obtained for a period of 10 years and may be renewed at the end of the period. Licenses for the use of intellectual property were obtained for periods ranging from five to 10 years, depending on the type of license. Licenses may be renewed at little or no cost to the Group and are therefore considered to have indefinite useful lives.

	Years of useful life
Patents	10
Licenses	Indefinite

Computer software

Computer software includes the amounts paid for applications developed internally by the Group that meet the requirements for capitalization of development costs, and amounts paid to acquire computer software from third parties. The costs are amortized on a straight-line basis over an estimated useful life of five years.

Expenses for repairs that do not extend the useful life of the assets, as well as maintenance expenses, are taken to profit or loss in the year incurred.

4.3 Property, plant and equipment

Property, plant, and equipment are recognized at either acquisition or production cost, net of accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. After initial recognition, property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment, if any.

Costs incurred after the initial recognition of an asset are only capitalized to the extent that they increase the capacity or productivity or extend the useful life of the asset. The carrying amount of items that are replaced are derecognized. However, expenses for repairs that do not extend the useful life of the assets, as well as maintenance expenses, are taken to profit or loss in the year incurred.

Cost includes professional fees and borrowing costs accrued during construction that are directly attributable to the acquisition, manufacture or production of qualifying assets, understood at those that require a significant amount of time to be available for use. Borrowing costs associated with specific financing for those assets are capitalized in full during the construction phase. Capitalization of borrowing costs begins when it incurs expenditures for the asset, it incurs borrowing costs and it undertakes activities that are necessary to prepare the asset. Capitalization ceases when all or

substantially all the activities necessary to prepare the asset or parts of the asset are ready for their intended use.

The Group includes under “Property, plant and equipment under construction” costs incurred during the development and construction of certain plants still under construction that are substantially completed and will be operated by the Group once they are commissioned in accordance with IAS 16 (Note 7).

Self-constructed property, plant and equipment reflect the cumulative cost of adding internal costs determined based on hourly costs of personnel involved to external costs, recognized with a debit to “Other income” in the consolidated income statement.

When available for use, property, plant and equipment are depreciated on a straight-line basis over the estimated useful life of the assets. The Group determines the depreciation charge separately for each component with a significant cost in relation to the overall cost of the asset and a different useful life to the rest of the item.

The estimated years of useful life of property, plant and equipment are as follows:

(Thousands of euros)	Years of useful life
Plant	30
Buildings	35 to 50
Machinery	8
Other property, plant and equipment	8

The Group reviews the residual value, useful life and depreciation method of property, plant and equipment at the end of each reporting period. Any changes in the initial criteria are considered a change in accounting estimates. Land on which the buildings and other constructions are located has an indefinite useful life and, therefore, is not depreciated.

The gain or loss arising from the disposal or derecognition of an item of property, plant and equipment is calculated as the difference between the amount of consideration received and the carrying amount of the asset and included in profit or loss for the period when the item is disposed of or derecognized.

Capitalization of borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowings costs include interest and other costs that the Group incurs in connection with obtaining finance (see Note 4.3).

4.4 Impairment of non-financial assets

The Group reviews, at each reporting period, the carrying amounts of its non-current assets, including property, plant and equipment, intangible assets, right-of-use assets and investments in associates, to assess whether there is an indication that an asset may be impaired. If any such indication exists, the Group estimates the asset's recoverable amount by performing an impairment test. For these purposes, it considers as a cash-generating unit each photovoltaic (PV) plant or individual project under development in accordance with its ability to generate cash flows independently. In this respect, the PV solar plant or project under development is considered as a cash-generating unit. The main indicators assessed to identify potential impairment losses include the individual financial returns of each plant, measured by operating performance (capture price times production), and compliance with the related financial covenants. Other key factors are considered, such as changes in interest rates, movements in pool price curves due to the absence of power purchase agreements ("PPA contracts"), credit risk in projects with PPA contracts, and macroeconomic risks, including regulatory uncertainty.

For those assets identified, it estimates the recoverable amount, understood as the higher of an asset's fair value less costs to sell and its value in use.

Where the asset does not generate cash inflows that are independent of those from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount thus determined is lower than the asset's carrying amount, the difference is recognized in profit or loss and that carrying amount of the asset is written down to its recoverable amount. Future amortization/depreciation charges are adjusted in proportion to the adjusted carrying amounts and the new remaining useful life, where a re-estimation is necessary.

Similarly, when there are indications of a recovery in the value of an item of property, plant and equipment, the Group records a reversal of the previously recognized impairment loss and adjusts the future depreciation charge. The increased carrying amount of an asset attributable to a reversal of an impairment loss cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

The recoverable amount of industrial assets and certain plots of land not used in operations was calculated based on fair value. The fair value is the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (excluding finance costs and income tax). The Group measured each asset individually rather than as part of a portfolio.

4.5 Leases

Group as lessee

The Group assesses whether a contract is, or contains, a lease. The Group recognizes a right-of-use asset and a lease liability for all leases in which it is lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets (assessed on a lease-by-lease basis). The Group recognizes the lease payments associated with those leases in which it does not recognize the right-of-use and related lease liability as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the pattern of consumption of the economic benefits of the leased assets.

The lease liability is measured initially at the present value of the lease payments discounted using the interest rate implicit in the lease. Lease liabilities are presented in the consolidated statement of financial position under “Non-current loans and borrowings - Lease liabilities” and “Current loans and borrowings - Lease liabilities”. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and reducing the carrying amount to reflect lease payments made.

The Group remeasures the lease liability (as an adjustment to the right-of-use asset) whenever there is a change in the lease term or upon occurrence of a significant event or significant change in circumstances that give rise to:

- A change in lease payments resulting from a change in an index or rate, or a change in the amounts expected to be payable under a residual value guarantee. In these cases, the Group remeasures the lease liability by discounting the revised lease payments using the original discount rate (unless the change in lease payments results from a change in floating interest rates, in which case the revised discount rate is used).
- A lease modification that is not accounted for as a separate lease, in which case the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate based on the lease term of the modified lease.

The Group’s leased assets relate mainly to land on which the photovoltaic parks are built. The contracts generally have an initial lease term of 26 years plus an option to extend the leases for two 5-year periods each. The leases include fixed lease payments and no variable payments, incentives or purchase options.

The cost of the right-of-use asset includes the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, and any initial direct costs. The asset is subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses.

The right-of-use asset is depreciated over the shorter of the useful life of the underlying asset and the lease term. Depreciation begins from the commencement date of the lease for a period 36 years from the option to extend the leases, which had an initial term of 26 years, for two 5-year period each.

The right-of-use asset is presented as a separate line item in the consolidated statement of financial position under “Surface rights.” The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any impairment loss as explained in Note 4.4.

4.6 Treasury shares

In 2025, Solaria Energía y Medio Ambiente, S.A. bought back 3,720,323 own shares representing 2.98% of share capital at the end of the year. The cost of acquiring these shares was 50 million euros. The cost of buying back own shares is recognized directly in equity.

See Note 12.6 for disclosures on transactions with treasury shares in 2025.

4.7 Financial instruments

Financial instruments are classified upon initial recognition as a financial asset, a financial liability or an equity instrument, in accordance with the contractual cash flow characteristics of that financial instrument.

Non-current and current financial assets except hedging derivatives

A financial asset is classified at initial recognition as at amortized cost, at fair value through equity or at fair value through profit or loss. The Group only has financial assets at amortized cost, which are assets held within a business model whose objective is to hold financial assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Included in this category are "Trade and other receivables," measured on initial recognition in the statement of financial position at their market value.

Subsequent measurement

Financial assets are measured subsequently at amortized cost, net of impairment, using the effective interest method. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or the Group transfers substantially all the risks and rewards of ownership of the financial asset.

Impairment of financial assets

Under the simplified approach for expected losses provided in IFRS 9, the Group measures the loss allowance based on lifetime expected credit losses using available information about past events (such as customer payment behavior), current conditions and forward-looking information (macroeconomic factors such as trends in GDP, unemployment, inflation, interest rates) that could affect the creditworthiness of the Group's debtors.

The Group recognizes the related adjustments for any differences between the recoverable amount of receivables and the carrying amount at which they are recognized as explained in this paragraph.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits at banks, other short-term, highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

Derivative financial instruments and hedging transactions

The Group performs transactions in which it assumes financial risks arising mainly from changes in interest rates and market prices for electricity sales. To hedge these exposures, the Group uses swaps.

Transactions are only designated as hedges when they effectively eliminate any risk inherent to the hedged item or position throughout the duration of the hedge, which means that the hedging item must be deemed highly effective at the inception of the contract (prospective effectiveness) and there must be sufficient evidence that the hedge has been effective throughout the life of the hedge (retrospective effectiveness).

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge, in application of IFRS 9.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an “economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from the economic relationship.

The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item. For measurement purpose, the Group classifies its hedges as “Cash flows hedges”. These instruments hedge the exposure to variability in cash flows attributable to changes in the interest rates on loans received and lock in a fixed electricity sale price for certain contracts.

Swaps are entered into to convert floating into fixed interest rates and variable electricity sale prices in certain contracts into fixed prices.

The portion of the gain or loss of the hedging instrument that is determined to be an effective hedge is recognized in equity, net of the related tax effect, under “Valuation adjustments – Hedging transactions”, and reclassified to profit or loss in the period or periods during which the hedged transaction affects profit or loss. Changes arising from remeasurement are recognized in “Other comprehensive income” within consolidated equity.

If hedges of firm commitments or forecast transactions result in the recognition of a non-financial asset or non-financial liability, the cumulative gain or loss recognized in equity related to the derivative instrument is considered in determining the initial value of the asset or liability giving rise to the hedged item.

Derivatives are recognized in “Non-current financial assets – Derivatives” and “Current financial assets – Derivatives” when fair value is positive and “Non-current loans and borrowings – Derivatives” or “Current loans and borrowings – Derivatives” when fair value is negative.

To test the hedge effectiveness, the Group uses the fair value of both the hedging instrument and the hedged item designated. The calculation of the fair value of derivative instruments incorporates a credit risk adjustment, so that changes in the adjustment are considered in measuring hedge effectiveness. The fair value of hedges of changes in electricity sale prices is obtained based on the same curves used to obtain the financing of the underlying projects.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

They are subsequently measured at amortized cost using the effective interest method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Borrowings are classified under current liabilities in the consolidated statement of financial position unless they mature more than 12 months after the reporting date, in which case they are classified under non-current liabilities.

Regarding the most common terms included in contracts with suppliers related to construction of Solar Group's PV farms, we distinguish mainly between the following types:

- Supply of materials: Costs for purchases of material are recognized when the Group has control of the materials, i.e. the supplier has transferred physical possession of the materials to the Group. With delivery, the risks and rewards of the acquired goods are transferred.
- Installation, engineering, supply and construction services (EPC): in this case, the Group recognizes expenses from installation services received over time, in the understanding that the expense accrues as the costs related to execution of the project are incurred in accordance with the progress made. Progress of a project is measured with certificates of work performed showing acknowledgment by both parties.

The Group classifies financial liabilities that arise from supplier finance arrangement (reverse factoring) within Trade and other payables in the statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in the Group's normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not part of the arrangement. Cash flows related to liabilities arising from supplier finance arrangements that are classified in "Trade and other payables" in the consolidated statement of financial position are included in operating activities in the consolidated statement of cash flows.

Regarding comparative information, the Group availed itself of the exemption for first-time adopters of amendments to IAS 7 and IFRS 7 *Supplier Finance Arrangements*.

4.8 Provisions and contingencies

Liabilities for which the amount and settlement date are uncertain are recognized as provisions in the consolidated statement of financial position when the Group has a present obligation (legal, contractual, constructive or tacit) arising from past events, the settlement of which is expected to result in an outflow of resources and the amount of which can be measured reliably.

At the date of authorization for issue of the accompanying consolidated financial statements, the directors make a distinction between:

- *Provisions:* present obligations at the reporting date arising from past events, of uncertain amount or timing, but it is probable that an outflow of resources embodying economic benefits will be required by the Group to settle the obligation and a reliable estimate of the amount can be made.
- *Contingent liabilities:* possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and that do not meet the requirements for recognition as provisions, and present obligations that arise from past events for which it is not probable that an outflow of resources will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made. These liabilities are not recognized, but are disclosed in the accompanying notes, unless the possibility of an outflow of resources is remote.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation or transfer it to a third party. Adjustments arising from the discounting of the provision are recognized as a finance expense when accrued. Provisions expiring within one year are not discounted where the financial effect is not material. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate of the related liability.

At the date of these consolidated annual financial statements, the Group was involved in a single lawsuit for the amount of 11 million euros. The evidence and legal arguments submitted would appear to indicate that the suits filed against the Group will be rejected, so the likelihood of a ruling against the Group is remote.

The Group's contingent assets are recognized if virtually certain.

4.9 Government grants

Government grants related to property, plant and equipment and intangible assets are considered deferred income, classified in "Other current liabilities" and "Other non-current liabilities" and recognized in profit or loss over the useful life of the related asset in "Other income".

