Audit Report on Consolidated Financial Statements issued by an Independent Auditor

SONNEDIX ESPAÑA EQUITYCO, S.L. and SUBSIDIARIES
Consolidated Financial Statements and Consolidated Management Report for the year ended December 31, 2024

Ernst & Young, S.L.
Calle de Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax: 915 727 238
ey.com

AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and consolidated financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Sole Shareholder of Sonnedix España Equityco, S.L. and subsidiaries at the request of the Sole Director:

Opinion

We have audited the consolidated financial statements of Sonnedix España Equityco, S.L. (the Parent), and its subsidiaries (the Group) which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto for the year ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the equity and financial position of the Group as at December 31, 2024 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those regulations are further described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

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

Most relevant audit issues

Most relevant audit issues are those matters that, in our professional judgment, were the most significant assessed risks of material misstatements in our audit of the consolidated financial statements of the current period. These risks were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Regulatory framework, including revenue recognition, calculation of the recoverable value of non-current assets and the ability to repay loans received

Description	The Group's revenue from contracts with customers are from electricity sales, an activity subject to a specific tariff model established by the prevailing regulatory framework, as explained in Note 3 to the accompanying financial statements. Consequently, revenue recognized in the year was estimated based on criteria and parameters stipulated by the current tariff model. Likewise, the estimates made by management of future cash flows used to calculate the recoverable amount of assets as well as the Group's capacity to settle its liabilities depend on meeting budgets prepared for the entire estimated useful life of energy production installations, including an estimate of revenue received primarily from the aforementioned tariff model. These factors have caused us to consider this issue a key audit matter.
Our response	Our audit procedures have included, among others, the following: ▶ Reviewing the current tariff model and assessing the degree of compliance therewith. ▶ Testing revenue recognition to verify the reasonableness of the estimates made based on regulatory changes during the year. ▶ Verifying accounts payable and receivable from energy sales taking into account provisional and definitive settlements with the "CNMC" and from the intermediary during the year. ▶ Checking that the current regulatory framework was taken into account when analyzing the recoverable amount of the Group's non-current assets. ▶ Reviewing the disclosures included in the notes to the financial statements in conformity with the regulatory framework for financial reporting applicable to the Group.

Other information: consolidated management report

Other information refers exclusively to the 2024 consolidated management report, the preparation of which is the responsibility of the Parent's Sole Director and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. In conformity with prevailing audit regulations in Spain, our responsibility in terms of the consolidated management report is to assess and report on the consistency of the consolidated management report with the consolidated financial statements based on the knowledge of the Group we obtained while auditing the consolidated financial statements, and not including any information not obtained as evidence during the course of the audit. In addition, our responsibility is to assess and report on whether the content and presentation of the consolidated management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.,

Based on the work performed, as described in the above paragraph, the information contained in the consolidated management report is consistent with that provided in the 2024 consolidated financial statements and their content and presentation are in conformity with applicable regulations.

Parent's Sole Director responsibilities for the consolidated financial statements

The Parent's Sole Director is responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with the IFRS-EU and other provisions in the regulatory framework applicable in Spain, as explained in Note 3, and for such internal control as they determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Parent's Sole Director is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Parent's Sole Director either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Parent's Sole Director.

- Conclude on the appropriateness of the Parent's Sole Director use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of t entities or business activities within the Group to express an opinion on the consolidate financial statements. We are responsible for the direction, supervision and performance o the group audit. We are solely responsible for our audit opinion.

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

From the significant risks communicated with the Parent's Sole Director, we determine those that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the most significant assessed risks.

We describe those risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(signed on the original version in Spanish)

Sara Guillén Alcobendas
(Registered in the Official Register of Auditors under con el Nº 23788)

April 21, 2025

Sonnedix España Equityco, S.L. and Subsidiaries

Consolidated Financial Statements and
Management Report for the year
ended December 31, 2024

CONTENTS

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of financial position at December 31, 2024 and 2023

Consolidated statement of profit or loss for the years ended December 31, 2024 and 2023

Consolidated statement of comprehensive income for the years ended December 31, 2024 and 2023

Consolidated statement of changes in equity for the years ended December 31, 2024 and 2023

Consolidated cash flow statement for the years ended December 31, 2024 and 2023

Notes to the 2024 and 2023 consolidated financial statements

CONSOLIDATED MANAGEMENT REPORT

Sonnedix España Equityco, S.L. and Subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2024 AND 2023

(Thousands of euros)

ASSETS	Notes	2024	2023	EQUITY AND LIABILITIES	Notes	2024	2023
NON-CURRENT ASSETS		**164,811**	**152,102**	**EQUITY**		**(60,494)**	**(85,197)**
Intangible assets	**5**	**27,547**	**29,918**	***CAPITAL AND RESERVES***	**12**	***(60,494)***	***(85,197)***
Operating rights		15,074	16,338	**Share capital**		**3**	**3**
Right-of-use in leases		10,626	11,194	Issued capital		3	3
Other intangible assets		1,847	2,386	**Share premium**		**4,814**	**4,814**
Property, plant, and equipment	**6**	**80,976**	**89,151**	**Legal reserve of the Parent**		**1**	**1**
Land and buildings		1,386	1,386	**Consolidation reserves**		**(91,914)**	**(96,092)**
Plant		79,237	87,412	**Other owner contributions**		**2,657**	**1,899**
Other PP&E items		353	353	**Consolidated profit for the year**		**23,945**	**4,178**
Investments in group companies and associates	**7 and 15**	**36,392**	**16,530**				
Loans to group companies		36,392	16,530	**NON-CURRENT LIABILITIES**		**231,940**	**259,242**
Financial investments	**8**	**4,372**	**1,400**	**Provisions**	**20**	**2,357**	**2,293**
Deferred tax assets	**14**	**15,524**	**15,103**	**Borrowings**		**222,781**	**249,929**
				Bonds and other marketable securities	13.1	211,516	231,956
				Other borrowings	13.2	10,712	11,154
				Other financial liabilities	13.4	553	6,819
				Borrowings from group companies and associates	**13 and 15.2**	**4,442**	**4,442**
				Deferred tax liabilities	**14**	**2,360**	**2,578**
				CURRENT LIABILITIES		**30,883**	**26,385**
				Borrowings		**21,489**	**20,795**
				Bonds and other marketable securities	13.1	20,684	19,990
CURRENT ASSETS		**37,518**	**48,328**	Other borrowings	13.2	805	805
Inventories		**-**	**65**	**Payables to group companies and associates**	**13 and 15.2**	**918**	**473**
Trade and other receivables		**11,212**	**7,663**	**Trade and other payables**		**8,476**	**5,117**
Trade receivables	9	11,072	7,316	Trade payables to group companies and associates	13 and 15.2	1,871	1,802
Other receivables from public administrations	14	140	347	Other payables	13.3	647	929
Financial investments	**8**	**20,370**	**20,590**	Current tax liabilities	14	3,687	39
Cash and cash equivalents	**10**	**5,936**	**20,010**	Other payables to public administrations	14	2,271	2,347
TOTAL ASSETS		**202,329**	**200,430**	**TOTAL EQUITY AND LIABILITIES**		**202,329**	**200,430**

The accompanying notes 1 to 22 are an integral part of the consolidated statement of financial position at December 31, 2024 and 2023.

Sonnedix España Equityco, S.L. and Subsidiaries

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Thousands of euros)

	Notes	Year 2024	Year 2023
CONTINUING OPERATIONS			
Revenue	**16.a**	**55,589**	**55,122**
Cost of sales	**16.b**	**(4,953)**	**(4,954)**
Other operating expenses	**16.c**	**(4,027)**	**(776)**
Rent		(217)	(182)
External services		(151)	(288)
Other taxes		(3,659)	(306)
Depreciation and amortization	**16.d**	**(11,063)**	**(34,618)**
Impairment losses and gains (losses) on disposal of non-current assets	**6 and 16.e**	**(338)**	**(261)**
Other gains (losses)		**245**	**-**
OPERATING PROFIT		**35,453**	**14,513**
Finance income	**16.f**	**1,334**	**563**
From marketable securities and other financial instruments, group companies and associates	7 and 15.1	922	388
Of third parties		412	175
Finance costs	**16.g**	**(9,121)**	**(9,698)**
Bonds and other marketable securities		(8,172)	(8,813)
Borrowings from group companies and associates	15.1	(445)	(445)
Other finance costs		(504)	(440)
FINANCE COST		**(7,787)**	**(9,135)**
PROFIT BEFORE TAX		**27,666**	**5,378**
Corporate income tax	14	(3,721)	(1,200)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**23,945**	**4,178**
CONSOLIDATED PROFIT FOR THE YEAR		**23,945**	**4,178**

The accompanying notes 1 to 22 are an integral part of the consolidated statement of profit or loss for the years ended December 31, 2024 and 2023.

Sonnedix España Equityco, S.L. and Subsidiaries

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Thousands of euros)

	Notes	2024	2023
PROFIT AS PER THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (I)		**23,945**	**4,178**
Income and expense recognized directly in consolidated equity		-	-
TOTAL INCOME AND EXPENSE RECOGNIZED DIRECTLY IN EQUITY (II)		**-**	**-**
Amounts transferred to consolidated statement of profit or loss		-	-
TOTAL AMOUNTS TRANSFERRED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS (III)		**-**	**-**
TOTAL RECOGNIZED INCOME AND EXPENSE (I+II+III)		**23,945**	**4,178**

The accompanying notes 1 to 22 are an integral part of the consolidated statement of comprehensive income for the years ended December 31, 2024 and 2023.