4.10 Income tax. Deferred tax assets and liabilities

Current tax expense (income) is the amount of income tax payable (recoverable) in respect of consolidated taxable profit (tax loss) for the year. It is calculated as the sum of current tax expense resulting from applying the corresponding tax rate to taxable profit (tax loss) for the year, less deductions and other tax relief, taking into account changes during the year in recognized deferred

tax assets and liabilities. The tax expense is recognized in the income statement, except when it relates to transactions recognized directly in equity, in which case the related tax is likewise recognized in equity.

Deferred taxes are recognized for all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts at the reporting date. The tax base of an asset or liability is the amount attributed to it for tax purposes.

The tax effect of temporary differences is included in “Deferred tax assets” or “Deferred tax liabilities” in the statement of financial position as appropriate.

The Group recognizes deferred tax liabilities for all temporary differences, except where disallowed under prevailing tax legislation.

The Group recognizes deferred tax assets for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that future taxable profit will be available against which these assets may be utilized, except where disallowed by prevailing tax legislation.

At the end of each reporting period, the Group reassesses recognized and previously unrecognized deferred tax assets. Based on this analysis, the Group then derecognizes previously recorded deferred tax assets when recovery is no longer probable, or recognizes a previously unrecorded deferred tax asset to the extent that it is probable that future taxable profit will enable its application.

Deferred tax assets and liabilities are measured using the tax rates expected to prevail upon their reversal, based on tax legislation approved, and in accordance with the manner in which the assets are reasonably expected to be recovered or paid or the liabilities settled.

Deferred tax assets and deferred tax liabilities are not discounted and are classified as non-current assets or non-current liabilities, regardless of the date they are expected to be realized or settled.

The temporary differences arising as a result of the elimination of the results of intra-tax group transactions are recognized in the company that has generated the result and are measured at the tax rate applicable to it.

The portion of the tax losses reported by certain Group companies that has been offset by the other consolidated Group companies gives rise to the recognition of a reciprocal receivable and payable between the companies that reported the losses and the companies that offset them. If there are any tax losses that cannot be offset by the other companies in the consolidated tax group, the carry forward of the related unused tax losses are recognized as deferred tax assets, in accordance with the criteria for recognition, considering the tax group to be the taxpayer.

Solaria Energía y Medio Ambiente, S.A. is the Parent of the Spanish tax group and recognizes the total consolidated income tax payable or recoverable with a charge or credit to tax receivable from or tax payable to Group companies and associates.

Regarding the amendment to income tax on dividends and capital gains included in Law 11/2020, of December 30, on the General State Budget for 2021, published in the Official State Gazette on December 31, 2020, in terms of the exemption provided for income under Article 21 of the Spanish

Corporate Income Tax (CIS) Act for equity investments of over 5% or a cost of over 20 million euros in Spanish companies or companies resident in a country with a double taxation treaty or minimum nominal tax rate of 10%, which until now were 100% exempt, for tax periods beginning on or after January 1, 2021, this exemption is now limited to 95% of reported income. In practice, this means the effective taxation of 1.25% of the dividend distributed or the capital gain realized. In relation to this matter, the Group does not recognize a deferred tax liability since it considers that it can control the timing of the reversal of the temporary difference and it is probable that the difference will not reverse in the foreseeable future.

According to Additional Provision 19 of Law 38/2022, of December 27, 2022, and Law 7/2024, for tax periods beginning in 2023, 2024, and 2025, for the purposes of determining the taxable profit or loss of the tax group, 100% of taxable profit is considered and only 50% of individual tax losses generated by the companies included in the tax group.

Individual tax losses not offset by the Group are included in the Group's tax base in subsequent tax periods, apportioned equally over the first 10 tax periods beginning on or after January 1, 2024, 2025 and 2026, as applicable. This inclusion is not contingent on the entity that generated the unused tax loss obtaining taxable profit or on the Group obtaining a taxable profit before this inclusion, so the limits of the tax group as a function of revenue do not apply.

The Group did not submit any claims against the constitutionality of Royal Decree-Law 3/2016. Therefore, there was no impact on the consolidated financial statements.

4.11 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding indirect taxes or any duties.

Specifically, revenue from energy sales is recognized when the power is supplied to customers, irrespective of when it is billed. At the end of the reporting period, any revenue recognized and not invoiced is classified as a contract asset in accordance with IFRS 15. This revenue is estimated based on information obtained from reading meters and applying the corresponding rates or tariffs and the estimates are compared with the invoice received the following month (Note 16.1).

4.12 Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position (Notes 7 and 11.2).

4.13 Current versus non-current classification

Assets and liabilities are classified in the consolidated statement of financial position as current or non-current. Accordingly, assets and liabilities are classified as current when they are associated with the Group's operating cycle and it is expected that they will be sold, consumed, realized or settled within the normal course of that cycle; when they differ from the aforementioned assets and are expected to mature, to be sold or settled within one year; and when they are held for trading or are cash and cash equivalents whose use is not restricted to one year. All other assets and liabilities are classified as non-current assets and non-current liabilities.

The normal operating cycle is less than one year for all the activities.

4.14 Environmental assets and liabilities

Expenses relating to work by the company to protect and improve the environment and other expenses incurred to comply with environmental protection legislation are recognized in the period in which they are incurred, unless they correspond to purchases of assets incorporated in equity to be used over an extended period, in which case they are recognized in the corresponding line of "Property, plant and equipment" and depreciated using the same criteria.

4.15 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

4.16 Subsequent recognition – IAS 28

From the date of loss of control, Generia Land, S.L. was recognized as a joint venture and accounted for using the equity method starting from the initial fair value.

The carrying amount of the investment at December 31, 2025, was 96.5 million, including the share of Generia's profit or loss from the date of loss of control.

The Group tested the investment for impairment in accordance with IAS 36 and did not identify any objective indications requiring the recognition of impairment losses.

5. Segment information

As explained in Note 1 to the accompanying consolidated financial statements, the Group obtains revenue mainly from the sale of renewable energy. In this respect, Group executive management monitors the business by projects by classifying them into the following geographical areas in which it operates:

- *Segment 1: Spain and corporate.*
- *Segment 2: Italy.*
- *Segment 3: Uruguay.*
- *Segment 4: Portugal and Greece.*

Segment performance is measured based on profit before tax. Segment profit is used as a performance measure since the Group considers this information to be the most relevant in assessing segment results.

The Group segment income statement is as follows:

(Thousands of euros)	Spain		Italy		Uruguay		Portugal and Greece		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Sales and rendering of services	182,938	155,395	8,577	15,065	3,743	3,396	2,185	3,050	197,443	176,906
Total revenue from external customers	182,938	155,395	8,577	15,065	3,743	3,396	2,185	3,050	197,443	176,906
Amortization and depreciation, and impairments	(42,896)	(38,077)	(2,958)	(2,958)	(1,151)	(1,217)	(1,418)	(1,404)	(48,423)	(43,656)
Other segment income and expense	73,287	27,517	(3,288)	(1,993)	(537)	(364)	(810)	(796)	68,652	24,364
Operating profit/(loss)	213,329	144,835	2,331	10,114	2,055	1,815	(43)	850	217,672	157,613
Net finance expense	(45,374)	(34,359)	(1,009)	(1,365)	(835)	(1,216)	(404)	(531)	(47,622)	(37,471)
Profit/(loss) before tax	167,955	110,476	1,322	8,749	1,220	599	(447)	319	170,050	120,142

Set out below are segment assets and liabilities:

(Thousands of euros)	Spain		Italy		Uruguay		Portugal and Greece		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Segment assets	2,322,884	1,850,638	49,330	45,227	21,535	25,180	49,715	47,597	2,443,464	1,968,642
Non-current assets	1,732,897	1,428,322	39,624	32,831	18,660	22,179	46,552	44,661	1,837,733	1,527,993
Investments in associates	96,547	-	-	-	-	-	-	-	96,547	-
Surface rights	183,371	140,802	2,628	2,666	600	645	-	-	186,599	144,113
Derivatives	80,929	88,698	922	1,196	-	-	2,082	2,113	83,933	92,007
Trade and other receivables	83,022	63,125	4,761	5,869	722	746	830	226	89,335	69,966
Cash and cash equivalents	70,130	49,477	1,395	2,665	1,553	1,610	251	597	73,329	54,349
Unallocated assets	75,988	80,214	-	-	-	-	-	-	75,988	80,214
Total assets	2,322,884	1,850,638	49,330	45,227	21,535	25,180	49,715	47,597	2,443,464	1,968,642

(Thousands of euros)	Spain		Italy		Uruguay		Portugal and Greece		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Bank borrowings and bonds and debentures	1,257,590	925,998	20,952	25,492	18,575	22,152	17,729	18,250	1,314,846	991,892
Finance lease liabilities (IFRS 16) and other	193,412	154,919	100	165	400	456	-	-	193,912	155,540
Derivatives	17,882	24,365	-	-	-	-	-	-	17,882	24,365
Trade and other payables	138,801	138,730	2,109	143	125	213	1,247	215	142,282	139,301
Unallocated liabilities	65,173	39,708	-	-	-	-	-	-	65,173	39,708
Total liabilities	1,672,858	1,283,720	23,161	25,800	19,100	22,821	18,976	18,465	1,734,095	1,350,806

At December 31, 2025, the Group did not present revenue from any single customer representing more than 10% of the Group's total consolidated revenue. This situation is consistent with that at the end of 2024.

6. Intangible assets

Reconciliation of the carrying amount at the beginning and end of the period:

(Thousands of euros)	Balance at January 1	Additions, disposals and allowances	Balance at December 31
2025			
Cost			
Intellectual property	76	-	76
Computer software	310	-	310
	386	-	386
Accumulated amortization			
Computer software	(60)	(20)	(80)
Carrying amount	326		306

(Thousands of euros)	Balance at January 1	Additions, disposals and allowances	Balance at December 31
2024			
Cost			
Intellectual property	76	-	76
Computer software	307	3	310
	383	-	386
Accumulated amortization			
Computer software	(40)	(20)	(60)
Carrying amount	343		326

There were no additions in 2025. At December 31, 2024, there were additions amounting to 3 thousand euros related to development of the Scada software application.

There were no firm commitments to purchase or sell any intangible assets at the date of preparation of the accompanying consolidated financial statements.

All intangible assets are used in the Group's operations.

7. Property, plant and equipment

Reconciliation of the carrying amount at the beginning and end of the period:

(Thousands of euros)	Balance at January 1	Additions and depreciation	Transfers	Disposals	Balance at December 31
2025					
Cost					
Land and buildings	54,299	-	-	(47,507)	6,792
Plant and machinery	1,195,344	-	309,036	-	1,504,380
Property, plant and equipment under construction	499,450	393,744	(309,036)	-	584,158
	1,749,093				2,095,330
Accumulated depreciation					
Buildings	(10,362)	-	-	5,638	(4,724)
Plant and machinery	(210,283)	(42,590)	-	-	(252,873)
	(220,645)				(257,597)
Impairment losses					
Land and buildings	(455)	-	-	455	-
	(455)				-
Carrying amount	1,527,993				1,837,733

(Thousands of euros)	Balance at January 1	Additions and depreciation	Unused amounts reversed	Held for sale	Disposals	Balance at December 31
2024						
Cost						
Land and buildings	71,443	-	-	(17,144)	-	54,299
Plant and machinery	1,233,268	-	-	(37,924)	-	1,195,344
Property, plant and equipment under construction	208,584	290,866	-	-	-	499,450
	1,513,295					1,749,093
Accumulated depreciation						
Buildings	(16,731)	(300)	-	6,669	-	(10,362)
Plant and machinery	(187,003)	(38,776)	-	15,496	-	(210,283)
	(203,734)					(220,645)
Impairment losses						
Land and buildings	(10,930)	-	9,601	-	874	(455)
Plant	(22,428)	-	19,343	-	3,085	-
	(33,358)					(455)
Carrying amount	1,276,203					1,527,993

7.1 Changes

Additions in 2025 and 2024 related mainly to investments in new plants under construction.

Transfers in 2025 related to the start-up of projects on completion of construction and connection.

Disposals in 2025 related to assets contributed by Generia Land, S.L. (Note 8.1).

7.2 Impairment of property, plant, and equipment

In prior years, the Group recognized impairment losses on certain assets related to its solar panel

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construction business. The breakdown of impairments at December 31, 2025 and 2024 is as follows:

<i>(Thousands of euros)</i>			Impairment	
Asset	Nature	Segment	12/31/2025	12/31/2024
Land in Dehesa Vaqueros	Rural property	Spain	-	(455)

Puertollano (industrial warehouses and facilities): In 2024, given the increasing development of new businesses (Data Centers) at the Puertollano facilities, the previously recognized impairment loss on the plant was reversed, for a net amount of 28.9 million euros, applying the related depreciation for the years during which the asset was impaired, amounting to 4 million euros (recognized as unused amounts reversed in table presenting the reconciliation of property, plant and equipment for 2024).

Subsequently, in compliance with the standards, the carrying amount of Puertollano was reclassified to “Non-current assets held for sale” (Note 10).

In the last quarter of 2024, in light of the growing interest in data centers, Solaria received several third-party offers based on its privileged position with a point of consumption, land and warehouses. All these offers were worth over 28.9 million euros (i.e., the net carrying amount of the Puertollano warehouses and facilities).

Rural and agricultural land - Dehesa Vaqueros: In 2025, it was transferred to Generia Land,S.L. (Note 8.1). The carrying amount of this asset at December 31, 2024, was 1,255 thousand euros.

In 2025 and 2024, the rest of the assets were tested for impairment. The tests did not show any indication of impairment as the carrying amount of the company’s property, plant and equipment did not exceed their recoverable amount.

7.3 Other disclosures

The Company did not have any fully depreciated items of property, plant and equipment still in use at December 31, 2025 and 2024.

Capitalized interest costs related to these assets at December 31, 2025 amounted to 17.4 million thousand euros (2024: 6.9 million thousand euros).

The Group has taken out insurance policies to cover the risk of damage to its property, plant and equipment. The coverage of these policies is considered sufficient. At the date of authorization for issue of the consolidated financial statements there were no commitments to acquire any items of property, plant, and equipment.

At December 31, 2025, the solar plants secured the bank borrowings disclosed in Note 14. At December 31, 2025 and 2024, all the photovoltaic plants in operation were subject to the fulfillment of financial obligations.

8. Investments in associates

8.1 Generia Land, S.L.

In 2025, Solaria Energía y Medio Ambiente, S.A. entered into an agreement with a specialized infrastructure fund whereby the two parties undertook, through Generia Land, to jointly develop a platform for managing and operating land associated with renewable energy projects. Solaria contributed a set of assets comprising land, purchase options on land, and other key assets. The investor made an irrevocable commitment to make a 125 million euro equity contribution until reaching 50% of Generia Land, S.L.'s share capital.

Under the bylaw and contractual arrangements entered into between Solaria and the investor, major decisions regarding Generia's relevant activities require the unanimous consent of the two shareholders, irrespective of the financial percentages attributed to each.

The relevant activities defined in the agreement include: (i) approval and modification of the annual business plan (budget); (ii) decisions on the acquisition or disposal of land or purchase options; (iii) approval of the financing structure, including bank borrowings and collateral, and (iv) the arrangement of lease contracts. Solaria does not have the casting vote or any pre-emptive economic right in decision-making regarding relevant activities or decisions on leases.

As the date of loss of control, Solaria Group derecognized the carrying amount of all Generia's assets and liabilities, recognized the retained investment in the joint venture at fair value and recognized in profit or loss the difference between the fair value of the retained investment and the carrying amount of Generia's assets deconsolidated. The fair value was obtained based on the economic substance of the transaction taking as a reference the appraisal by an independent expert, giving rise to a retained value by Solaria in Generia of 96 million euros.

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The calculation of this fair value was based on discounted cash flows (DCF) from long-term leases and the various contractual options at the transaction date using discount rates (WACC) that reflect the risk of the business.

Each shareholders' economic rights are subject to change in accordance with the effective contribution undertaken by the investor, which at December 31, 2025, amounted to a total of 19 million euros, but at the date of authorization for issue amounted to 25 million euros.

The capital gain on the transaction was calculated as explained in previous paragraphs and applying the contractual terms regarding the sharing of economic rights of the transaction at the date of agreement of change of control as follows:

Generia Land, S.L.	(Thousands of euros)
Fair value of net assets (100%) at the date of the transaction	134,546
Interest retained (71%) at fair value	96,000
Carrying amount of net assets deconsolidated	(41,414)
Other income	54,586

The carrying amount of the investment at December 31, 2025 was 96,548 thousand euros, including the share of Generia's profits from the transaction date to the end of the reporting period (Note 16.5), accounted for using the equity method.

At the end of the reporting period, there was no indication that of impairment of value at the end of the year.

Set out below is information on the company's (unaudited) balance sheet and income statement:

(Thousands of euros)	2025
Generia Land, S.L.	
Non-current assets	131,200
Current assets	3,859
TOTAL ASSETS	135,059
Equity	134,546
Profit for the year	1,062
Non-current liabilities	72
Current liabilities	441
TOTAL EQUITY AND LIABILITIES	135,059

(Thousands of euros)	2025
Generia Land, S.L. (*)	
Operating income	2,614
Operating expenses	(1,256)
Operating profit	1,358
Net finance expense	5
Profit before tax	1,363
Income tax expense	(300)
Profit for the year	1,062

(*) Profit/(loss) from the date of the transaction

9. Surface rights

Reconciliation of the carrying amount of items composing surface rights at the beginning and end of the period:

(Thousands of euros)	Balance at January 1	Additions and allowances	Changes in the scope of consolidation	Disposals	Balance at December 31
2025					
Cost					
Surface rights	160,341	48,298	-	-	208,639
	160,341				208,639
Accumulated amortization					
Surface rights	(16,228)	(5,812)	-	-	(22,040)
	(16,228)				(22,040)
Carrying amount	144,113				186,599

(Thousands of euros)	Balance at January 1	Additions and allowances	Disposals	Balance at December 31
2024				
Cost				
Surface rights	121,832	38,509	-	160,341
	121,832	38,509	-	160,341
Accumulated amortization				
Surface rights	(11,668)	(4,560)	-	(16,228)
	(11,668)	(4,560)	-	(16,228)
Carrying amount	110,164			144,113

The Group's leased assets relate mainly to land on which the photovoltaic parks are built. The contracts generally have an initial lease term of 26 years plus an option to extend the leases for two 5-year periods each. The leases include fixed lease payments and no variable payments, incentives or purchase options. The Group renegotiated its contracts in 2025 and 2024.

9.1 Changes

Additions in 2025 and 2024 related to new contracts entered into during the year.

9.2 Other disclosures

Finance costs recognized for leases under IFRS 16 (surface rights) in 2025 amounted to 5,337 thousand euros (2024: 4,478 thousand euros) (Note 16.4).

There are no subleases to third parties outside the Group and no sale and leaseback transactions.

The average discount rates applied were 4.05% for 2025 and around 3.5% in previous years. Factors used in calculating the discount rates included the Group's rating.

No indications of impairment of assets were identified as at December 31, 2025 and 2024 considering the profitability of the related photovoltaic (PV) plants.

10 Non-current assets held for sale

In 2024, the Company publicly announced its decision to dispose of the Puertollano factory, with a net carrying amount of 28.9 million euros December 31, 2025 and 2024.

Given the various developments being carried out at the Puertollano plant in relation to grid interconnection capacity, the Company decided to delay the sale until 2026 as it estimated that the selling price would be even higher than it would have received in 2025.

Therefore, the sale of the Puertollano plant is expected to be completed over the course of 2026. Negotiations for the sale were in progress as at the date of authorization for issue of these financial statements.

11 Financial assets

Except for the derivatives disclosed in Note 14.3, all the Group's other financial assets are assets at amortized cost. The fair value of these assets does not differ significantly from their carrying amounts.

11.1 Trade receivables

Contract assets

Trade receivables include contract assets for revenue recognized for energy consumption not billed as at the reporting date, primarily due to the normal invoicing period. At December 31, 2025, these assets amounted to 24 million euros (2024: 35 million euros). The related revenue is recognized based on meter readings at the PV plants at the stipulated price in the PPA contracts or the related market price. Upon issue of the invoice, the actual amount is compared to the estimated amount.

Impairment losses

At December 31, 2025 and 2024, the Group did not recognize any impairment allowance for expected loss based on its customers' high creditworthiness.

11.2 Non-current financial assets

The breakdown of this heading at December 31 is as follows:

(Thousands of euros)	2025	2024
Other financial assets	2,489	1,851
Long-term guarantees given	1,560	999
Long-term deposits	929	852
Non-current financial assets	2,489	1,851

The amount recognized in “Other financial assets” consists of long-term financial investments, guarantees and deposits made by the Group. Solaria Casiopea, S.A.U., a Group subsidiary, has a long-term deposit of 298 thousand euros related to land on which its solar plant is located.

Subsidiaries Natelu and Yarnel have a guarantee amounting to 151 thousand euros each deposited as performance bonds related to contracts with Usinas y Transmisiones Eléctricas (a temporary business association or UTE for its acronym in Spanish).

11.3 Cash and cash equivalents

The breakdown of this heading at December 31 is as follows:

(Thousands of euros)	2025	2024
Demand deposits in current accounts	73,329	54,349

Current accounts earn market interest rates.

There are restrictions on the availability of the amount of current accounts for certain energy generation subsidiaries financed using project finance and project bonds. The companies’ Debt Service Reserve Account (DSRA) at December 31, 2025, which guarantees servicing of bank borrowings, amounted to 9,915 thousand euros (2024: 9,882 thousand euros). The remaining balance of current accounts is freely distributable, once the contractual obligations for distribution with the Group’s lender banks/bondholders have been met (Note 14).

12 Equity

12.1 Registered capital

The Parent's registered capital at December 31, 2025 and 2024 recognized under "Equity" amounted to 1,250 thousand euros and consisted of 124,950,876 bearer shares of 0.01 euros par value each.

Shareholders and ownership interests at December 31 were as follows:

(Thousands of euros)	2025	2024
Enrique Díaz-Tejeiro Gutierrez	13.50%	-
Arturo Díaz-Tejeiro Larrañaga	8.80%	-
Enrique Díaz-Tejeiro Larrañaga	6.40%	-
Miguel Díaz-Tejeiro Larrañaga	7.70%	-
Stoneshield Holding, S.A.R.L.	9.50%	-
DTL Corporación, S.L.	-	34.91%
Other shareholders	54.10%	65.09%
	100.00%	100.00%

The shares comprising the Parent's share capital are admitted for trading on Spain's four official stock exchanges and are quoted on the Spanish electronic trading platform (continuous market). They were included in the IBEX 35 in October 2020. There are no restrictions on the free transferability of the shares. The share price at year-end 2025 was 18.15 euros (2024: 7.82 euros).

The Group's objective is to have enough capital so it can raise the necessary financing from external sources for its expansion without jeopardizing its solvency, while maximizing the returns shareholder can obtain on capital invested.

Financial leverage ratios at December 31, 2025 and 2024 were as follows:

(Thousands of euros)	2025	2024
Bank borrowings, bonds and lease liabilities	1,508,758	1,147,432
Less: Cash and cash equivalents (Note 11.3)	(73,329)	(54,349)
Net debt	1,435,429	1,093,083
Total equity	709,369	617,836
Debt-to-equity ratio	202%	177%

12.2 Share premium

The share premium is unrestricted provided that its distribution does not reduce shareholders' equity to below share capital. There were no changes in the share premium in 2025 or 2024.

12.3 Reserves

The Group's reserves are unrestricted except for the non-distributable portion of the companies' mandatory legal reserves.

12.4 Valuation adjustments

The movement in this heading in 2025 and 2024 was as follows:

(Thousands of euros)	Balance at January 1	Additions and losses	Tax effect	Balance at December 31
2025				
Cash flow hedges	47,488	(1,346)	336	46,478
Translation differences	(254)	(889)	-	(1,143)
	47,234	(2,235)	336	45,335
2024				
Cash flow hedges	45,847	2,188	(547)	47,488
Translation differences	(967)	713	-	(254)
	44,880	2,901	(547)	47,234

12.5 Non-controlling interests

In 2024, the Parent of the Group and the Basque Country energy agency, Ente Vasco de la Energía (EVE), set up a company, Indarberri, S.L., to carry out photovoltaic solar energy projects. It was 70%-owned by Solaria and 30%-owned by EVE. EVE made a monetary contribution in 2022 to incorporate this company of 1,440 thousand euros.

On November 29, 2023, the Group acquired a 5% shareholding in Indarberri, S.L. for 240 thousand euros.

In 2024, EVE made contributions totaling 2,750 thousand euros.

In 2025, EVE made contributions totaling 1,212 thousand euros.

12.6 Treasury shares

The movement, in number of shares and million euros (Note 4.6), in treasury shares in 2025 was as follows:

(Thousands of euros)	2025	
	Number of shares	Cost
Balance at January 1	-	-
Additions	9,211,634	106,664
Disposals	(5,491,311)	(56,660)
Changes	3,720,323	50,004

In 2025, gains on treasury share transactions, amounting to 4.8 million euros, were recognised in reserves.

No transactions were carried out with treasury shares during 2024.

13 Provisions and contingencies

There were no provisions at December 31, 2025 and 2024.

The Parent's directors and legal advisors consider that there are no lawsuits, litigation or civil, criminal or administrative proceedings requiring the recognition of provisions in these consolidated financial statements as it is not probable that the outflow of resources will be required in those proceedings (Note 4.7).

14 Financial liabilities

Except for the derivatives disclosed in Note 14.3, all the Group's other financial liabilities are liabilities at amortized cost.