Sonnedix España Equityco, S.L. and Subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Thousands of euros)

	Share capital (Note 12.a)	Share premium (Note 12.b)	Legal reserve of the Parent (Note 12.c)	Consolidation reserves	Other owner contributions (Note 12.d)	Profit (loss) for the year	TOTAL
BALANCE AT DECEMBER 31, 2022	**3**	**4,814**	**1**	**(100,640)**	**1,217**	**4,548**	**(90,057)**
Total recognized income and expense	**-**	**-**	**-**	**-**	**-**	**4,178**	**4,178**
Appropriation of 2022 comprehensive income	**-**	**-**	**-**	**4,548**	**-**	**(4,548)**	**-**
Transactions with partners:	**-**	**-**	**-**	**-**	**682**	**-**	**682**
Owner contributions	-	-	-	-	682	-	682
BALANCE AT DECEMBER 31, 2023	**3**	**4,814**	**1**	**(96,092)**	**1,899**	**4,178**	**(85,197)**
Total recognized income and expense	**-**	**-**	**-**	**-**	**-**	**23,945**	**23,945**
Appropriation of 2023 comprehensive income	**-**	**-**	**-**	**4,178**	**-**	**(4,178)**	**-**
Transactions with partners:	**-**	**-**	**-**	**-**	**758**	**-**	**758**
Owner contributions	-	-	-	-	758	-	758
BALANCE AT DECEMBER 31, 2024	**3**	**4,814**	**1**	**(91,914)**	**2,657**	**23,945**	**(60,494)**

The accompanying notes 1 to 22 are an integral part of the consolidated statement of changes in equity for the years ended December 31, 2024 and 2023.

Sonnedix España Equityco, S.L. and Subsidiaries

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Thousands of euros)

	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		**25,663**	**30,607**
Profit before tax		**27,666**	**5,378**
Adjustments to profit:		**19,188**	**44,014**
- Depreciation and amortization	16.d	11,063	34,618
- Gains (losses) from derecognition and disposals of assets	6 and 16.e	338	261
- Finance income	16.f	(1,334)	(563)
- Finance costs	16.g	9,121	9,698
Changes in working capital		**(13,179)**	**(9,153)**
- Inventories		65	(3)
- Trade and other receivables		(3,726)	(4,078)
- Other current assets		220	(812)
- Trade and other payables		(500)	(1,396)
- Other non-current assets and liabilities		(9,238)	(2,864)
Other cash flows from operating activities		**(8,012)**	**(9,632)**
- Interest paid		(8,003)	(8,715)
- Interest received		412	142
- Income tax payments and receipts	14	(421)	(1,059)
CASH FLOWS FROM INVESTING ACTIVITIES		**(18,940)**	**(16,142)**
Payments on investments (-)		(18,940)	**(16,142)**
- Group companies and associates	7	(18,940)	(16,142)
CASH FLOWS FROM FINANCING ACTIVITIES		**(20,797)**	**(19,409)**
Proceeds from and payments on equity instruments	**12**	**-**	**682**
- Proceeds from issuance of equity instruments (+)		-	682
Proceeds from and payments of financial liabilities		**(20,797)**	**(20,091)**
- Repayment and redemption of:			
Bonds and other marketable securities (-)	13.1	(19,990)	(19,292)
Payables to group companies and associates (-)	15	-	(35)
Other current payables (lease liabilities) (-)	13.2	(807)	(764)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(14,074)**	**(4,944)**
Cash and cash equivalents at January 1	10	20,010	24,954
Cash and cash equivalents at December 31	10	5,936	20,010

The accompanying notes 1 to 22 are an integral part of the consolidated statement of changes in equity for the years ended December 31, 2024 and 2023.

Sonnedix España Equityco, S.L. and Subsidiaries

Notes to the consolidated financial statements for the year ended December 31, 2024

1. COMPANIES AND ACTIVITIES OF THE GROUP

Sonnedix España Equityco, S.L. (Sole Shareholder Company) ("the Parent") and its subsidiaries make up a Group of companies ("the Group").

Sonnedix España Equityco, S.L. was incorporated on February 11, 2016 for an indefinite period and registered at the Mercantile Registry on the same date. The sole partner of the Parent at December 31, 2024 and 2023 is Sonnedix Luxembourg Holdco 2 SARL.

At December 31, 2024 and 2023, the Parent belonged to a Group of companies (the Sonnedix España Group) whose parent is Sonnedix España, S.L.U., a Spanish company that issues consolidated financial statements and a consolidated management report, and whose registered address is located in Madrid at calle Príncipe de Vergara 108.

Likewise, Sonnedix España Equityco, S.L. is the head of a group of companies and voluntarily prepares consolidated financial statements in accordance with prevailing regulations since it in turn belongs to a group of companies (the Sonnedix España Group) whose parent is Sonnedix España, S.L.U., a Spanish company that prepared and approved consolidated financial statements and a consolidated management report at March 29 and June 30, 2024, respectively. Its registered address is located in Madrid at calle Príncipe de Vergara, 108, Floor 12.

Appendix I includes the breakdown of subsidiaries, associates, and investees in which Sonnedix España Equityco, S.L. holds direct or indirect interest, as well as the consolidation method applied, registered addresses, activities, percentages of ownership interest (direct and indirect), and the most relevant financial information on said entities. Further, no subsidiary was excluded from the consolidation process.

Group activity

The Group's corporate purpose consists in the development and promotion of energy projects, including the purchase, sale, import, export, distribution, supply, and marketing of the necessary equipment for the production of electric energy.

The Group's business model is oriented towards the operation of solar energy parks for the generation of electric energy in Spain. The Group currently employs photovoltaic technology. At December 31, 2024 and 2023 the Group's total installed capacity amounted to 98.62 MWp (88.01 MW of nominal capacity).

At present the Group is operating the solar parks which are listed in Appendix II.

The Group did not perform any new acquisitions or make any changes to its consolidation scope during 2024 and 2023 with respect to the prior year.

Environmental disclosures

Given the business activities performed by the Group, it has no environmental liabilities, expenses, assets, provisions or contingencies that could be material in respect of its equity, financial position or performance. Consequently, the notes to the accompanying financial statements do not include specific disclosures relating to environmental matters, except for Note 20, which includes disclosure on dismantling provisions.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Financial reporting framework applicable to the Group

The sole director of the Parent prepared the accompanying consolidated financial statements in accordance with the financial reporting framework applicable to the Group, which is set out in:

a) the Spanish Code of Commerce and remaining mercantile legislation;

b) International Financial Reporting Standards adopted by the European Union ("IFRS-EU"), with the IFRS in force at December 31, 2021 being applicable to the extent adopted by the European Union, in accordance with Regulation (EC) number 1606/2002 of the European Parliament and the Council, taking into account all the mandatory accounting principles and standards as well as measurement criteria which have a significant effect, as well as the alternatives permitted by regulations in this respect;

c) binding rules approved by the ICAC (Instituto de Contabilidad y Auditoría de Cuentas - Spanish Audit and Accounting Institute) enacting Spanish GAAP and its complementary regulations;

d) the remaining applicable Spanish regulations.

Note 4 to the accompanying consolidated financial statements provides a summary of the most significant accounting principles and measurement criteria applicable for preparation of these consolidated financial statements.

2.2 Basis of presentation

The consolidated financial statements were prepared from the Parent’s accounting records and those of the rest of the companies which belong to the Sonnedix España Equityco Group, with the euro as the functional currency of the Parent and its subsidiaries.

The consolidated financial statements were prepared in accordance with the regulatory framework for financial information applicable to the Group as established in IFRS-EU and taking into account all the mandatory accounting principles and standards as well as measurement criteria, together with the Spanish Commercial Code, the Spanish Corporate Enterprises Act, and remaining applicable mercantile legislation.

Given that the accounting principles and measurement criteria applied when preparing the consolidated financial statements may differ from those used by certain companies included therein (which apply local regulations), the necessary adjustments and reclassifications were applied during the consolidation process to standardize the principles and criteria in accordance with IFRS-EU.

In order to standardize presentation of the various items included in the accompanying consolidated financial statements, the measurement principles and criteria followed by the Parent were applied to all companies included in the consolidation scope, the effect of which did not have a significant impact on the consolidated financial statements.

The accompanying consolidated financial statements for 2024 were prepared by the Parent’s sole director and will be submitted for approval by the sole partner within the legally established deadlines. The sole director of the Parent expects them to be approved without any modifications.

On June 30, 2024, the sole partner of Sonnedix España Equityco, S.L. approved the consolidated financial statements and consolidated management report for 2023, as well as the corporate management policy carried out by the sole director of the Parent during said year.

2.3 True and fair view

The accompanying consolidated financial statements give a true and fair view of the Sonnedix España Equityco Group's consolidated equity, consolidated results of its operations, consolidated changes in equity, and consolidated cash flows for 2024 and 2023.

2.4 Adoption of IFRS

The Group's consolidated financial statements are presented in accordance with IFRS-EU, in keeping with the disclosure of Note 2.1.

The main accounting policies and measurement standards adopted by the Group are presented in Note 4 to the accompanying consolidated financial statements in accordance with the stipulations of IFRS-EU.

a) Standards and interpretations approved by the European Union effective during the current period

Standard, interpretation or amendment	**IASB application date**
Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	January 1, 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	January 1, 2024
Supplier Finance Arrangements (Amendments IAS 7 and IFRS 7)	January 1, 2024

The accounting standards used to prepare the accompanying consolidated financial statements are the same as those used to prepare the consolidated financial statements for the year ended December 31, 2023, as none of the standards, interpretations or amendments that are effective for the first time in the current year have had any impact on the Group's accounting policies.

b) Standards and interpretations issued by the IASB not yet applicable in the current reporting period

Standard, interpretation or amendment	**Date of adoption by the EU**	**Date of application in the EU**	**Date of application by the IASB**
Lack of Exchangeability (Amendments to IAS 21)	November 13, 2024	January 1, 2023	January 1, 2023
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	Pending	Pending	January 1, 2026
Contracts for Renewable Electricity (Amendments to IFRS 9 and IFRS 7)	Pending	Pending	January 1, 2026
IFRS 18: Presentation and Disclosure in Financial Statements	Pending	Pending	January 1, 2027

The Group intends to adopt the standards, interpretations and amendments to standards issued by the IASB, whose application is not mandatory in the European Union at the date of authorizing the accompanying consolidated financial statements for issue, when they become effective and to the extent applicable.