14.1 Bank borrowings, bonds, and other marketable securities

The breakdown of these financial liabilities at December 31, 2025, and 2024 is as follows:

(Thousands of euros)	Current	Non-current	Total
2025:			
Bank borrowings	88,668	1,001,474	1,090,142
Debt arrangement expenses	(4,026)	(32,047)	(36,073)
	84,643	969,427	1,054,069
Bonds and other marketable securities	149,846	112,106	261,952
Accrued bond interest payable	-	-	-
Bond arrangement expenses	(99)	(1,077)	(1,176)
	149,747	111,029	260,777
	234,390	1,080,456	1,314,846
2024:			
Bank borrowings	57,661	777,591	835,252
Debt arrangement expenses	(986)	(30,631)	(31,617)
	56,675	746,960	803,635
Bonds and other marketable securities	79,232	110,208	189,440
Accrued bond interest payable	56	-	56
Bond arrangement expenses	(99)	(1,140)	(1,239)
	79,189	109,068	188,257
	135,864	856,028	991,892

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The Group's outstanding debentures and bonds and its main loans at December 31, 2025 and 2024 are as follows (thousands of euros):

Type of contract	Company	Original lender	Date of original agreement	Final maturity	Original amount of the loan (thousands of euros)	Amount at 12/31/2025	Amount at 12/31/2024	Non-current at 12/31/2025	Current at 12/31/2025
Bonds and debentures	Solaria Casiopea	Bondholders	12/22/2017	9/30/2040	9,200	6,241	6,651	5,839	402
Bonds and debentures	Globasol Villanueva 1.	Bondholders	5/25/2016	1/31/2037	45,300	28,270	30,282	26,258	2,012
Bonds and debentures	Planta Solar Puertollano 6	Bondholders	2/28/2017	12/31/2037	45,100	28,741	30,663	26,750	1,991
Bonds and debentures	Magacela Solar	Bondholders	7/24/2017	6/30/2037	47,100	29,571	31,594	27,426	2,145
Bonds and debentures	Prodigy	Bondholders	8/09/2021	12/31/2032	21,800	17,729	18,250	15,833	1,896
Promissory notes	Solaria Energía y Medio Ambiente	Promissory notes	12/15/2025	12/15/2026	200,000	151,400	72,000	10,000	141,400
Loan	Solaria Energía y Medio Ambiente	Credit facility	6/03/2025	6/03/2027	47,193	47,193	-	47,193	-
Loan	Solaria Energía y Medio Ambiente	Credit facility	12/23/2025	12/23/2026	10,000	10,000	-	-	10,000
Loan	Solaria Energía y Medio Ambiente	Credit facility	7/17/2025	1/17/2026	9,000	9,000	-	-	9,000
Loan	Solaria Ingeniería y Construcción Fotovoltaica, S.L.	Credit facility	7/03/2024	7/03/2025	10,000	-	10,000	-	-
Loan	Natelu	MetLife Investment Management, LLC	11/16/2020	11/15/2040	11,810	9,914	11,661	9,400	514
Loan	Yarnel	MetLife Investment Management, LLC	11/16/2020	11/15/2040	12,699	10,278	12,090	9,746	532
Loan	Solaria Lyra	Banco Santander, S.A.	2/14/2019	4/30/2030	52,172	21,269	25,492	16,456	4,813
Loan	CFV Triangulum Australe	Natixis Sucursal, S.A.	7/18/2019	6/30/2034	132,570	71,871	77,704	67,337	4,534
Loan	Vía Lactea	Banco Sabadell	11/12/2019	6/30/2027	57,000	40,870	44,165	37,511	3,359
Loan	Andrómeda	BayernLB	1/01/2020	4/01/2035	51,500	34,100	37,888	30,300	3,800
Loan	Corona Borealis	Natixis Sucursal, S.A.	3/25/2021	6/30/2030	115,489	87,373	92,477	79,359	8,014
Loan	Kraken	La Banque Postale S.A.	12/30/2021	6/30/2032	87,940	73,597	77,737	69,779	3,818
Loan	Adhara	Commerzbank	6/30/2022	12/31/2031	371,946	242,287	270,092	229,898	12,389
Loan	Hydra	Sabadell	12/21/2022	6/30/2038	132,890	126,636	62,702	122,284	4,352
Loan	Serpens	Banco Santander, S.A.	9/21/2023	12/31/2031	305,850	282,147	113,244	258,604	23,543
Loan	Sagitta Solar	Banco Sabadell e Instituto de Crédito Oficial E.P.E.	10/06/2025	6/30/2044	89,500	23,607	-	23,607	-
Debt arrangement expenses						(37,248)	(32,856)	(33,124)	(4,124)
Accrued interest						-	56	-	-
Total						1,314,846	991,892	1,080,456	234,390

The breakdown by nominal amount and maturity of the Group's financial liabilities at December 31, 2025 and 2024 is as follows:

(Thousands of euros)	2025	2024
2026	237,447	136,893
2027	153,130	78,686
2028	64,988	112,163
2029	129,779	72,724
2030 and beyond	766,750	624,226
Total	1,352,094	1,024,692

In the years ended December 31, 2025, and 2024, the Group did breach any covenants of its project bonds or project finance loans triggering early repayment. They are guaranteed by the plant they finance (Note 7). Details of these financings are as follows:

Solaria Casiopea, S.A.U.:

On December 21, 2017, Solaria Casiopea, S.A.U issued a 22.8-year project bond for a nominal amount of 9,200 thousand euros, disbursed on December 22, 2017. The bond accrues interest of 4.15%, with monthly payments.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That the ratio Compliance Certificate for the Relevant Distribution Period has been submitted;

- That the DSCR is at least 1.20x;
- That the minimum balances of the DSRA, the Main Account, and the Capex Account are allocated;
- That there are no outstanding amounts payable related to any early repayments;
- That there has not occurred, or likely to occur, a circumstance triggering early repayment; and
- That the merger has been completed.

Globasol Villanueva 1, S.A.U.:

On May 20, 2016, Globasol Villanueva 1, S.A.U. issued a 20.7-year project bond for a nominal amount of 45,300 thousand euros, disbursed at an amount net of arrangement costs of 43,438 thousand euros on May 25, 2016. The bond accrues interest of 4.20%, with monthly payments.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That the ratio Compliance Certificate for the Relevant Distribution Period has been submitted;
- That the DSCR, backed by the ratio Compliance Certificate for the relevant distribution period against which payment is made, is at least 1.20x;
- That the DSRA and the Capex Account are fully allocated;
- That there are no outstanding amounts payable related to any early repayments; and
- That there has not occurred, or likely to occur, a circumstance triggering early repayment.

Planta Solar Puertollano 6, S.A.

On February 28, 2017, Planta Solar Puertollano 6, S.A. issued a 20-year project bond for a nominal amount of 45,100 thousand euros. The bond accrues interest of 3.75%, with monthly payments.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That the ratio Compliance Certificate for the relevant distribution period has been submitted and reviewed by an auditor;
- That the DSCR, backed by the ratio compliance certificate for the relevant distribution period against which payment is made, is at least 1.20x;
- That the DSRA and the Capex Account are fully allocated;
- That there are no outstanding amounts payable related to any early repayments; and
- That there has not occurred, or likely to occur, a circumstance triggering early repayment.

Maqacela Solar 1, S.A.

On July 24, 2017, Magacela Solar 1, S.A. issued a 20-year project bond for a nominal amount of 47,100 thousand euros, disbursed on July 24, 2017. The bond accrues interest of 3.679%, with monthly payments.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That the ratio Compliance Certificate for the Relevant Distribution Period has been submitted;
- That the DSCR, backed by the ratio compliance certificate for the relevant distribution period against which payment is made, is at least 1.20x, and that the bond life coverage ratio is at least 1.25x;
- That the minimum balances for the DSRA, the Operating Account, and the Capex Account are allocated;
- That there are no outstanding amounts payable related to any early repayments; and
- That there has not occurred, or likely to occur, a circumstance triggering early repayment.

Natelu, S.A. and Yarnel, S.A.:

On November 16, 2020, Yarnel, S.A. and Natelu, S.A. entered into a debt agreement with MetLife Investment Management, LLC. Natelu's principal amount stands at 13 million US dollars and Yarnel's principal amount at 14 million US dollars. The refinancing package has a term of 20 years.

The issue contracts stipulate early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.15x.

Solaria Lyra, S.r.l.:

On February 14, 2019, the Group refinanced its project portfolio in Italy with the project finance arranged with Banco Santander for 52,172 thousand euros, with a term of 11.2 years. The financing accrues interest at the 3-month Euribor rate + 2.50%, with quarterly repayments, including an interest rate swap.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That the ratio Compliance Certificate for the Relevant Distribution Period has been submitted;
- That the Debt Service Coverage Ratio (DSCR) and the Projected DSCR, backed by the ratio compliance certification for the relevant distribution period against which payment is made, is at least 1.20x;
- That there are no outstanding balances payable related to financing of the Debt Service Reserve Account;
- That the Maintenance Account is allocated for the required amount; and
- That no events have occurred triggering early redemption.

CFV Triangulum Australe, S.L.

On July 18, 2019, CFV Triangulum Australe, S.L. financed the promotion, construction, and development of eight projects in Spain through a 15-year project finance arrangement with Natixis S.A. for 132,570 thousand euros. The financing accrues interest at a market rate, with half-yearly payments, including an interest rate swap.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That the ratio Compliance Certificate for the Relevant Distribution Period has been submitted;
- That the Historical DSCR and the Projected DSCR, backed by the ratio compliance certificate for the relevant distribution period against which payment is made, is at least 1.10x;
- That the debt-to-equity ratio is no greater than 75%;
- That the Maintenance Account and the DSRA are allocated for the required amount; and
- That no events have occurred triggering early redemption.

Vía Láctea Fotovoltaica, S.L.

On November 12, 2019, Vía Lactea Fotovoltaica, S.L. financed the promotion, construction, and development of four projects in Spain through a 16-year project finance arranged with Banco de Sabadell for 57,000 thousand euros. The financing accrues interest at a market rate, with half-yearly payments, including an interest rate swap.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That the ratio Compliance Certificate for the Relevant Distribution Period has been submitted;
- That the Historical DSCR and the Projected DSCR, backed by the ratio compliance certificate for the relevant distribution period against which payment is made, is at least 1.20x; and
- That no events have occurred triggering early redemption.

Andrómeda Fotovoltaica, S.L.

On January 1, 2020, Andrómeda Fotovoltaica, S.L. financed the promotion, construction and development of three projects in Spain through a 15-year project finance arranged with BayernLB for 51,500 thousand euros.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Corona Borealis Fotovoltaica, S.L.U.

On March 25, 2021, Corona Borealis Fotovoltaica, S.L.U. financed the promotion, construction, and development of seven projects in Spain through a 9-year project finance arrangement with Natixis S.A., European Investment Bank and AG Insurance, S.A., for a maximum amount of 115,489 thousand euros. The financing accrues interest at a market rate, with monthly payments.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That at least the first payment of principal has been made;
- That there is no default or default events at the time, or as a result, of the proposed distribution;
- That the Compliance Certificate relative to the test date immediately preceding the proposed distribution indicates that the DSCR is equal to or greater than 1.10x and the projected DSCR is greater than 1.10x; and
- That there are amounts outstanding under the DSR financing agreement.

Prodigy Orbit, LDA.

On August 9, 2021, Prodigy Orbit LDA financed the research, design, implementation, development and maintenance of four plants in Portugal through a bond arranged with La Banque Postale, S.A. for 21,800 thousand euros maturing December 31, 2032.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- The Borrower undertakes to maintain an average DSCR equal to or greater than 1.05x throughout the term of the Agreement;
- Distributions permitted include any distributions made within 30 days of each calculation date via transfer to the distributions account) provided that all of the following conditions are met:
 - (i) that first payment of the Scheduled Repayment of Senior Bonds and VAT bonds has been made;
 - (ii) that all solar plants have reached their end date
 - (iii) that the average DSCR of the preceding calculation is at least 1.10x;
 - (iv) that no amounts under the DSRF are outstanding
 - (v) that the maintenance reserve account is fully funded with the required maintenance amount;
 - (vi) that the distribution did not trigger and has yet to trigger any potential default event or default event;
 - (vii) that no capital transfers have been carried out in the last 12 months in accordance with Clause 28;
 - (viii) that the financial statements for the most recent calculation period have been delivered, together with the required financing information; and
 - (ix) that the Compliance Certificate has been delivered to the agent.

Kraken Solar, S.L.U.

On December 30, 2021, Kraken Solar, S.L.U. financed the promotion, construction and development of three projects through an 11-year Credit Facility Agreement entered into with Banco de Sabadell for 87,940 thousand euros. The interest accrued on the facility is the sum of two applicable interest rates: the margin earmarked for each period and the EURIBOR rate applicable for the related interest period. Interest is settled on a half-yearly basis.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Distributions out of the Restricted Account up to the limit of the balance, with a charge to the corresponding Relevant Distribution Period, are subject to compliance with the following terms and conditions:

- That at least the first payment on principal has been made;
- That the proposed distribution has not triggered or may not trigger any predetermined default value;

- That the Compliance Certificate for the period immediately preceding the proposed distribution indicates that:
 - (i) The DCSR is equal to or greater than 1.10x; and
 - (ii) The projected DCSR is greater than 1.10x
- That there are no outstanding amounts under the framework of the DSR mechanism.