Although the Group is still in the process of analyzing their impact, based on the analysis performed to date, the sole director of the Parent considers that their first-time application will not have a significant impact on its consolidated financial statements.

2.5 Presentation currency of the Group

The accompanying consolidated financial statements are presented in thousands of euros given that the euro is the presentation currency of all Group companies.

2.6 Consolidation principles

All subsidiaries of the Parent disclosed in Appendix I were considered in the consolidation process.

The Group applied the following criteria to determine the consolidation method applicable to each of its companies:

- The full consolidation method was utilized to consolidate those investees over which the Group has effective control due to holding a majority in their representative and decision-making bodies. At December 31, 2024 and 2023, all of the companies that make up the Group were consolidated under this method.

The full consolidation method

Consolidation of the operations of the Parent and consolidated subsidiaries was performed in accordance with the following principles:

- The acquisition by the Parent of control over a subsidiary constitutes a business combination, to be measured using the acquisition method. In subsequent consolidations, the investments-equity of subsidiaries are generally eliminated based on values obtained by applying the acquisition method described below at the date on which control is obtained.

- Business combinations are accounted for using the acquisition method, which requires identification of the acquisition date, calculation of the cost of the combination, and recognition of the identifiable assets acquired and liabilities assumed at their acquisition-date fair values. Consequently, and for certain Group companies, during 2016 the Group recognized the fair value of the acquired rights of use (rights not recognized in the individual financial statements of said companies), corresponding to licenses and administrative procedures necessary for development of a project and acquired from third parties.

  These acquired operating rights correspond to the necessary administrative requirements (concessions, permits, licenses, etc.) which are mandatory for construction and starting up the assets associated with each project. Thus, they are also amortized over the useful life of the project assets.

- Goodwill or the negative consolidation difference is calculated as the difference between the fair values of the recognized assets acquired and liabilities assumed and the cost of the business combination, all as of the acquisition date. Changes subsequent to obtaining control which do not represent a change in control, corresponding to purchase and sales transactions with minority interests, will not be considered business combinations, and consequently the differences recognized on first consolidation are not modified.

At the date of preparation of the accompanying consolidated financial statements, the Group had concluded the valuation process for investments made in photovoltaic power plants acquired during prior years. In accordance with prevailing international regulations, said valuation must be concluded within twelve months from the date of each acquisition. Thus,

a) The carrying amounts of assets, liabilities, and identifiable contingent liabilities, which are recognized or adjusted to complete the initial accounting, shall be calculated as if the fair value as of the acquisition date had been recognized at said date.

b) Goodwill or any gains shall be adjusted, effective from the acquisition date, by an amount equal to the adjustments made to the fair value at said date of the assets, liabilities, or identifiable contingent liabilities being recognized or adjusted.

c) The comparative information presented for the years prior to completing the initial accounting for the business combination shall be presented as if it had been completed at the acquisition date. This includes both additional amortization and depreciation, as well as any other effect recognized in results for the year as a consequence of completing the initial accounting. The cost of a business combination is the aggregate of:

   - the acquisition date fair value of the assets transferred, the liabilities incurred or assumed, and the equity instruments issued; and

   - the fair value of any contingent consideration which depends on future events or the fulfillment of predetermined conditions.

The costs of the business combination do not include expenses related to the issuing of equity instruments or financial liabilities exchanged for the acquired elements.

In a business combination achieved in stages, so that prior to the acquisition date (the date on which control is obtained) there already was a previous investment, goodwill or the negative difference corresponds to the difference between:

- the cost of the business combination plus the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and

- the value of the identifiable assets acquired less the liabilities assumed, determined in the manner described above.

Any gain or loss arising from measurement at fair value at the date control of the prior interest held in the investee is obtained is recognized in the consolidated statement of profit or loss. If said investment in the investee had been measured previously at fair value, any changes in fair value not yet recognized in profit or loss for the year shall be transferred to the consolidated statement of profit or loss. Further, the cost of the business combination is presumed to be the best reference for estimating fair value at the acquisition date of any previously held equity interest.

In the exceptional event of a negative difference arising upon the combination, this will be recognized in the consolidated statement of profit or loss as income.

If at the end of the reporting period in which the business combination occurs it is not possible to complete the valuation processes needed to apply the acquisition method outlined above, the business combination is accounted for provisionally. The provisional amounts thus recognized can subsequently be adjusted within the period required to obtain the necessary information, which can under no circumstances exceed one year. The effects of the adjustments made during said period are accounted for retrospectively, modifying the comparative information if necessary.

Subsequent changes in the fair value of the contingent consideration are adjusted against profit or loss, except where the contingent consideration has been classified as equity, in which case subsequent changes in fair value are not recognized.

All balances, transactions, and results generated between Group companies consolidated under the full consolidation method were eliminated upon consolidation.

2.6 Non-mandatory accounting principles applied

The Parent has not applied any non-mandatory accounting policies. Further, the sole director of the Parent prepared these consolidated financial statements taking all the mandatory accounting principles and standards which had a significant effect on them into account. All mandatory accounting policies were applied.

2.7 Critical issues regarding the measurement and estimation of uncertainties

The accompanying consolidated financial statements were prepared using estimates made by the sole director of the Parent to measure the assets, liabilities, income, expenses, and commitments recognized therein.

These estimates were made based on the best information available at 2023 year end. However, given the uncertainty inherent in these estimates, future events could require them to be modified in subsequent reporting periods (upwards or downwards). Any changes in accounting estimates would be made prospectively.

At year end, there are no key assumptions regarding the future, or other relevant information related to the assessment of uncertainty at the reporting date, which entail a considerable risk that the carrying amounts of assets and liabilities may require significant adjustments in the following financial year.

2.8 Comparison of information

For comparative purposes, the information included in the accompanying consolidated financial statements for 2024 is presented with the information relating to 2023.

2.9 Grouping of items

Certain items in the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated cash flow statement are grouped together to facilitate understanding. However, whenever the amounts involved are material, the information is broken down in the notes to the accompanying consolidated financial statements.

2.10 Financial position and equity

At December 31, 2024, the Group presents negative net equity in the amount of 60,494 thousand euros, mainly a consequence of the accumulated losses generated by the Group companies. This situation does not constitute a reason to doubt the Group's continuity given that the projections for cash flows as well as the Group's consolidated income remedy this situation.

The sole director reports that the Parent can count on the financial support of the sole partner to enable compliance with its commitments and payment obligations contracted, as well as to ensure continuity of operations and restore equity within the deadlines established by the Spanish Corporate Enterprises Act. Thus, on March 28, 2025 the sole partner approved a shareholder contribution in favor of the Parent for an amount of 7,000 thousand euros. Consequently, the sole director of the Parent prepared the consolidated financial statements on a going concern basis on the understanding that it will not encounter difficulties in realizing its assets or settling its obligations when due and in the amounts at which they are recognized on the balance sheet at December 31, 2024.

3. REGULATION OF ENERGY PRODUCTION ACTIVITIES FROM RENEWABLE SOURCES

The Group at present pursues its activities in the market for electricity generation in Spain via the operation of production installations using renewable energies (the Group uses photovoltaic solar technology).

The new regulatory framework for the production of energy from renewable sources in Spain is described in detail below:

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

At 2024 and 2023 year end, the main legislative reference for electricity production was Law 24/2013, of December 26, on the Electricity Sector, which repealed Law 54/1997 of November 27.

The law states that the remuneration system for energy from renewable sources, cogeneration, and waste shall be based on the facilities' necessary participation in the market, supplementing, if necessary, market revenue with specific regulated remuneration so that these technologies can compete on an equal footing with the other technologies in the market.

This specific complementary remuneration shall be sufficient to reach the minimum level required to cover costs that, unlike with conventional technologies, cannot be recovered in the market, thus allowing for reasonable returns based on a standard installation in each applicable case.

Under this criterion, the specific remuneration, in accordance with the technology, shall consist of:

- a term per unit of installed power to cover the investment costs of a standard installation that cannot be recovered by the sale of energy in the market, and

- a term for the operation to cover the shortfall between operating costs and revenues from participating in the market.

Remuneration shall be calculated based on a standard installation over its regulatory useful life, taking into account:

- standard revenue from the sale of energy generated, valued at the (estimated) price on the production market,

- standard operating costs, and

- the standard value of the original investment.

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

In the review corresponding to each regulatory period, all remuneration parameters may be modified. This includes the value used to calculate the reasonable return on the remainder of the regulatory useful life of the standard installations, which shall be set by law. Once the regulatory useful life or standard value of the initial investment in an installation has been recognized, these values may not be revised under any circumstances.

Estimates of revenue from the sale of energy generated, measured at the market production price, will be revised every three years for the rest of the regulatory period based on market price trends and forecasts for operating hours.

In addition, remuneration parameters shall be adjusted based on deviations in the market price from the estimates made for the preceding three-year period. The adjustment method shall be established by regulation and be applicable for the remainder of the installation's useful life.

Reasonable return is defined as the profit generated on a project before taxes and calculated based on the average yield in the secondary market of Spanish 10-year bonds plus the appropriate spread.

The first additional provision of Royal Decree Law 9/2013 sets the reasonable return for those facilities entitled to premium remuneration when Royal Decree Law 9/2013 became effective as the average return on the secondary market of Spanish 10-year bonds for the 10 years prior to Royal Decree Law 9/2013 becoming effective plus 300 basis points (equivalent to 7.398% for the first regulatory period).

Further, it is worth noting that the law specifies the criteria for priority access and dispatch of electricity from high-efficiency renewable energy sources and cogeneration as set out in European Union directives.

<u>Royal Decree Law 17/2019</u>

Royal Decree Law 17/2019 was published on November 22, 2019, adopting urgent measures for the necessary adaptation of remuneration parameters which affect the electricity system and further providing a response to the process of terminating activities at thermal power plants.