Adhara Solar Fotovoltaica, S.L.U.

On June 30, 2022, Adhara Solar, S.L.U. financed the promotion, construction and development of 15 photovoltaic projects through a 16-year Credit Facility Agreement entered into with COMMERZBANK AKTIENGESELLSCHAFT, ABN AMRO Bank N.V. and the European Investment Bank for 371,946 thousand euros. The interest accrued on the facility is the sum of two applicable interest rates: the margin earmarked for each period and the EURIBOR rate applicable for the related interest period, with half-yearly settlements.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Hydra Solar, S.L.U.

On December 21, 2022, Hydra Fotovoltaica Solar, S.L.U. financed the promotion, construction, and development of four photovoltaic projects through a 16-year Credit Facility Agreement with Banco de Sabadell for 132,890 thousand euros. The interest accrued on the facility is the sum of two applicable interest rates: the margin earmarked for each period and the EURIBOR rate applicable for the related interest period, with half-yearly settlements.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x.

Serpens Solar, S.L.U.

On September 21, 2023, Serpens Solar, S.L.U. financed the promotion, construction and development of 15 photovoltaic projects through a Common Terms Agreement entered into with Banco Santander and the European Investment Bank for 305,850 thousand euros, with legal maturity at December 31, 2031. The interest accrued on the facility is the sum of two applicable interest rates: the margin earmarked for each period and the Euribor rate applicable for the related interest period, with half-yearly settlements.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x. At December 31, 2025, in accordance with the terms of the issue, compliance with that ratio was exempt.

Sagitta Solar, S.L.U.

On October 6, 2025, Sagitta Solar, S.L.U. entered into a Facility Agreement with Banco de Sabadell, S.A. and Instituto de Crédito Oficial, E.P.E. to finance its PV solar projects, for a total amount of 89,500 thousand, of which 23,607 thousand euros had been drawn down as at December 31, 2025. This

financing has a legal maturity of June 30, 2046, and accrues interest at the sum of the applicable margin, set at 1.70%, and the Euribor rate applicable for the related interest period, with half-yearly settlements.

The issue contract stipulates early repayment in the event of failure to comply with a minimum debt service coverage ratio (DSCR) of 1.05x. At December 31, 2025, in accordance with the terms of the issue, compliance with that ratio was exempt.

Bonds and other marketable securities

On December 15, 2025, the Parent issued promissory notes on Spain's alternative fixed-income market (Mercado Alternativo de Renta Fija or "MARF"), with an outstanding balance of up to 200,000 thousand euros. The notes accrue fixed interest at market rates. At December 31, 2025, the amount stood at 400 thousand euros.

14.2 Lease liabilities (IFRS 16) and other financial liabilities

The breakdown of these items at December 31, 2025 and 2024, is as follows:

(Thousands of euros)	2025			2024		
	Current	Non-current	Total	Current	Non-current	Total
Lease liabilities (IFRS 16) and other financial liabilities	17,029	176,883	193,912	16,825	138,715	155,540
Total lease liabilities (IFRS 16) and other financial liabilities	17,029	176,883	193,912	16,825	138,715	155,540

The Group's main leases in force at December 31, 2025, and 2024 are disclosed in Note 9.

Balance of lease liabilities associated with contracts as at December 31, 2025 and 2024 (in million euros):

(Thousands of euros)	2025			2024		
	Current	Non-current	Total	Current	Non-current	Total
Lease commitments	10,029	176,883	186,912	6,827	138,715	145,542
Total lease liabilities	10,029	176,883	186,912	6,827	138,715	145,542

The Group does not have any leases with significant residual value guarantees.

At the reporting date, the Group did not have any leases representing significant commitments that entered into effect after December 31, 2024. The breakdown, by maturity, of the Group's total lease liabilities at December 31, 2025, and 2024, is as follows:

(Thousands of euros)	2025	2024
Within one year	10,413	7,036
After one year but not more than five years	40,861	34,872
More than five years	246,353	165,029
Undiscounted value of lease liabilities	297,627	206,938

The Group has supplier financial arrangements—reverse factoring—offered by some of its key suppliers. Participation in the arrangement is at the supplier’s discretion. Those participating will receive early payment on invoices sent to the Group from the Group’s external finance provider.

If suppliers choose to receive early payment, they pay a fee to the finance provider, to which the Group is not party. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by the Group.

Payments to suppliers ahead of the invoice due date are processed by the finance provider and, in all cases, the Group settles the original invoice by paying the finance provider in line with the original invoice maturity date described above. The Group provides no security to the finance provider. The term of the reverse factoring is up to six months from acceptance of the invoice. All trade payables subject to the supplier finance arrangement are included in trade and other payables in the consolidated statement of financial position.

The balance of trade payables from reverse factoring arrangements at December 31, 2025 was 139 million euros (Note 14.5). The balances of reverse factoring past due, amounting to 7 million euros, were recognized under liabilities in “Lease liabilities and other financial liabilities” (2024: 9.9 million euros).

14.3 Derivatives

As explained in Note 12.4 above, the Group is exposed to financial risks, mainly interest rate and electricity sale price risk, relating to its business operations. In line with its risk management policy, the Group has entered into several financial derivatives to reduce the impact of these risks.

Interest rate

As it considers these derivatives as hedges, at the end of each reporting period the Group recognizes the fair value of the derivatives in the consolidated statement of financial position. At December 31, 2025, the fair value of the interest-rate derivatives stood at 10,992 thousand euros (2024: 636 thousand euros).

To hedge exposure of existing loans to changes in interest rates, the following companies entered into interest rate hedges, the main characteristics of which are as follows:

	Solaria Lyra, S.r.l	CFV Triangulum Australe, S.L.	Vía Láctea Fotovoltaica, S.L.	Prodigy Orbit, LDA.
Initial notional amount (thousands of euros)	49,460	82,273	11,980	18,561
Expiry	4/30/2030	6/30/2034	6/30/2027	6/30/2032
Interest rate payable	0.45%	0.71%	0.49%	0.17%
Settlement of the notional amount of the derivative	Quarterly	Half-yearly	Half-yearly	Half-yearly

	Corona Borealis, S.L.	Kraken Solar, S.L.	Adhara Solar, S.L.	Hydra Solar, S.L.	Serpens Solar, S.L.
Initial notional amount (thousands of euros)	85,689	72,224	238,471	99,668	386,107
Expiry	12/31/2033	12/31/2038	12/31/2033	6/30/2036	12/31/2031
Interest rate payable	0.62%	0.63%	2.26%	2.96%	3.31%
Settlement of the notional amount of the derivative	Half-yearly	Half-yearly	Half-yearly	Half-yearly	Half-yearly

Financial PPA contracts

To hedge against changes in electricity prices, several companies have entered into price hedges (financial PPA contracts).

At December 31, 2025 and 2024, Solaria Group had 11 financial PPA contracts entered into with three counterparties. All the agreements entail the sale of electricity at a fixed price, with net settlement.

The Group has considered that these agreements meet the definition of derivative provided in Appendix A of IFRS 9 and that, as they are agreements that can only be settled net, it cannot apply the exception provided in paragraph 2.4 of IFRS 9 for instruments held for own use. Therefore, they are treated as derivative financial instruments and not as executory contracts.

The 11 PPA contracts are for plots of land and have the following characteristics:

- Solaria Group has the position of “seller”, i.e. it sells electricity at a fixed price. Under the contracts, the Group receives fixed amounts (as a function of the strike price) and pays the amounts indexed to the Iberian electricity market price (OMIE).
- Settlements are monthly by multiplying the price by the associated MWh.
- The nominal (MWh) is calculated as a percentage of the output of a specific solar plant. Depending on the plant, this is usually around 70%.
- Maturity is long term (between 2030 and 2032).

As it considers these derivatives as hedges, at the end of each reporting period the Group recognizes the fair value of the derivatives in the consolidated statement of financial position. At December 31, 2025, the fair value stood at 58 million euros (2024: 67 million euros). The positive value was because, on average, the fixed prices receivable were above the estimated market price.

Fair value (categorized within Level 3 of the fair value hierarchy due to the lack of liquidity of long-term electricity prices) is calculated by discounting estimated future cash flows. Future cash flows are calculated as the differences between the amounts receivable (at a fixed price) and the amounts payable (which depend on the estimate of future electricity prices).

In all cases, the PPAs are contracts which consider the hourly scheduling period of power generation of the photovoltaic plants. Settlement of these is carried out against the hourly price and the matching power volume.

Considering the inputs used by the Group to determine the fair value of assets and liabilities measured at fair value, the interest rate swaps (IRS) are categorized within Level 2 and the PPA contracts within Level 3.

The cash flows associated with the swaps of PPA contracts for 2025 and 2024 are as follows:

(Thousands of euros)	2025	2024
2026	10,695	6,395
2027	13,809	10,127
Subsequent years	34,240	50,474
	58,745	66,996

14.4 Changes in liabilities arising from financing activities

	January 1, 2025	Cash inflows	Cash outflows	Changes in consolidation scope and other	Changes in fair value	December 31, 2025
Interest-bearing loans and borrowings	1,171,797	396,548	(72,340)	37,117	(6,483)	1,526,639
Total liabilities arising from financing activities	1,171,797	396,548	(72,340)	37,117	(6,483)	1,526,639

	January 1, 2024	Cash inflows	Cash outflows	Changes in consolidation scope and other	Changes in fair value	December 31, 2024
Interest-bearing loans and borrowings	1,066,084	155,258	(106,136)	38,259	18,332	1,171,797
Total liabilities arising from financing activities	1,066,084	155,258	(106,136)	38,259	18,332	1,171,797

14.5 Other non-current and current liabilities

The breakdown of this heading at December 31 is as follows:

(Thousands of euros)	2025		2024	
	Current	Non-current	Current	Non-current
Government grants related to assets	-	5,100	-	-
Trade and other payables	136,300	-	122,304	-
Personnel - salaries payable (bonus)	3,178	-	3,229	-
	139,478	5,100	125,533	-

“Trade and other payables” at December 31, 2025, included fixed-asset suppliers for 132 million euros (2024: 118 million euros).

“Grants” relate to amounts awarded to acquire batteries. Carrying amount at the beginning and end of 2025:

(Thousands of euros)	
Balance at December 31, 2024	-
Additions	5,100
Amounts recognized in profit or loss (“other income”) (Note 16.1)	-
Other	-
Balance at December 31, 2025	5,100

15. Tax matters

The breakdown of balances related to tax assets and tax liabilities at December 31, 2025 and 2024 is as follows:

(Thousands of euros)	2025	2024
Deferred tax assets	42,487	46,981
Deferred tax liabilities	(60,073)	(39,708)
Other taxes receivable	10,693	559
<i>Value added tax</i>	<i>10,693</i>	<i>559</i>
	(6,893)	7,832
Current tax liabilities	198	10,904
Other taxes payable	2,606	2,864
<i>Personal income tax withholdings</i>	<i>300</i>	<i>457</i>
<i>Social Security</i>	<i>362</i>	<i>400</i>
<i>IVPEE</i>	<i>1,944</i>	<i>2,007</i>
	2,804	13,768

Since 2010, the Parent has filed consolidated tax returns as head of the tax group. Under prevailing tax regulations, tax returns may not be considered final until they have either been inspected by the tax authorities or until the four-year inspection period from the filing of tax returns for Spanish companies has expired. Subsidiaries outside Spain are also open to inspection for all financial years in accordance with their local tax laws. The Parent’s directors consider that, in the event of a tax inspection, no significant tax contingencies would arise as a result of varying interpretations of the tax legislation applicable to the Parent’s or subsidiaries’ transactions.

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. and subsidiaries
Notes to the financial statements for the year ended December 31, 2025
(Thousands of euros)

15.1 Calculation of income tax expense

Reconciliation of profit before tax and income tax expense/(income):

Thousands of euros	Income statement	
	2025	2024
Current tax	(3,954)	(10,999)
Deferred tax	(25,759)	(18,618)
Adjustment in respect of prior years	(2,947)	(1,911)
Income tax - (expense)/ income	(32,660)	(31,528)

Thousands of euros	Income statement	
	2025	2024
Spain Tax Group	(20,875)	(25,796)
Foreign subsidiaries	(8,838)	(3,822)
Adjustment in respect of prior years	(2,947)	(1,911)
Income tax - (expense)/ income	(32,660)	(31,529)

15.2 Deferred tax assets and liabilities

Reconciliation of deferred tax assets and deferred tax liabilities at the beginning and end of the period:

(Thousands of euros)	Balance at January 1	Changes reflected in		Balance at December 31
		Income statement	Equity	
2025				
Deferred tax assets				
Tax losses	6,488	(1,660)	-	4,828
Unused tax credits	8,290	(8,290)	-	-
Hedging transactions and other	8,007	(915)	(1,118)	5,974
Other temporary differences that will reverse	24,196	7,490	-	31,686
Deferred tax liabilities				
Hedging transactions (power)	(16,777)	-	2,091	(14,686)
Hedging transactions (interest rate)	(6,176)	-	(73)	(6,249)
Other temporary differences that will reverse	(16,754)	(22,384)	-	(39,138)
	7,274	(25,759)	900	(17,585)

(Thousands of euros)	Balance at January 1	Changes reflected in		Balance at December 31
		Income statement	Equity	
2024				
Deferred tax assets				
Tax losses	13,197	(6,709)	-	6,488
Unused tax credits	13,570	(5,280)	-	8,290
Hedging transactions and other	4,134	(550)	4,423	8,007
Other temporary differences that will reverse	21,223	2,973	-	24,196
Deferred tax liabilities				
Hedging transactions (power)	(8,359)	-	(8,418)	(16,777)
Hedging transactions (interest rate)	(10,174)	-	3,998	(6,176)
Other temporary differences that will reverse	(7,702)	(9,052)	-	(16,754)
	25,888	(18,618)	3	7,274

Unused tax losses

The breakdown of the Group's tax losses is as follows:

Year arising	Thousands of euros	
	2025	2024
2013	17,041	23,684
2014	2,269	2,269
	19,310	25,953

At December 31, 2025 and 2024, the Group recognized deferred tax assets for all unused tax losses.

Other temporary differences

"Other temporary differences" in deferred taxes receivable reflects primarily the elimination of internal margins that reverse as the underlying assets are depreciated and the 50% limit on the offset of tax losses of 2023, 2024 and 2025 (Note 4.10).

It also includes deferred taxes payable mostly arising from differences between accounting and tax depreciation, which will reverse as the underlying assets are depreciated.

Assessment of the recoverability of deferred tax assets

The Parent's directors estimated the Group's future taxable profits. They also analyzed the timing of the reversal of taxable temporary differences, identifying those expected to reverse in periods in which the unused tax losses can be utilized. Based on this analysis and the Group's business plan presented to the market in November 2025, which envisages significant growth in the Group's earnings in the coming years, the Group recognized deferred tax assets for all the items shown above, recognizing a total amount at December 31, 2025 of 42,487 thousand euros (2024: 46,981 thousand euros). In 2025 and 2024, the Group recognized unused tax losses as envisaged in the business plan.

15.3 Reconciliation of accounting profit to taxable profit

Reconciliation of accounting profit before tax and the income tax expense for 2025 and 2024:

(Thousands of euros)	2025	2024
Consolidated profit before tax	170,050	120,143
Permanent differences	(60,170)	(5,998)
Adjusted accounting profit before tax	109,880	114,145
Accounting income tax expense at the tax rate in Spain (25%)	27,470	28,536
Current tax	3,954	10,999
Deferred tax and other	25,759	18,618
Adjustment in respect of prior years	2,947	1,911
Recognition of DTAs in profit or loss	-	-
Income tax expense in the income statement	32,660	31,528

16. Revenue and expenses

The nature of the main changes in revenue and expense items for the current year compared to the previous year is described in the consolidated management report.

16.1 Revenue and other income

Breakdown of revenue in 2025 and 2024 by concept:

(Thousands of euros)	2025	2024
Revenue	197,443	176,905
Sales	123,305	134,986
Rendering of services	74,138	41,919
Other income	105,509	33,538
Other income/(expense)	-	28,944
	302,952	239,387

The breakdown of revenue is provided in the segment reporting (Note 5). “Sales” relates to the sale energy, where the Group saw a decline in production by a total of 109 GWh and capture price of 3 euros. “Revenue” also includes income from the rendering of services related to the development of infrastructure projects for third parties in an amount of 74.1 million euros.

“Other income” includes primarily the recognition of the transaction involving Generia Land,S.L. (Note 8), capitalized personnel expenses related to projects under construction for 18.5 million euros (2024: 18.1 million euros), penalties levied on suppliers for breach of contract, and amounts collected from insurance for 18.6 million euros.

Finally, in 2024 the Group recognized 28.9 million euros for the Puertollano plant under “Other income/(expense)” (Note 10).

16.2 Personnel expenses

The breakdown of “Personnel expenses” is as follows:

(Thousands of euros)	2025	2024
Salaries, wages and similar		
Salaries and wages	17,709	17,413
Employee benefits expense		
Social Security	3,644	3,749
	21,353	21,162

16.3 Other operating expenses

The breakdown of other operating expenses is as follows:

(Thousands of euros)	2025	2024
Repairs and maintenance	1,220	1,123
Independent professional services	404	910
Insurance premiums	1,859	2,245
Banking services	-	81
Utilities	870	910
Other services	2,110	2,123
Taxes other than income tax	9,588	9,565
	16,051	16,957

The increase in “Taxes other than income tax” was primarily the result of the resumption of the gradual “IVPEE” after the suspension extended to December 31, 2023, in accordance with Royal Decree-Law 20/2022 of December 27, 2023 (Note 2.8).

16.4 Net finance income/(expense)

The breakdown of “Finance costs” is as follows:

(Thousands of euros)	2025	2024
Finance income		
Other finance income	637	625
Finance costs		
Interest on third-party borrowings	(48,259)	(38,096)
	(47,622)	(37,471)

16.5 Share of profit of associates

The share of profit of associates in 2025 amounted to 547 thousand euros, all from Generia Land, S.A, recognized in “Other income/(expense).” See Note 8 for further details on the results of this company.

17. Related party transactions

The only related party with which the Group carried out transactions in 2025 and 2024 was the parent of the DTL Corporación, from which the Parent has leased the offices where it carries out business since July 2009 and which are owned by DTL Corporación, S.L. Rental payments in 2025 amounted to 651 thousand euros (2024: 594 thousand euros). The lease is accounted for in accordance with IFRS 16 (Note 9).

17.1 Directors and senior management

The breakdown of remuneration accrued by members of the Parent’s Board of Directors and senior management is as follows:

(Thousands of euros)	2025	2024
Directors	580	620
Senior management	2,908	3,076
	3,488	3,696

The Group did not pay any civil liability insurance premiums on behalf of its directors for damages caused in 2025 or 2024.

At December 31, 2025 and 2024, the Group had no pension or life insurance commitments with former or current members of the Board of Directors.

No advances or loans had been granted to senior executives or members of the Board of Directors at December 31, 2025 and 2024, nor had any guarantees been given on their behalf.

Also, during the year, the CEO, Arturo Díaz-Tejeiro, purchased 14.7 million euros of promissory notes (2024: 14.6 million euros).

In accordance with Article 229 of the Spanish Corporate Enterprises Act, the directors have stated that there are no situations that may involve a conflict of interest with the Group.

Senior management was composed of all the Group's directors.

18 Earnings per share

The following table reflects the income and share data used in the basic and diluted earnings per share calculations:

(Thousands of euros)	2025	2024
Profit attributable to ordinary equity holders of the Parent:		
Continuing operations	137,390	88,614
Weighted average number of ordinary shares outstanding	124,951	124,951
Basic and diluted earnings per share (€)	1.10	0.71

19 Other disclosures

19.1 Headcount

	Total number of employees at year-end			Average number of employees in the year	Average number of employees with a disability of a severity of >33% as a percentage of the total
	Men	Women	Total		
2025					
Executives	9	1	10	10	-
Middle managers	14	6	20	25	-
Technical personnel	157	25	182	214	2
	180	32	212	249	2
2024					
Executives	8	2	10	9	-
Middle managers	19	10	29	29	-
Technical personnel	181	36	217	203	2
	208	48	256	241	2

19.2 Audit fees

Audit fees accrued during the year for services rendered by the statutory auditor and firms in its network were as follows:

(Thousands of euros)	2025	2024
Audit services	274	271
Other audit-related services	34	21
Other non-audit services	55	37
	363	329

19.3 Environmental disclosures

The Group takes into consideration prevailing environmental protection laws in all its business operations and considers that it substantially complies with these laws and has procedures in place to encourage and guarantee compliance.

As a result, the Parent's directors consider that no significant contingencies exist with respect to environmental protection or improvement. Therefore, they did not consider it necessary to recognize any provision for environmental liabilities and charges at December 31, 2025 or 2024.

19.4 Surety bonds and bank guarantees

At December 31, 2025, the Group had contingent liabilities for surety bonds, bank guarantees and other guarantees related to access and connection for generation and demand amounting to 763 million thousand euros (2024: 562 million euros). The Group does not expect any liabilities or contingencies to arise from these guarantees.

19.5 Information on average payment period to suppliers. Additional Provision Three. "Disclosure requirements" under Law 15/2010, of July 5, 2010.

In accordance with the single additional provision of the Resolution of January 29, 2016, of the Spanish Institute of Accounting and Accounts Auditing (ICAC) regarding disclosures in the notes to financial statements in relation to the average supplier payment period in commercial transactions,

Disclosures regarding the average supplier payment period are as follows:

	2025	2024
(Days)		
Average supplier payment period	35	28
Ratio of transactions paid	29	29
Ratio of transactions outstanding	26	26
(Thousands of euros)		
Total payments made	6,814	5,336
Total payments outstanding	2,933	2,551
Monetary value of invoices paid within the legally stipulated deadline	6,473	5,070
Percentage of payments made within that deadline as a percentage of total payments	95%	95%
(Number of invoices)		
Number of invoices paid within the legally stipulated deadline	1,284	1,268
Percentage of total invoices paid	97%	97%

20. Nature and extent of risks arising from financial instruments

Financial risk factors

The Group is exposed to various financial risks relating to its business operations: market risk (including foreign currency risk, price risk, and interest rate risk), credit risk, and liquidity risk. The overall risk management program focuses on mitigating unpredictable financial market risks and minimizing their potential adverse effects on the profitability of the Group, which uses derivatives to hedge foreign currency risk and interest rate risk.

Risk management is overseen by the Parent's Finance Department. This department identifies, measures, and hedges financial risks in collaboration with the Group's operating units.

20.1 Credit risk

The Group does not have significant credit risk concentration. Policies are in place to ensure that sales are made to customers with a good credit history. For PV plants installed before 2019, the main customers are CNMC and GSE. For newly installed plants, management enters into PPA contracts with highly solvent end customers.

Transactions with derivative financial instruments and cash transactions are only arranged with financial institutions with high credit ratings. Policies are in place to limit the amount of risk with any individual financial institution.

Where customers do not have an independent credit rating, the Finance Department assesses their creditworthiness based on financial position, past experience and other factors. Group policy is to not extend long-term loans to customers except in certain cases and under exceptional circumstances.

The net balance of third-party trade receivables at December 31, 2025 and 2024 reflects certain future maturities, as shown below:

(Thousands of euros)	From 0 to 90 days	From 90 to 180 days	Over 180 days	Total debt
Third-party customer balance 2025	78,032	-	610	78,642
Third-party customer balance 2024	69,296	-	670	69,966

20.2 Market risk

Foreign currency risk

The Group operates internationally and is therefore exposed to foreign currency risk in its transactions with foreign currency, especially the US dollar for its plants in Uruguay. The foreign currency risk is minimized with a natural hedge by carrying out all transactions, including financing, in US dollars. The unhedged items are dividend distributions.

The currency other than the euro in which the Group operates is the US dollar.

Price risk

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. and subsidiaries
Notes to the financial statements for the year ended December 31, 2025
(Thousands of euros)

The Group is exposed to price risk from the sale of energy to the market. Management addresses this risk by considering current market conditions when transactions are carried out, assessing the possibility of signing contracts with fixed prices, combining part of long-term energy sales at a fixed price through PPAs and part of short-term sales at variable market rates.

To assess the impact of potential changes in prices on the Group's earnings, a simulation was performed on the sensitivity of sales to the market to a 10 euro increase and a 10 euro decrease in energy prices at December 31, 2025.

The sensitivity analysis shows that the impact on the Group's consolidated profit or loss would be an increase or decrease in revenue from energy sales of 7 million euros for the year ended December 31, 2025.

The impact on the Group's equity at December 31, 2025, arising from changes in energy prices based on the sensitivity analysis performed, would be as follows:

Scenario	Fair value of PPA contracts at 12/31/2025 (thousand euros) – Balance at December 31
Base (curves used)	
Percentage increase in electricity price of 5%	(6,510)
Percentage increase in electricity price of 10%	(13,022)
Percentage decrease in electricity price of 5%	6,510
Percentage decrease in electricity price of 10%	13,022

Interest rate risk

As the Group has no significant interest-bearing assets, income and cash flows from operating activities are substantially independent of changes in market interest rates.

Interest rate risk arises from non-current bank borrowings. The Group is exposed to cash flow interest rate from its floating-rate bank borrowings. It is the Group's policy to raise finance at fixed rates (project bonds) or enter into derivatives to hedge interest rate risk on loans indexed to a floating interest rate. All the Group's bank borrowings indexed to floating rates are denominated in euros.