General remuneration scheme

Based on the provisions of said Royal Decree Law, and without prejudice to the stipulations of the final third provision of Law 24/2013, of December 26, on the Electricity Sector, the reasonable return applicable for the remaining regulatory useful life of standard installations, which will be used for reviewing and updating the remuneration parameters applicable during the second regulatory period (2020-2025) to the installations for production of electric energy from renewable sources, cogeneration, and waste, before *taxes*, will be 7.09%.

Exceptional remuneration scheme

Exceptionally, the Royal Decree Law introduces a provision, the purpose of which is to guarantee the possibility, for those owners of electric energy production installations based on renewable energies, cogeneration, and waste who had already been granted prime remuneration when Royal Decree Law 9/2013, of July 12, became effective, and who desire to avail themselves of it voluntarily, that the reasonable return set for the first regulatory period, ended on December 31, 2019, cannot be modified during the two subsequent and consecutive regulatory periods, counting from January 1, 2020.

In other words, those owners who avail themselves of this scheme will maintain a reasonable return on these installations of 7.398% during the 2020-2031 period, greater than the 7.09 % established for the 2020-2025 period, thus avoiding the uncertainty of the 2026-2031 period.

However, availing themselves of this scheme meant the early termination of all arbitration or judicial proceedings and the irrevocable renunciation of re-initiating or continuing them, as well as renunciation of any indemnities or compensation which may have been recognized as a consequence of such proceedings, subject to accreditation before the General Directorate for Energy and Mining Policy prior to September 30, 2020.

The Group availed itself of the aforementioned exceptional remuneration scheme of 7.398% for those installations with respect to which it was not involved in any ongoing arbitration or judicial proceedings prior to accreditation before the General Directorate for Energy and Mining Policy, while for the remaining installations it applies the general remuneration scheme at 7.09% (Appendix II).

Royal Decree Law 20/2022

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

Said Royal Decree Law established that the temporary suspension of the tax on the value of electric energy production ("TVEEP") for the installations that produce and deliver electricity to the electricity system would exceptionally be extended until December 31, 2023.

Thus, in order to calculate the payment installments corresponding to the four quarters of 2023, the value of electric energy produced and dispatched to the electricity system during said periods was zero euros.

Order TED/741/2023

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

The updated remuneration parameters applied an estimated annual average daily and intra-day market price for electricity amounting to 109.31 €/MWh for 2023, 108.86 €/MWh for 2024, and 89.37 €/MWh for 2025 and subsequent years.

Likewise, the calculation of the new remuneration parameters for 2023 took the suspension of the TVEEP, established in Royal Decree Law 20/2022, into account.

The remuneration parameters applicable to the installations operated by the Group during the corresponding half-period at December 31, 2024 and 2023 are included in Appendix III.

Royal Decree Law 8/2023

On December 28, 2023, Royal Decree Law 8/2023, of December 27, was published, adopting measures to confront the economic and social consequences arising out of the conflicts in Ukraine and the Middle East, as well as alleviate the effects of the drought.

Said Royal Decree Law established that taxable income on the value of electric energy production for 2024 corresponds to the total amount receivable by the tax-paying entity for production and incorporation of electric energy in the electricity system, measured in power station busbars, for each installation during the tax period, less half the remuneration corresponding to the electricity incorporated in the system during the first natural quarter, and less a fourth of the remuneration corresponding to the electricity incorporated in the system during the second natural quarter.

Thus, in order to calculate the payment installments corresponding to the four quarters of 2024, the value of electric energy produced and incorporated in the electricity system during the first quarter was 50% and during the second quarter, 75%.

Order TED/353/2024

On April 23, 2024, Order TED/353/2024, of April 11, was published, establishing the parameters which govern remuneration for operation corresponding to the second half of 2023, applicable to certain installations that produce electricity from renewable sources, cogeneration, and waste, while also approving new standard facilities and their corresponding remuneration parameters.

In this Order, a correction was made to Appendix V of the aforementioned Order TED/741/2023 in connection with an error that was detected in the establishment of the upper and lower limits applicable to 2023, 2024, and

2025 for each of the technologies, since said Order indicated that these limits should be multiplied, for each year and technology, by the corresponding real peak coefficients, when in fact the peak coefficients estimated by the CNMC (Spanish National Markets and Competition Commission) should be used given that these limits are obtained from the estimated electricity market prices for each technology, which was calculated using the corresponding estimated peak coefficient.

CNMC Resolutions INF/DE/019/24 and INF/DE/027/25

Finally, the resolutions published by the CNMC which establish the average annual price for the daily and intra-day markets corresponding to 2023 and 2024 were as follows:

- Resolution INF/DE/019/24, published on January 25, 2024, which established that the annual average price for the daily and intra-day markets corresponding to 2023 amounted to 87.01 €/MWh.

- Resolution INF/DE/027/25, published on January 23, 2025, which established that the annual average price for the daily and intra-day markets corresponding to 2024 amounted to 62.96 €/MWh.

Further, the CNMC also published the definitive annual peak coefficients for each technology in said resolutions, amounting to 0.6672 in 2024 (2023: 0.8287).

4. ACCOUNTING POLICIES AND MEASUREMENT STANDARDS

The main recognition and measurement standards used by the Group to prepare the accompanying consolidated financial statements at December 31, 2024 and 2023 are summarized below:

a) Intangible assets (Note 5)

As a general rule, intangible assets are initially measured at acquisition or production cost. They are subsequently measured at cost less accumulated amortization and impairment losses, if any. Further, intangible assets are amortized over their useful lives.

Operating rights

As stipulated in prevailing international regulations, the Group performed an analysis of the fair values of the assets acquired and liabilities assumed, recognizing the resulting values as the carrying amounts. Thus, as indicated in Note 2.6 to the accompanying consolidated financial statements, the Group recognized the fair value of those operating rights acquired, and not recognized in the balance sheets of the acquired companies, in the consolidated statement of financial position (unless the acquiring entity and acquired entity were merged by absorption).

Said assets are amortized on a straight-line basis over the useful life of the assets associated with corresponding photovoltaic solar power plant.

In 2024, the sole director of the Parent decided to reassess the useful lives of the photovoltaic installations (previously estimated at 18 years), concluding that it was reasonable to increase them up to 25 years counting from the start-up date of the corresponding installation. Thus, starting from January 1, 2024, these assets are amortized on a straight-line basis over a useful life of 25 years counting from their start-up date.

Intangible assets are derecognized as soon as they are disposed of or no longer in use, or when they are no longer expected to generate economic benefits.

Other intangible assets

The Group recognized the amounts settled for rights of way in connection with electric energy under this heading. These rights, until the reassessment of the useful lives described in the following paragraph, are amortized on a straight-line basis over the term contracted or obtained for operations, which was 35 years. Further, this heading also includes the costs directly attributable to the licenses and administrative authorizations included in the balance sheets of the Group's subsidiaries who acquired photovoltaic projects (assets, contracts, licenses, collection rights, and payment obligations) from third parties. Said assets are amortized on a straight-line basis over the useful life of the assets associated with corresponding photovoltaic solar power plant.

In 2024, the sole director of the Parent decided to reassess the useful lives of the photovoltaic installations (previously estimated at 18 years), concluding that it was reasonable to increase them up to 25 years counting from the start-up date of the corresponding installation. Thus, starting from January 1, 2024, these assets are amortized on a straight-line basis over a useful life of 25 years counting from their start-up date.

Intangible assets are derecognized as soon as they are disposed of or no longer in use, or when they are no longer expected to generate economic benefits.

The difference between the amount which is obtained from an asset, net of sales costs, and its carrying amount determines any gains or losses upon derecognition, and is recognized in the consolidated statement of profit or loss for the year to which they relate.

b) Property, plant, and equipment (Note 6)

PP&E items are initially measured at acquisition or production cost, subsequently reduced by the corresponding accumulated depreciation and any impairment losses, in accordance with the criteria described below.

Upkeep and maintenance costs for the different PP&E items are taken to the consolidated statement of profit or loss for the period in which they are incurred. However, costs incurred to improve items which contribute to increasing capacity or efficiency, or which extend the useful life of an asset, are capitalized as a greater cost of the related asset.

In 2024, the sole director of the Parent decided to reassess the useful lives of the photovoltaic installations (previously estimated at 18 years), concluding that it was reasonable to increase them up to 25 years counting from the start-up date of the corresponding installation. Thus, starting from January 1, 2024, these assets are amortized on a straight-line basis over a useful life of 25 years counting from their start-up date.

At the end of the useful life of some of the photovoltaic solar parks the Group must dismantle them. At initial measurement of PP&E items, the Group estimates the current value of the future dismantling, retirement, and restoration costs, increasing the cost of the corresponding asset by the discounted dismantling cost. The Group recognizes a provision as a balancing entry for said valuation. This provision is also financially discounted in subsequent periods (Note 20).

The useful life indicated is counted from the start-up of the installations (regardless of when the asset was acquired by the Group).

PP&E items are derecognized as soon as they are disposed of or no longer in use, or when they are no longer expected to generate economic benefits.

The difference between the amount which is obtained from a PP&E item, net of sales costs, and its carrying amount determines any gains or losses upon disposal, and is recognized in the consolidated statement of profit or loss for the year to which they relate.

c) Impairment of intangible assets and property, plant, and equipment (Notes 5 and 6)

At each consolidated statement of financial position date, the Group reviews the carrying amounts of its intangible assets and PP&E items to determine whether they have suffered any impairment losses. In the case of assets with an indefinite useful life and intangible assets which have not been put to use, this process is carried out at least at each annual closing date.

If any such indications are detected, the recoverable amounts are calculated in order to determine the extent of the impairment loss, if any. Where an 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.

The cash-generating units correspond to each of the projects being developed by the Group, that is, to each solar park.