The Group manages its cash flow interest rate risk based on current market conditions using floating-to-fixed interest rate swaps. The effect of these interest rate swaps is to convert floating rate borrowings into fixed rate borrowings.

The Group's debt structure at December 31, 2025, and 2024, taking into account interest rate hedging derivatives, is as follows:

(Thousands of euros)	2025	2024
Fixed-rate borrowings	1,043,068	856,524
Floating-rate borrowings	308,709	168,168
Total	1,351,777	1,024,692

To assess the impact of potential changes in interest rates on the Group's earnings, a simulation was performed on the sensitivity of floating-rate borrowings to a 100bp increase and a 100bp decrease in interest rates at December 31, 2025.

The sensitivity analysis shows that the impact on the Group's consolidated profit or loss would be an increase or decrease in net finance income/(expense) from interest payments of 3 million euros for

the year ended December 31, 2025.

The analysis of the maturity schedule of interest payments included in the contracts is as follows:

(Thousands of euros)	12/31/2025	12/31/2024
2025	-	35,395
2026	54,830	33,301
2027	47,593	31,207
2028	42,676	30,244
2029 and beyond	234,687	131,099
Total	379,786	261,246

The impact on the Group's equity at December 31, 2025, arising from changes in interest rates based on the sensitivity analysis performed, would be as follows:

Scenario	Fair value of IRS at 12/31/2025 (thousand euros) – Balance at December 31
Base (curves used)	
Percentage increase in interest rate of 100bp	53,595
Percentage decrease in interest rate of 100bp	(23,094)

20.3 Liquidity risk

Prudent liquidity risk management entails maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities, and the ability to close out market positions.

As shown in the accompanying consolidated statement of financial position, the Group had negative working capital at December 31, 2025, amounting to 190 million euros. However, the Parent's directors do not expect there to be any problems servicing its third-party borrowings at their maturities in accordance with the Group's budgets, which reflect management's judgment based on current circumstances, the factors considered most significant, and the trend considered most likely. They expect the Group will be able to generate sufficient funds to meet its payment obligations over the next financial year both for its improved financing capacity and the undrawn financing facilities available at year-end 2025.

21. Events after the reporting period

No events occurred after the reporting period that could have a significant impact on the financial statements or explanatory notes.

Appendix: Group companies at December 31, 2025:

Ownership interest	Tax domicile	Direct ownership interest	Indirect ownership interest
SOLARIA ENERGIA MEDIO AMBIENTE,S.A.	C/ Princesa 2, Madrid	100%	-
Solaria Ingeniería y Construcción Fotovoltaica, S.L.	C/ Princesa 2, Madrid	100%	-
Solaria Energía y Generación Renovables, S.L.	C/ Princesa 2, Madrid	100%	-
Solaria Promoción y Desarrollo Fotovoltaico, S.L.	C/ Princesa 2, Madrid	100%	-
Globasol Villanueva 1, S.A.	C/ Princesa 2, Madrid	-	100%
Magacela solar 1, S.A.U.	C/ Princesa 2, Madrid	-	100%
Planta Solar Puertollano 6, S.A.	C/ Princesa 2, Madrid	-	100%
Solaria Casiopea, S.A.	C/ Princesa 2, Madrid	-	100%
Planta Solar Puertollano 4, S.L.	C/ Princesa 2, Madrid	100%	100%
Pronature, Consulting and Engineering S.L.	C/ Princesa 2, Madrid	94%	6%
CFV Triangulum Australe, S.A.	C/ Princesa 2, Madrid	-	100%
Guleve Investments, S.L.	C/ Princesa 2, Madrid	-	100%
Lerapa Investments, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV100, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV101, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV102, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV104, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV 3, S.L.	C/ Princesa 2, Madrid	-	100%
Planta Solar Puertollano 10, S.L.	C/ Princesa 2, Madrid	-	100%
Vía Láctea Fotovoltaica, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV107, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV103, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV114, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV116, S.L.	C/ Princesa 2, Madrid	-	100%
Andrómeda Fotovoltaica, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV113, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV115, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV126, S.L.	C/ Princesa 2, Madrid	-	100%
Corona Borealis Fotovoltaica, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV105, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV106, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV109, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV119, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV120, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV125, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV137, S.L.	C/ Princesa 2, Madrid	-	100%
Kraken Solar, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV124, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV154, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV155, S.L.	C/ Princesa 2, Madrid	-	100%
Adhara Solar, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV144, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV145, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV146, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV147, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV148, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV149, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV150, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV156, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV108, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV110, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV112, S.L.	C/ Princesa 2, Madrid	-	100%

Ownership interest	Tax domicile	Direct ownership interest	Indirect ownership interest
Planta FV118, S.L.	C/ Princesa 2, Madrid	-	100%
Hydra Solar Fotovoltaica, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV121, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV122, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV111, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV127, S.L.	C/ Princesa 2, Madrid	-	100%
Serpens Solar S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV128, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV129, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV Maira Alpha S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV Maira Beta S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV Maira Gamma S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV Maira Delta S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV Calisto S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV Europa S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV132, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV133, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV134, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV136, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV151, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV152, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV153, S.L.	C/ Princesa 2, Madrid	-	100%
Sagitta Solar S.L.	C/ Princesa 2, Madrid	-	100%
Solaria Energia Inversiones, S.L. (Planta FV143, S.L.)	C/ Albert Einstein no. 46, Vitoria	-	100%
Solaria Eraikuntza Fotovoltaikoa, S.L.	C/ Albert Einstein no. 46, Vitoria	-	100%
Solaria Eguzki Sorkunza S.L.	C/ Albert Einstein no. 46, Vitoria	-	100%
Indarberri, S.L.	C/ Albert Einstein no. 46, Vitoria	-	100%
Planta FV123, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV130, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV135, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV139, S.L.	C/ Princesa 2, Madrid	-	100%
Planta FV117, S.L.	C/ Princesa 2, Madrid	-	100%
Indus Solar Fotovoltaica, S.L.	C/ Princesa 2, Madrid	-	75%
Planta FV140, S.L.	C/ Princesa 2, Madrid	-	100%
Solaria Data Center Services, S.L.	C/ Princesa 2, Madrid	100%	-
Planta FV Marte Solar, S.L.	C/ Princesa 2, Madrid	-	100%
Solaria Representación en Mercado, S.L.	C/ Princesa 2, Madrid	100%	-
CETUS P DC, SL	C/ Princesa 2, Madrid	-	100%
PISCIS 2 DC SL	C/ Princesa 2, Madrid	-	100%
CRUX P DC. SL	C/ Princesa 2, Madrid	-	100%
CIGNUS P 2 DC, SL	C/ Princesa 2, Madrid	-	100%
ICARO P2 DC, SL	C/ Princesa 2, Madrid	-	100%
PLANTA FV OLIVA 1, S.L.	C/ Princesa 2, Madrid	-	100%
PLANTA FV OLIVA 2, S.L.	C/ Princesa 2, Madrid	-	100%
PLANTA FV OLIVA 3, S.L.	C/ Princesa 2, Madrid	-	100%
PLANTA FV OLIVA 4, S.L.	C/ Princesa 2, Madrid	-	100%
PLANTA FV OLIVA 5, S.L.	C/ Princesa 2, Madrid	-	100%
Marche Energía, S.R.L.	Piazza dell'Indipendenza 23 B/C - Rome	-	100%
Sardegna Agrienergia UNO SRL	Piazza dell'Indipendenza 23 B/C - Rome	-	100%
Serre UTA S.R.L.	Piazza dell'Indipendenza 23 B/C - Rome	-	100%
Ollastra Energía, S.R.L.	Piazza dell'Indipendenza 23 B/C - Rome	-	100%
Solaria Lyra, S.r.l.	Piazza dell'Indipendenza 23 B/C - Rome	-	100%
Solaria Services Italia s.r.l.	Piazza dell'Indipendenza 23 B/C - Rome	-	100%
Solaria Promozione E Sviluppo Fotovoltaico s.r.l.	Piazza dell'Indipendenza 23 B/C - Rome	-	100%
Natelu, S.A.	Pedro Blanes Viales 6248- Montevideo	-	100%
Yarnel, S.A.	Pedro Blanes Viales 6248- Montevideo	-	100%

Ownership interest	Tax domicile	Direct ownership interest	Indirect ownership interest
Solaria Energía Renováveis Portugal, Lda	C/ Princesa 2, Madrid	-	100%
Prodigy Orbit LDA	Rua do Alecrim, 26 Lisbon	-	100%
Radian Jupiter Lda	Rua do Alecrim, 26 Lisbon	-	100%
Solaria Ingeniería y Construcción Fotovoltaica, S.L.- Sucursal EM Portugal	Rua do Alecrim, 26 Lisbon	-	100%
Elassona Solar Energía LLC	2 Mesogion Ave. Athens	-	100%
Solaria UK LTD	71-75 Shelton Street, London, United Kingdom, WC2H 9JQ	-	100%
Solaria Deutschland GmbH	Metzer Str. 13, Berlin	-	

Consolidated Management Report

for the year ended December 31, 2025

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1. Solaria Group

The core business of Solaria Energía y Medio Ambiente, S.A. and its subsidiaries is the development and generation of renewable energy, mostly in Europe.

Solaria’s mission is to promote the development of the use of renewable energy sources by transforming knowledge and experience into innovative solutions that contribute to the well-being and progress of humanity, promoting sustainable economic development and reducing environmental impact, positioning ourselves as leaders through our experience, transparency, flexibility, profitability and quality.

2. Key financial indicators in 2024

The Solaria Group reported revenue of 197.4 million euros (+12%), EBIT of 217.6 million euros (+38%), profit before tax of 170 million euros (+42%) and profit after tax of 137.3 million euros (+55%) for the year ended December 31, 2025.



3. Key highlights of 2025

Data Center

On February 13, 2025, Solaria announced that Red Eléctrica de España had awarded the company feasibility of access and connection for 213 MW of demand for supply for a data processing center (DPC) in southern Madrid.

Data Center

On February 25, 2025, Solaria announced that Red Eléctrica de España had awarded the company feasibility of access and connection for 225 MW of demand for supply for a data processing center (DPC) in the Basque Country.

Data Center

On March 17, 2025, Solaria announced that Red Eléctrica de España had awarded the company feasibility of access and connection for 130 MW of demand for supply for a data processing center (DPC) in Madrid.

Data Center

On March 18, 2025, Solaria announced that Red Eléctrica de España had awarded the company feasibility of access and connection for 225 MW of demand for supply for a data processing center (DPC) in the Basque Country, now totaling 450 MW.

PPA

On April 24, 2025, Solaria announced that it had entered into a 10-year power purchase agreement (PPA) for 1 TWh with Trafigura linked to a 50MW solar project in Spain.

Storage

On April 28, 2025, Solaria reported that it had closed the purchase of 260MWh for battery energy storage systems (BESS), for approximately 20 million euros. These batteries will be located in Spain. The Company currently has 2.8 GW of BESS under development in Spain and Italy.

Data Center

On May 20, 2025, Solaria announced that Red Eléctrica de España had awarded the company feasibility of access and connection for 250 MW of demand for supply for a data processing center (DPC) in central Madrid.

Financing

On May 26, 2025, Solaria announced that it had entered into an agreement in principle with Banco Sabadell for the long-term financing of 175MW of PV solar plants in Spain. The financing was arranged in the form of syndicated project finance for an amount of up to 93.5 million euros.

Treasury shares

On June 3, 2025, Solaria disclosed that, in accordance with the authorization granted by the General Meeting of Shareholders held on June 30, 2022 under item 8 of the agenda, on May 8, 2025 the Company's board of directors agreed to repurchase treasury shares. The share buyback will have the following features:

- 1) Purpose: To repurchase Solaria shares under the framework of different corporate actions.
- 2) Size: The number of shares to be bought back will not exceed 12.495 million, representing 10% of Solaria's share capital.

Batteries

On September 3, 2025, Solaria disclosed to the market that it had purchased 1,102 MWh of batteries to be installed in six projects in Spain. This equipment will be operated using automated energy management software based on AI tools. The batteries will gradually come into operation starting in December.

The total investment amounts to over 80 million euros.

Appointments

On September 25, 2025, Solaria's Board of Directors agreed to appoint Felipe Morenés Botín-Sanz de Sautuola proprietary director of the Company by co-option.

The Board also agreed to appoint, based on a favorable report by the Appointments and Remuneration Committee, Javier Monzón Sánchez non-director Secretary of the Board.

Batteries

On October 2, 2025, Solaria disclosed to the market that it had obtained a positive environmental impact statement (EIS) for the installation of 780 MWh of batteries within the Garoña solar PV complex (710MW). The two facilities (solar + batteries) will come on stream at the same time.

Italy

On November 5, 2025, Solaria disclosed to the market that it had obtained a positive environmental impact statement (EIS) for the 150 MW Garaguso project in Italy. The Company expects to end the year with nearly 1 GW of environmentally approved capacity in Italy.

Batteries

On November 13, 2025, Solaria disclosed to the market that it had obtained a positive environmental impact statement (EIS) for the installation of 908 MWh of batteries in 11 PV solar plants located in Castilla-La Mancha and Castilla and León (Spain).