The recoverable amount is considered to be the greater of market value less necessary sales costs or value in use, determined by calculating the present value of estimated future cash flows. The Group generally uses value in use as the parameter for calculating impairment losses unless there is evidence of a purchase-sale transaction, in which case the reference value is the transaction price. It is also worth noting that, if the asset is identifiable and does not generate cash flows independently, the recoverable amount of the cash-generating unit to which the asset belongs is calculated.

In order to quantify value in use, the Group makes estimates for each cash-generating unit generally using a time period corresponding to the useful life of the assets and, based on the most recent budget forecasts and business plans approved by the sole director of the Parent, prepares the forecasts for future cash flows before taxes using the best estimates available for income and costs relating to the cash-generating units. Further, the Group also uses growth rates and macroeconomic hypotheses reasonably based on both corporate forecasts which, based on knowledge of the sector, take past experience into account, and future expectations of the business.

In contrast, to determine the present value of said cash flows, a discount rate is used, before taxes, which reflects the business's cost of capital and the geographical area where it is conducted. The calculation further takes into account the current cost of money and the risk premiums generally used by analysts and investment banks for each specific business and geographical zone. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is immediately recognized as an expense in the consolidated statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is written up to its newly estimated recoverable amount, so long as the restated carrying amount does not exceed the carrying amount that would have been recognized had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is immediately recognized as income, except in the case of goodwill on consolidation, for which reversal of any possible impairment losses is not permitted.

d) Leases

The Group adopted IFRS 16 to its entire lease portfolio at the transition date, that is, January 1, 2019, applying the modified simplified retrospective method and thereby substituting IAS 17, which had been applicable until said date. As established in IFRS 16, at the moment of signing a contract, the Group must evaluate whether it is, or includes, an implicit lease, that is, whether the contract transfers the right to control use of an identified asset for a period of time in exchange for consideration or whether a service is being received.

In those cases in which it concludes there is a lease contract in which the Group acts as lessee, the expected lease liabilities arising from future lease payments must be estimated and recognized, including the right-of-use assets. This accounting policy is applied to all lease contracts except for those which are short term (an expected duration of less than 12 months) and those in which the asset is of low value.

All lease contracts to which the Group is party correspond to the land where the photovoltaic power plants being operated are located.

The useful life of the leased assets was determined based on the best estimate made by the sole director of the Parent, taking into consideration the contractual characteristics of each agreement (duration, extension rights, etc.). In this manner, when calculating the right-of-use assets the Group considered the extension options included in the lease agreements for the land on which the photovoltaic installations are located based on their regulatory useful lives. Likewise, hypotheses are used to calculate the discount rate, which mainly depends on the amount of debt owed by the Group to third parties.

i. Right-of-use assets (Note 5)

Right-of-use assets are recognized at the inception date of the lease (that is, the date on which the underlying asset is available for use). They are measured at acquisition cost, less any accumulated amortization and impairment losses, and adjusted by any new measurement of lease liabilities. The cost of right-of-use assets includes the carrying amounts of lease liabilities recognized, direct initial costs incurred, and lease payments made prior to or on the lease inception date less the lease incentives received. The right-of-use assets are amortized on a straight-line basis over the term of the lease or, if this is shorter than their estimated useful life and the Group has the unilateral right to extend the lease, over said useful life.

The estimated useful life of the leased assets relating to the land on which the photovoltaic power plants are located is determined based on the duration of the regulatory useful life of said installations.

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost is reflected in the exercise of a purchase option, amortization is calculated utilizing the estimated useful life of the asset.

The right-of-use assets are also subject to impairment (Notes 4.a and 4.c).

ii. Lease liabilities (Note 13.2)

Lease liabilities are recognized at the inception date of the lease, measured at the present value of the lease payments to be made during the lease term. The lease payments include fixed payments less any lease incentive to be collected, variable payments which depend on an index or rate, and amounts expected to be paid in connection with guarantees relating to residual value. Lease payments also include the exercise price of the purchase options reasonably certain to be exercised.

The payments for variable leases which do not depend on an index or a rate are recognized as expenses for the period in which the event or circumstance triggering payment occurs.

When calculating the present value for lease payments, the Group utilizes its lease debt ratio at the inception date since the implicit interest rate of the lease is not easily determined. Subsequent to the inception date, the carrying amounts of lease liabilities are increased to reflect the accumulation of interest, and reduced by the lease payments made. In addition, the carrying amounts of the lease liabilities are remeasured if there is any modification, such as a change in the lease term or lease payments (for example, changes in future payments resulting from a change in the index or rate utilized to determine said lease payments) or a change in the evaluation of a purchase option for the underlying asset.

The Group's lease liabilities are included under other non-current and current borrowings in the accompanying consolidated statement of financial position. Likewise, these financial liabilities accrue interest which is recognized under "Other finance costs" in the accompanying consolidated statement of profit or loss (Note 16.g).

e) Financial instruments (Notes 7, 8, and 13)

Financial assets

i. Classification

The classification of financial assets is determined at initial recognition based on the following categories:

i) Debt instruments classified at amortized cost: these items correspond to investments in debt which is held within a business model whose objective is to obtain the contractual cash flows that solely consist of payments of principal and interest, generally measured at amortized cost.

ii) Debt instruments classified at fair value through other comprehensive income: these items correspond to debt instruments that are held within a business model whose objective is to obtain contractual cash flows consisting of principal and interest and sell financial assets. They are generally measured at fair value through other comprehensive income.

iii) Equity instruments designated at fair value through other comprehensive income: these items correspond to equity instruments for which the Group irrevocably opts to present the subsequent changes in fair value in "Other comprehensive income."

iv) Financial assets at fair value through consolidated profit or loss: investments in debt and equity which do not fulfill the requirements to be classified in any of the above categories are measured at fair value through consolidated profit or loss.

Thus, at December 31, 2024 and 2023 all the financial assets held by the Group are classified within the category of "Debt instruments classified at amortized cost." The Group classifies the following items under this category:

- Trade receivables whose amortized cost does not significantly differ from their initial nominal or fair value.

- Security deposits and guarantees recognized, whose amortized cost does not significantly differ from their nominal value.

The amortized cost of a financial asset is calculated as the carrying amount of the financial asset at initial recognition less reimbursements of cash flows, plus the accumulated discounting utilizing the effective interest rate method, adjusted by any impairment losses. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting by any provision recognized for impairment losses.

ii. Initial measurement

The Group's financial assets are initially recognized at the fair value of the consideration delivered plus directly attributable transaction costs.

iii. Subsequent measurement

The Group's financial assets are subsequently measured at amortized cost.

At least at year end the Group tests its financial assets not measured at fair value for impairment. Objective evidence of impairment is deemed to exist when the recoverable amount of a financial asset is less than its carrying amount. When this occurs, the impairment losses are recognized in the consolidated statement of profit or loss.

Specifically, with respect to impairment losses relating to trade and other receivables, the criteria used by the Group to calculate the corresponding adjustments, if any, is to perform an individualized analysis at the end of each reporting period with a view to identifying possible accounts receivable that may be impaired.

The Group derecognizes financial assets when the contractual rights to the cash flows from the financial asset expire or are transferred, which implies substantially transferring all the risks and rewards incidental to ownership of the financial asset; this is the case in firm asset sales, trade receivable factoring transactions in which the Group retains neither credit risk nor interest rate risk, sales of financial assets with an agreement to repurchase them at their fair value, and securitizations in which the transferring entity neither retains subordinated financing nor grants any form of guarantee nor assumes any other type of risk.

Financial liabilities

Financial liabilities correspond to those trade and other payables recognized by the Group that have arisen from the purchase of goods and services in the normal course of the Group's business or those which, while not having commercial substance, cannot be classified as derivative financial instruments.

Trade and other payables are initially measured at the fair value of the consideration received, adjusted by directly attributable transaction costs. Subsequently, said liabilities are measured at amortized cost.

In contrast, current and non-current loans are presented at their repayment value. Any implicit interest paid and included, both in the nominal value and repayment value, is considered a direct deduction from the nominal value of the debt. Said interest is calculated by using financial methods based on the duration of the financial borrowings. When the debt matures, the principal liability is derecognized. Any difference between the liability recognized and the amount paid is included in the consolidated statement of profit or loss under finance costs.

The Group derecognizes financial liabilities once the obligations that gave rise to them have been extinguished.

The fair value of financial instruments recorded as assets or liabilities and not recognized at fair value does not differ significantly from their carrying amount.

f) Cash and cash equivalents (Note 10)

This heading of the consolidated statement of financial position includes cash in hand, sight deposits, and other highly liquid short-term investments which mature in less than 3 months, can be readily converted into cash, and are not exposed to the risk of changes in value.

g) *Corporate income tax (Note 14)*

Income tax payable or receivable comprises current tax payable or receivable as well as deferred tax expenses or income.

Current tax is the amount settled by the Group in respect of the corporate income tax returns filed for the period. Deductions and other tax relief applicable to payable taxes, excluding withholdings and payments on account, are accounted for as a reduction in current tax. Similarly, tax loss carryforwards from prior years effectively applied in the current reporting period also reduce current tax.

Deferred tax expense or income corresponds to the recognition and cancellation of deferred tax assets and liabilities. These include the temporary differences, identified as those amounts expected to be payable or recoverable, arising from the difference between the carrying amounts of assets and liabilities and their tax bases, as well as any unused tax loss carryforwards and unused tax credits. These amounts are recognized at the tax rates that are expected to apply when the corresponding temporary differences or tax credits are realized or settled.

Deferred tax liabilities are recognized for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss), and those associated with investments in subsidiaries, associates, and jointly controlled entities in which the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the foreseeable future.

Deferred tax assets are only recognized when the Group considers it probable that future taxable profit will be available against which these assets may be utilized.

Deferred tax assets and liabilities arising from transactions involving direct credits or debits to equity headings are also accounted for with a balancing entry in equity.