PPA

On November 17, 2025, Solaria announced that it had entered into a 10-year power purchase agreement (PPA) with Repsol for 150 MW of PV solar power for a hydrogen station.

PPA

On November 17, 2025, Solaria announced that it had entered into a 10-year power purchase agreement (PPA) with Repsol for 180 MW of wind power for a hydrogen station.

Batteries

On November 17, 2025, Solaria announced that it had signed a deal with Stoneshield Capital to create a new joint venture, Gravyx, a dedicated vehicle for stand-alone batteries. The joint venture will focus on the development, execution and large-scale operation of stand-alone battery systems.

Gravyx has a pipeline with 14 Gwh, of which 5.6 GWh already have grid connection permits. The projects are located in Europe, primarily in Germany and Italy. The deal envisages a minimum investment of 200 million euros by Stoneshield Capital.

Germany

On November 17, 2025, Solaria disclosed to the market that it had secured permits to commence construction of 200 MW of PV plants in Germany.

PPA

On November 17, 2025, Solaria announced that it had signed a 15-year power purchase agreement (PPA) with Merlin Properties for 445 MW of solar PV for its data center in Spain.

Data Center

On November 17, 2025, Solaria announced that it had reached an agreement with Merlin Properties ensuring grid access and connection of 225 MW and required electricity infrastructure for that company's data centers in Spain.

Italy

On January 28, 2025, Solaria disclosed to the market that it had obtained a positive environmental impact statement (EIS) for the 81 MW Palermo I project in Italy. The hope is to begin construction of this plant by the end of the year so that it can enter into operation over the course of 2027.

4. Financial information

4.1 Consolidated income statement

Revenue

The Group reported revenue of 198 million euros in 2025, up 12% from the year before.

The breakdown of revenue by business activity in 2025 and 2024 is as follows:

Thousands of euros (€K)	2024	2025	Absolute change	Relative change
Spain	155,395	182,938	27,543	18%
Italy	15,065	8,577	(6,488)	-43%
Uruguay	3,396	3,743	347	10%
Portugal and Greece	3,050	2,185	(865)	-28%
Total	176,906	197,443	20,537	12%

Personnel expenses

Personnel expenses (1% year-on-year) tended to stabilize, as the Group now has a stable number of employees to execute its expansion and diversification plan.

Other operating expenses

Other operating expenses were broadly in line with the year-earlier figure thanks to the Group's cost-streamlining policy carried out yearly.

Amortization and depreciation

The increase in **amortization and depreciation** was due to the depreciation charges recognized for the new plants commissioned by the Group.

Consolidated net finance income/(expense)

Net finance expense increased in 2025 due to the recognition of finance costs related to the transactions carried out to finance new plants whose accrual had yet to start in the same period last year.

4.2 Consolidated statement of financial position

Surface rights

The increase in the balance at December 31, 2025, reflects the addition of new leases of land in accordance with IFRS 16.

Property, plant and equipment

The Group incurred costs for property, plant and equipment in 2025 of 393.7 million euros for the new plants currently being built. This increase was in line with the targets disclosed.

Interest-bearing loans and borrowings

The change in the composition of these borrowings in 2025 was the result of the following:

- The increase in bank borrowings following new drawdowns from project debt made in 2025 as construction of the PV parks proceeded. The financing arrangements included in this item are non-recourse debt.
- The change in finance leases related to the execution in a public deed of the new leases for the land where the new plants are located, accounted for in accordance with IFRS 16.
- The increase in short-term bonds and debentures as a result of the issuance of the Group's commercial paper on the MARF.

5. Main risks

5.1 Risk related to financial instruments

Market risk

a) Foreign currency risk

The Group operates internationally and is therefore exposed to foreign currency risk in its transactions with foreign currency, especially the US dollar for its plants in Uruguay. The foreign currency risk is minimized with a natural hedge by carrying out all transactions, including financing, in US dollars. The unhedged items are dividend distributions.

The currency other than the euro in which the Group operates is the US dollar.

b) Price risk

The Group is exposed to price risk from the sale of energy to the market. Management addresses this risk by considering current market conditions when transactions are carried out, assessing the possibility of signing contracts with fixed prices, combining part of long-term energy sales at a fixed price through PPAs and part of short-term sales at variable market rates.

c) Cash flow interest rate risk

As the Group has no significant interest-bearing assets, income and cash flows from operating activities are substantially independent of changes in market interest rates.

Interest rate risk arises from non-current bank borrowings. The Group is exposed to cash flow interest rate from its floating-rate bank borrowings. It is the Group's policy to raise finance at fixed rates (project bonds)

or enter into derivatives to hedge interest rate risk on loans indexed to a floating interest rate (project finance). All the Group's bank borrowings indexed to floating rates are denominated in euros.

The Group manages its cash flow interest rate risk based on current market conditions using floating-to-fixed interest rate swaps. The effect of these interest rate swaps is to convert floating rate borrowings into fixed rate borrowings.

d) Credit risk

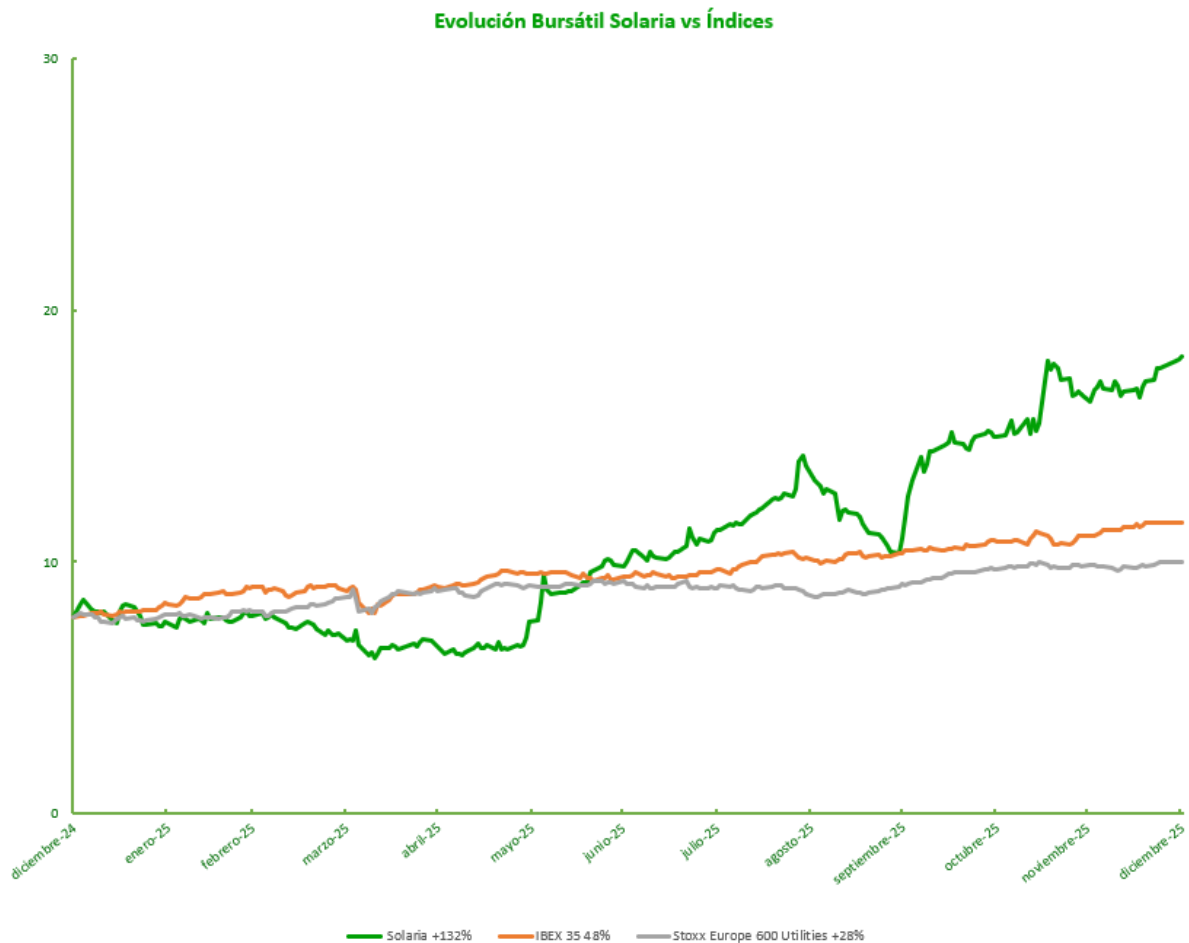
Credit risk arises from cash and cash equivalents, derivative financial instruments, and deposits with banks and financial institutions. Transactions are only carried out with institutions with high credit ratings and taking into account past experience and other factors. Where customers do not have an independent credit rating, the Finance Department assesses their creditworthiness based on financial position, past experience and other factors.

e) Liquidity risk

Prudent liquidity risk management entails maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities, and the ability to close out market positions.

As shown in the accompanying consolidated statement of financial position, the Group had negative working capital at December 31, 2025, amounting to 190 million euros. However, the Parent's directors do not expect there to be any problems servicing its third-party borrowings at their maturities in accordance with the Group's budgets, which reflect management's judgment based on current circumstances, the factors considered most significant, and the trend considered most likely. They expect the Group will be able to generate sufficient funds to meet its payment obligations over the next financial year both for its improved financing capacity and the undrawn financing facilities available at year-end 2025.

6. Share price performance



7. Other relevant information disclosed in the period

Other relevant information disclosed by the Group parent in 2025 is available by clicking on the following link:

<https://www.cnmv.es/portal/otra-informacion-relevante/resultado-oir.aspx?nif=A83511501&lang=en>

8. Disclaimer

This report has been prepared by Solaria Energía y Medio Ambiente, S.A. for information purposes only. It includes forward-looking statements regarding operations and the Group's strategies.

The report does not constitute an invitation to purchase shares in accordance with the Spanish Securities Market Act approved by Legislative Royal Decree 4/2015 of October 23.

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. AND SUBSIDIARIES

APPENDIX I - APM

Item	Calculation	Reconciliation (€K)				Relevance of use	
		2025		2024			
Working capital	Current assets - Current liabilities	204,065 - 394,423 = (190,358)		161,767 - 293,269 = (131,502)		Measure of ability to continue with normal business operations in the short term	
EBIT	Revenue + Other income + Other income/(expense) - Personnel expenses - Other operating expenses - Amortization and depreciation	197,443	+ +105,509 -48,423= 217,672	+ +547 - 21,353 - 16,051	176,905	+ 33,538 + 28,944 - 21,161 - 16,957 -43,656= 157,613	Measure of operating profitability without considering interest and taxes
Profit after tax	EBIT ± Net finance income/(expense)	217,672 - 47,622 = 170,050		157,613 - 37,471 = 120,141		Measure of operating profitability without considering taxes	
Net finance income/(expense)	Finance income - Finance costs ± Exchange differences	637 - 48,259 = (47,622)		625 - 38,096 = (37,471)		Measure of finance cost	
EBIT/revenue	Revenue + Other income + Other income/(expense) - Personnel expenses - Other operating expenses - Amortization and depreciation <u>Revenue</u>	$\frac{217,672}{197,443} = 110\%$		$\frac{157,613}{176,905} = 89\%$		Measure of operating profitability considering direct and indirect variable generation costs	
Net profit/revenue	Revenue + Other income + Other income/(expense) - Personnel expenses - Other operating expenses - Depreciation and amortization + Finance income - Finance costs ± Exchange differences ± Income tax <u>Revenue</u>	$\frac{137,390}{197,443} = 70\%$		$\frac{88,613}{176,905} = 50\%$		Measure of operating profitability considering direct and indirect variable generation costs, finance costs and taxes	
Personnel expenses/revenue	<u>Personnel expenses</u> Revenue	$\frac{21,353}{197,443} = 11\%$		$\frac{21,161}{176,905} = 12\%$		Measure of the relationship between personnel expenses and revenue from energy sales.	
Operating expenses/revenue	<u>Operating expenses</u> Revenue	$\frac{16,051}{197,443} = 8\%$		$\frac{16,957}{176,905} = 9\%$		Measure of the relationship between direct variable generation costs and revenue from energy sales.	
Finance costs/revenue	<u>Finance costs</u> Revenue	$\frac{47,622}{197,443} = 24\%$		$\frac{37,471}{176,905} = 21\%$		Measure of the relationship between project finance costs and project revenue from energy sales.	

SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. AND SUBSIDIARIES
AUTHORIZATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The members of the Board of Directors authorized for issue the accompanying 2025 consolidated financial statements and management report at their meeting held on February 25, 2026.

Enrique Díaz-Tejeiro Gutiérrez
Chairman

Arturo Díaz-Tejeiro Larrañaga
First Vice-Chairman of the Board

Maria Dolores Larrañaga Horna
Director

Manuel Azpilicueta Ferrer
Director

Carlos Abad Rico Board member
Director

Felipe Morenés Botín-Sanz de Sautuola
Director