Recognized deferred tax assets are reassessed at the end of each reporting period and the appropriate adjustments are made when there are doubts as to their future recoverability. Further, deferred tax assets not recognized in the consolidated statement of financial position are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow them to be recovered.

From January 1, 2017 the Group companies started to file their tax returns under the special consolidated tax regime regulated by Law 27/2014, of November 27, on corporate income tax (Chapter VI). Sonnedix España Equityco, S.L. (sole shareholder company) is the tax representative of the tax group comprising all companies listed in Appendix I, with the exception of those subsidiaries whose registered tax address is outside Spanish territory and who consequently settle their tax returns individually in accordance with the tax regulations applicable to them.

Filing tax returns under the special tax consolidation regime involves determining the Group's tax result taken as a whole together with any deductions and tax rebates. For tax purposes, a group of companies is understood to be made up of the Parent and the subsidiaries located in Spanish territory in which the Parent directly or indirectly holds at least 75% of their share capital and who meet the requirements established for inclusion in this special regime.

The distribution of the tax burden is carried out as agreed upon by all the companies that belong to the tax consolidation group, respecting the stipulations of the accounting standards issued by the ICAC.

h) *Income and expenses (Note 16)*

Income and expenses are recognized in accordance with the accruals principle, that is, at the moment the goods or service transactions represented by them take place, regardless of when actual payment or collection occurs. Said income is measured at the fair value of the consideration received less discounts and taxes.

Sales revenue is recognized when the Group has transferred the significant risks and rewards incidental to ownership of the sold item to the buyer, and retains neither continuing managerial involvement nor effective control over the goods sold.

Interest income on financial assets is recognized using the effective interest rate method, while dividends are recognized when the right to receive them is established. At any rate, interest and dividend income accrued on financial assets after their date of acquisition are recognized as revenue in the consolidated statement of profit or loss.

The Group's revenue is practically all generated through the sale of electric energy produced by the photovoltaic solar power plants it owns.

i) Provisions and contingencies (Note 20)

In drawing up the consolidated financial statements, the Parent’s sole director distinguished between:

- Provisions: liabilities recognized to cover a present obligation arising from past events, of uncertain timing and/or amount, the settlement of which is expected to result in an outflow of resources embodying economic benefits.

- Contingent liabilities: possible obligations that arise as a consequence of past events, future materialization of which depends on the occurrence or non-occurrence of one or more events not within the control of the Group.

The consolidated statement of financial position includes all provisions for which it is considered more likely than not that the corresponding obligation will have to be settled. Contingent liabilities are not recognized in the consolidated statement of financial position, but are disclosed in the accompanying notes to the consolidated financial statements to the extent the probability of them materializing is not considered remote.

Provisions are measured at the present value of the best estimate possible for the amount required to settle or transfer the obligation, taking into account the information available concerning the obligating event and its consequences, and recognizing a finance expense for the adjustments which accrue when updating said provisions in accordance with estimates made at each reporting date.

j) Environmental assets and liabilities

Environmental assets are classified as those the Group utilizes in its activities over a long period of time whose primary purpose is to minimize the environmental impact of these activities and protect or improve the environment, including those assets designed to reduce or eliminate future contamination.

The Group's activities, by their very nature, do not have a significant impact on the environment. In sum, given the business activities performed by the Group, it has no environmental liabilities, expenses, assets, provisions or contingencies that could be material in respect of its equity, financial position or performance. Therefore, no specific disclosures relating to environmental issues are included in these notes to the accompanying consolidated financial statements, except for those relating to the provision described in Note 20.

k) Transactions with related parties (Note 15)

The Group conducts all related-party transactions on an arm’s length basis. In addition, transfer prices are duly documented so that the Parent’s sole director considers that there are no related significant risks that could give rise to material liabilities in the future. The transactions carried out with Group companies were eliminated upon consolidation.

l) Classification as current and non-current

Assets and liabilities are classified in the consolidated statement of financial position as current or non-current. To this end, current assets and liabilities include: the assets and liabilities associated with the Group’s operating cycle to the extent it is expected that they will be sold, consumed, realized or settled within the normal course of that cycle; other assets and liabilities that are expected to mature or be sold or settled within one year; assets and liabilities that are held for trading, other than non-current derivatives; and cash and cash equivalents. All other assets and liabilities are classified as non-current.

As an exception to the above, all deferred tax assets and liabilities are recognized as non-current assets and liabilities.

m) Information by segments (Note 21)

The operating segments have been determined using the "management approach," which requires the presentation of segments on the basis of internal reports about the components of the Group that are analyzed regularly by the Group's "chief operating decision-maker" with a view to deciding upon which resources must be assigned to the segment and evaluating profitability.

n) Consolidated cash flow statement

The following terms are used in the consolidated cash flow statement with the meanings indicated below:

- Cash flows: inflows and outflows of cash and cash equivalents, which are short-term and highly liquid investments subject to insignificant risk of changes in value

- Operating activities: the principal revenue-producing activities of the Group and other activities that cannot be classified as investments or financing

- Investing activities: the acquisition, sale or other disposal of long-term assets and other investments not included in cash and cash equivalents

- Financing activities: activities resulting in changes in the size and composition of equity and liabilities that do not form part of operating activities.

o) Consolidated statement of changes in equity

The accompanying consolidated statement of changes in equity shows the movements in consolidated equity accounts arising during the year. This information is in turn broken down into two parts: the consolidated statement of comprehensive income and the consolidated statement of changes in equity.

The main features of the disclosures included in both statements are described below:

Consolidated statement of comprehensive income

This statement presents the income and expenses generated by the Group as a result of its business activity in the year and a distinction is made between the income and expenses recognized in the consolidated statement of profit or loss for the period and other income and expenses recognized, in accordance with current regulations, directly in equity.

Accordingly, these statements present:

a) Profit as per the consolidated statement of profit or loss

b) Income and expenses which must be directly recognized in consolidated equity as required by measurement standards

c) The transfers made to the consolidated statement of profit or loss, in keeping with adopted measurement standards

d) The corresponding tax effect, if any, of the letters b) and c) above

e) Total recognized income and expenses, calculated as the sum of all the above.

Consolidated statement of changes in equity

The consolidated statement of changes in equity presents all the movements in consolidated equity accounts, including those arising from changes in accounting criteria and corrections of misstatements, if any. This statement therefore reconciles the carrying amounts at the start and end of the period of all the items composing consolidated equity, grouping the movements into the following categories in accordance with their nature:

a) Total recognized income and expense: shows the aggregate total of the aforementioned items recognized in the consolidated statement of comprehensive income.

b) Transactions with partners: shows the changes in consolidated equity arising from subscriptions and redemptions carried out, if any, during the year.

c) Other changes in equity: shows the remaining items recognized in consolidated equity, such as appropriation of results, transfers among equity items, and any other increase or decrease in consolidated equity.

5. INTANGIBLE ASSETS

The balance recognized under "Operating rights" in the accompanying consolidated statement of financial position mainly presents the net cost of operating rights acquired by acquisition of companies through business combinations.

In addition, the balance recognized under "Operating rights" in the accompanying consolidated statement of financial position also includes other intangible assets corresponding to the assets arising as a result of the process for measuring the costs directly attributable to licenses and administrative authorizations included in the assets transferred during prior years, as well as the assets corresponding to rights-of-way in connection with the land over which the photovoltaic installations of certain Group projects are located.

Finally, and in accordance with the stipulations of IFRS 16, the Group's consolidated statement of financial position includes the right-of-use assets arising from the lease agreements for the land not owned by the Group on which the photovoltaic installations are located.

Thus, the breakdown for this heading in the consolidated statement of financial position, as well as a summary of transactions carried out during 2024 and 2023, follows:

2024

	Thousands of euros			
	Opening balance	Additions (Note 16.d)	Derecognitions	Closing balance
Cost:				
Operating rights and other intangible assets	54,716	-	-	54,716
Right-of-use in leases	14,028	-	-	14,028
Total cost	**68,744**	**-**	**-**	**68,744**
Accumulated amortization:				
Operating rights and other intangible assets	(35,992)	(1,803)	-	(37,795)
Right-of-use in leases	(2,834)	(568)	-	(3,402)
Total accumulated amortization	**(38,826)**	**(2,371)**	**-**	**(41,197)**
Impairment losses	-	-	-	**-**
Total intangible assets (net)	**29,918**	**(2,371)**	**-**	**27,547**

2023

	Thousands of euros			
	Opening balance	Additions (Note 16.d)	Derecognitions	Closing balance
Cost:				
Operating rights and other intangible assets	54,716	-	-	54,716
Right-of-use in leases	14,028	-	-	14,028
Total cost	**68,744**	**-**	**-**	**68,744**
Accumulated amortization:				
Operating rights and other intangible assets	(31,481)	(4,511)	-	(35,992)
Right-of-use in leases	(2,267)	(567)	-	(2,834)
Total accumulated amortization	**(33,748)**	**(5,078)**	**-**	**(38,826)**
Impairment losses	-	-	-	-
Total intangible assets (net)	**34,996**	**(5,078)**	**-**	**29,918**

a) Amortization and impairment

The charge to the consolidated statement of profit or loss for 2024 corresponding to amortization of intangible assets amounted to 2,371 thousand euros (2023: 5,078 thousand euros) (Note 16.d).

At December 31, 2024 and 2023, the Group assessed its intangible assets for the presence of any indications, both external as well as internal, which would require the performance of an impairment test. Subsequent to this analysis, the sole director of the Parent considered that no such indications were detected, thus concluding that there was no need to review the carrying amounts of intangible assets or perform any related impairment tests at year end.

At 2024 and 2023 year end, the Group had not fully amortized any of its intangible assets.

b) Other information

At December 31, 2024 and 2023, the Group does not have any intangible assets in progress.

All of the Group's intangible assets are directly associated with operations at December 31, 2024 and 2023.

At December 31, 2024, there were no intangible assets encumbered by guarantees, and neither had the Company received any subsidies for acquisition of the assets recognized.

Finally, at 2024 and 2023 year end the Group had no investment commitments with respect to intangible assets.

6. PROPERTY, PLANT, AND EQUIPMENT

The breakdown for this heading in the consolidated statement of financial position, as well as a summary of transactions carried out during 2024 and 2023, is as follows:

2024

	Thousands of euros			
	Opening balance	Additions	Derecognitions	Closing balance
Cost:				
Land and buildings	1,386	-	-	1,386
Plant	317,343	855	(3,058)	315,140
Other PP&E items	358	-	-	358
Total cost	**319,087**	**855**	**(3,058)**	**316,884**
Accumulated depreciation:				
Plant	(229,931)	(8,692)	2,720	(235,903)
Other PP&E items	(5)	-	-	(5)
Total accumulated depreciation	**(229,936)**	**(8,692)**	**2,720**	**(235,908)**
Total PP&E (net)	**89,151**	**(7,837)**	**(338)**	**80,976**

2023

	Thousands of euros			
	Opening balance	Additions	Derecognitions	Closing balance
Cost:				
Land and buildings	1,386	-	-	1,386
Plant	317,567	1,347	(1,571)	317,343
Other PP&E items	358	-	-	358
Total cost	**319,311**	**1,347**	**(1,571)**	**319,087**
Accumulated depreciation:				
Plant	(201,701)	(29,540)	1,310	(229,931)
Other PP&E items	(5)	-	-	(5)
Total accumulated depreciation	**(201,706)**	**(29,540)**	**1,310**	**(229,936)**
Total PP&E (net)	**117,605**	**(28,193)**	**(261)**	**89,151**

The balance recognized under "Plant" in the accompanying consolidated statement of financial position at December 31, 2024 and 2023 mainly reflects the costs of the photovoltaic solar installations disclosed in Appendix II to these explanatory notes.

In addition, "Land and buildings" records the cost of the land on which some of the Group's photovoltaic installations are located, amounting to 1,386 thousand euros at 2024 and 2023 year end.

a) Additions and derecognitions of PP&E

Additions were recognized during 2024 under "Plant" amounting to 855 thousand euros (2023: 1,347 thousand euros) in connection with the improvements the Group carried out at some of its photovoltaic power plants. Specifically, the improvements mostly correspond to the modules at the power plants that were renovated for an amount of 425 thousand euro; inverters which were replaced for an amount of 177 thousand euros; and other costs incurred in an amount of 253 thousand euros.

During 2024, PP&E items were derecognized as a result of the improvements made to the aforementioned photovoltaic installations, specifically corresponding to the net carrying amounts of the items replaced. Consequently, the Group derecognized those PP&E items from its consolidated statement of financial position which had been retired, leading to a loss of 338 thousand euros in 2024 (2023: 261 thousand euros) (Note 16.e).

b) Depreciation and impairment

The depreciation allowance for PP&E items recognized by the Group in the consolidated statement of profit or loss at December 31, 2024 and 2023 amounted to 8,692 thousand and 29,540 thousand euros, respectively (Note 16.d).

At December 31, 2024 and 2023, the Group assessed its PP&E items for the presence of any indications, both external as well as internal, which would require the performance of an impairment test. Subsequent to this analysis, the sole director of the Parent considered that no such indications were detected, thus concluding that there was no need to review the carrying amounts of PP&E items or perform any related impairment tests at December 31, 2024 and 2023.

At 2024 and 2023 year end, the Group had not fully depreciated any significant PP&E items.

c) Other information

At December 31, 2024 and 2023, the Parent did not recognize any work in progress for any of its PP&E items.

All of the Group's PP&E items are located in Spain and are directly associated with operations at December 31, 2024 and 2023.

At 2024 and 2023 year end the Group had no significant investment commitments with respect to PP&E.

It is the Group's policy to subscribe insurance policies to cover the potential risks to which its PP&E items are exposed. Group Management considers that the coverage provided by the insurance at 2024 and 2023 year end is adequate and sufficient to mitigate the risks associated with possible material damages.

7. NON-CURRENT AND CURRENT LOANS TO GROUP COMPANIES

The breakdown of loans to group companies recognized under the headings in the consolidated statement of financial position for non-current and current investments in group companies at December 31, 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Non-current financial assets:		
Investments in group companies and associates		
Loans to companies (nominal amount and accrued and uncollected interests) (Note 15.2)	36,392	16,530
	36,392	**16,530**

Loans granted to Sonnedix Holdco Spain B. V.

On March 7, 2023, the Parent formalized a loan contract for an amount of 13,042 thousand euros with its sole partner, Sonnedix Holdco Spain B.V., drawing the entire balance on said date. The loan bears interest at a rate of 3.275% and matures on March 7, 2042.

On September 7, 2023, the Parent formalized an addendum to this loan contract with its sole partner, Sonnedix Holdco Spain B.V., for an additional amount of 3,100 thousand euros, which was also fully drawn down on said date, applying the same interest rate of 3.275% and extending the maturity date to September 7, 2042.

On March 4, 2024, the Parent formalized another addendum to the loan contract with its sole partner, Sonnedix Holdco Spain B.V., for an additional amount of 10,900 thousand euros, which was also fully drawn down on said date, applying the same interest rate of 3.275% and extending the maturity date to March 4, 2043.

On September 5, 2024, the Parent formalized another addendum to the loan contract with its sole partner, Sonnedix Holdco Spain B.V., for an additional amount of 8,040 thousand euros, which was also fully drawn down on said date, applying the same interest rate of 3.275% and extending the maturity date to September 5, 2043.

In 2024, the Parent accrued interest on these loans amounting to 922 thousand euros (2023: 399 thousand euros) (Note 16.f), payable on the contractual maturity date.

8. NON-CURRENT AND CURRENT FINANCIAL INVESTMENTS

The breakdown of financial investments at December 31, 2024 and 2023 is as follows:

	Thousands of euros	
	12/31/2024	
	Non-current financial instruments	Current financial instruments
Financial investments	1,403	20,232
Other financial assets	2,969	-
	4,372	**20,232**

	Thousands of euros	
	12/31/2023	
	Non-current financial instruments	Current financial instruments
Financial investments	1,400	20,590
	1,400	**20,590**

Non-current financial investments

The Group recognized a non-current balance of 1,403 thousand euros at December 31, 2024 in the consolidated statement of financial position under "Financial investments," corresponding to long-term guarantees and security deposits (2023: 1,400 thousand euros).

Other non-current financial assets

Article 22 of Royal Decree 413/204 establishes a mechanism for adjusting regulated remuneration in connection with deviations from the estimated electricity market prices (Note 3).

Pursuant to this article, at December 31, 2024 the Group recognized a non-current balance of 2,969 thousand euros under “Other financial assets” in the consolidated statement of financial position, corresponding to the adjustment for the remuneration to be received (2023: 6,819 thousand euros recognized under “Other financial liabilities” (Note 13.4). Said amount arises from the difference between the market price estimated by the CNMC for calculating the remuneration parameters for each regulatory half-period and the real market price of energy. The Group decided to recognize the entire amount under non-current assets in the consolidated statement of financial position as the amount to be settled in the short term is not material and the final amount will be determined at the end of the regulatory useful life of each installation.

Current financial investments

The balance recognized under "Current assets - Financial investments" in the consolidated statement of financial position at December 31, 2024 mainly includes an amount of 20,344 thousand euros (2023: 20,501 thousand euros) corresponding to the balances held with financial entities which constitute a "Debt Service Reserve Fund" and a "Maintenance Reserve Fund."

Said items represent the restricted cash balances which will be maintained by the subsidiaries in accordance with the requirements established in the framework contracts for the secured bond issue ("Selene Bond") as a guarantee for payments to be made in the coming months (Note 13.1).

9. TRADE RECEIVABLES

"Trade receivables" in the consolidated statement of financial position mainly records the amount owed as a consequence of the sale of electric energy produced by the solar power plants, amounting to 11,072 thousand euros at December 31, 2024 (2023: 7,316 thousand euros). The collection of said amounts will be made over the coming 12 months.

At December 31, 2024 and 2023 no impairment losses were recognized for these accounts receivable.

10. CASH AND CASH EQUIVALENTS

The breakdown of this heading in the consolidated statement of financial position at December 31, 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Cash and cash equivalents	5,936	20,010
	5,936	**20,010**

This heading of the consolidated statement of financial position includes cash in hand, sight deposits, and other highly liquid short-term investments which mature in less than 3 months, can be readily converted into cash, and are not exposed to the risk of changes in value.

As a general rule, the cash balances accumulated bear interest at market rates. There are no significant restrictions for use of cash and cash equivalents apart from the cash balance recognized for the projects that are already operational (Note 8). Likewise, neither are there any significant differences between the carrying amounts and market values of the cash and cash equivalents recognized.

11. FINANCIAL RISK MANAGEMENT POLICY

To manage its financial risk, the Group uses economic forecasts to review its business plans and evaluate the relationship between the risk exposure and present value of cash flows generated by an investment, as well as taking an accounting approach to assess the various risk situations dynamically and statically.

The sole director of the Parent has established the necessary control mechanisms with respect to credit risk and liquidity risk.

The general exposure to adverse situations in which negative deviations may arise for the results or financial performance of the Group, consequently generating risks which must be managed to mitigate their possible effects, is as follows:

- Liquidity risk
- Credit risk
- Other market risks: price risk.

These risks are monitored and controlled regularly, as described below:

a) Liquidity risk

Liquidity risk is defined as the risk that a company will not be able to service its commitments as a result of adverse conditions in the debt and/or capital markets that prevent or hinder its efforts to obtain the necessary financing.

The Group manages liquidity risk by maintaining sufficient cash balances to enable it to negotiate upcoming refinancing agreements on the best possible terms and to cover its short-term cash outlays, thereby avoiding the need to raise funds on disadvantageous terms. Liquidity risk coverage is considered adequate when the Company can avail itself of a minimum amount of available financing equivalent to six months of debt servicing.

b) Credit risk

Within the area of financial transactions, credit risk arises as a result of a counterparty failing to meet its contractually established obligations. When contracted operations can generate counterparty risk for certain subsidiaries, the Group's policy is to contract said operations with counterparties who enjoy a credit rating equal to or better than those of the Sonnedix Group.

The Group held accounts receivable from highly solvent companies during 2024 and 2023, such as:

- Electricity distribution companies which purchase the electricity produced, though it is invoiced to and collected from the CNMC and the market agents.

  As of January 1, 2014, all participants in the settlement system must bear the temporary imbalances between revenue and electricity system costs. Thus, the CNMC may not pay 100% of the monthly settlements, so that the group companies, as recipients of system costs, become the parties financing these temporary imbalances.

  At December 31, 2024, the CNMC settled 88.29% of the specific regulated remuneration for investment and operation accrued until the month of October based on the remuneration parameters established for 2024 in Order TED/741/2023 (Note 3).

Thus, the sole director of the Parent considers the likelihood of said credit risk materializing as remote. In addition, the sole director considers that, taking into account an annualized perspective of cash flows generated by the projects, working capital at present available to the Group, together with the expected cash flows from coming months, will be sufficient to meet financial obligations contracted in the short term.

At year end, there were no significant financial assets in arrears for which no impairment losses had been recognized.

c) Other market risks: price risk

In addition to the financial risks described in the previous section, there are operational risks which are mainly related to the risk of changes in the sales prices of electric energy generated.

As established in Note 3 to the accompanying consolidated financial statements, the remuneration system for energy from renewable sources, cogeneration, and waste shall be based on the facilities' necessary participation in the market, supplementing, if necessary, market revenue with specific regulated remuneration, thereby allowing these technologies to compete on an equal footing with the remaining technologies in the market. This specific complementary remuneration shall be sufficient to reach the minimum level required to cover costs that, unlike with conventional technologies, cannot be recovered in the market, thus allowing for reasonable returns based on a standard installation in each applicable case.

12. EQUITY

a) Share capital

At December 31, 2024 and 2023, Sonnedix Luxembourg Holdco 2 SARL is the sole partner of Sonnedix España Equityco, S.L. The share capital of the Parent amounts to 3 thousand euros, represented by 3,000 participation units at a nominal value of one euro each.

The ultimate purpose of the share capital is none other than to allow for financing the development plan designed by the sole director of the Parent and ensure an appropriate remuneration policy for the partner.

b) Share premium of the Parent

At December 31, 2024 and 2023, the share premium of the Parent amounted to 4,814 thousand euros.

c) Legal reserve of the Parent

In accordance with the revised text of the Spanish Corporate Enterprises Act, 10% of profit must be transferred to the legal reserve each year until it represents at least 20% of share capital. The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase. Except for this purpose, until the legal reserve exceeds the limit of 20% of share capital, it can only be used to compensate losses provided there are no other reserves available for this purpose.

At December 31, 2024 and 2023, the legal reserve was fully allocated.

d) Other owner contributions

In 2024, Sonnedix Luxembourg Holdco 2 SARL made a contribution to Sonnedix España Equityco, S.L. amounting to 758 thousand euros (2023: 682 thousand euros), executed by forgiving a balance owed to the sole partner which had been generated as a consequence of payments made on behalf of the Parent in connection with improvements carried out by the Group to some of its photovoltaic plants (Note 6).

13. FINANCIAL LIABILITIES

The breakdown of the Group's financial liabilities at December 31, 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Non-current financial liabilities:		
Trade and other payables:		
Bonds and other marketable securities (Note 13.1)	211,516	231,956
Bonds and other marketable securities (principal)	*212,884*	*233,568*
Debt arrangement expenses	*(1,368)*	*(1,612)*
Other borrowings (Note 13.2)	10,712	11,154
Borrowings from group companies and associates (Note 15)	4,442	4,442
Other financial liabilities (Note 13.4)	553	6,819
	227,223	**254,371**
Current financial liabilities:		
Trade and other payables:		
Bonds and other marketable securities (Note 13.1)	20,684	19,990
Other borrowings (Note 13.2)	805	805
Payables to group companies and associates (Note 15)	918	473
Trade payables to group companies (Note 15)	1,871	1,802
Other payables (Note 13.3)	647	929
	24,925	**23,999**

13.1 Bonds and other marketable securities

On June 22, 2016, the Group subsidiary, Sonnedix Finance, S.A., agreed upon a secured bond issue ("the Selene Bond"), mainly used to refinance the outstanding debts of Group companies.

The face value of the issue amounted to 404,400 thousand euros, set to mature on June 30, 2036 with repayments to be made every six months. The bond accrues interest at an annual nominal rate of 3.195%, payable on a six-monthly basis. The first principal and interest payments were settled on January 2, 2017. Subsequent payments fall due on June 30 and December 31 of each year.

At December 31, 2024, "Bonds and other marketable securities" included balances amounting to 212,884 thousand and 20,684 thousand euros, corresponding to non-current and current balances, respectively (2023: 233,568 thousand and 19,990 thousand euros, respectively). In addition, at 2024 year end an amount of 1,368 thousand euros was recognized for debt arrangement expenses, calculated by netting the nominal amounts of non-current bonds and other marketable securities (2023: 1,612 thousand euros).

The interest accrued by the Group corresponding to the Selene Bond financing during 2024 amounted to 7,928 thousand euros (2023: 8,550 thousand euros). All of this amount was settled at December 31, 2024, with the Group companies consequently not recognizing accrued interest payable at year end (Note 16.g).

Likewise, during 2024 the Group amortized principal on the Selene Bond in the amount of 19,990 thousand euros (2023: 19,292 thousand euros).

The Parent and its subsidiaries have pledged their participation units in guarantee, making them liable for the obligations arising from the bond issue in respect of the full amount of their equity. The breakdown of the guarantor companies is as follows:

Guarantor companies	
Siluendor Plano, S.L.	Sonnedix España SPV XXII, S.L.
Unified Group, S.L.	Sonnedix España SPV XXIII, S.L.
Cruanorna, S.L.	Sonnedix España SPV XXIV, S.L.
Diversia Solar, Proyectos y Explotaciones Solares, S.L.U.	Sonnedix España SPV XXV, S.L.
Sociedad de Explotación Fotovoltaica Omega, S.L.U.	Proyectos Integrados Renovables, 2, S.L.U.
Gapalencos, S.L.	Parque Solar Caudete, S.L.
Fotovoltaica la Gamonosa, S.L.U.	Capur Business, S.L.
Global Atreo, S.L.U.	Bujía Solar, S.L.U.
J.B. Solar Malagón, S.L.	Acacia Instalaciones Fotovoltaicas, S.L.U.
Sonnedix España SPV IV, S.L.	Villanueva Cosolar, S.L.
Sonnedix España SPV V, S.L.	Sonnedix España Solar Acula S.L.U.
Sonnedix España SPV VIII, S.L.	Sonnedix España Solar Alhama de Granada, S.L.U.
Sonnedix España SPV IX, S.L.	Sonnedix España Solar Isnalloz, S.L.U.
Sonnedix España SPV XI, S.L.	Sonnedix España Solar Pedro Martínez, S.L.U.
Sonnedix España SPV XII, S.L.	Sonnedix España Solar Villamesías, S.L.U.
Sonnedix España SPV XIII, S.L.	Sonnedix España Solar Alcudia S.L.U.
Arroyo Solar, S.L.	Vermarozul, S.L.U.
Sonnedix España SPV XXI, S.L.	Sonnedix España SPV XIV, S.L.U.
Sonnedix España Power España I B.V.	Sonnedix España SPV XV, S.L.U.
Sonnedix España Power España II B.V.	Sonnedix España Holdings, S.L.U.
Sonnedix España Power España I B.V., S.L.U.	Sonnedix España Equityco, S.L.U.
Sonnedix España Solar España Finance, S.L.U.	Sonnedix España Solarfin, S.L.U.

The bond issue deed establishes early repayment clauses for the following circumstances: (i) any non-payment, unless non-payment is due to administrative reasons and payment is made within 3 business days subsequent to the amortization date; (ii) the debt service coverage ratio for all companies financed with the bond falls below 1.05x; or (iii) regulatory changes are introduced which could result in a reduction of EBITDA by 15% or more.

The Group was in compliance with the obligations arising from the Selene Bond issue contract during 2024 and 2023.

The breakdown by maturity of financial debt at December 31, 2024 and 2023 is as follows:

2024

	Thousands of euros						
	2025	2026	2027	2028	2029	2030 and beyond	Total
Bonds and other	20,684	21,392	22,116	21,218	18,655	129,503	233,568
	20,684	**21,392**	**22,116**	**21,218**	**18,655**	**129,503**	**233,568**

2023

	Thousands of euros						
	2024	2025	2026	2027	2028	2029 and beyond	Total
Bonds and other	19,990	20,684	21,392	22,116	21,218	148,158	253,558
	19,990	**20,684**	**21,392**	**22,116**	**21,218**	**148,158**	**253,558**

13.2 *Other non-current and current borrowings*

The breakdown of the Group's other non-current and current financial debt at 2024 and 2023 year end is as follows:

	Thousands of euros	
	2024	2023
Other non-current borrowings	10,712	11,154
Other current borrowings	805	805
	11,517	**11,959**

In accordance with IFRS 16, at year end the Group mainly recognized the non-current and current financial debt corresponding to the lease agreements under these headings in the consolidated statement of financial position, amounting to a total of 11,517 thousand euros in 2024 (2023: 11,959 thousand euros).

The movements in liabilities recognized due to application of IFRS 16 at December 31, 2024 and 2023 are as follows:

	Thousands of euros				
	12/31/2024				
	Balance at 1/1/2024	Additions due to new contracts	Financial discounting (Note 16.g)	Rental payments	Balance at 12/31/2024
Lease liabilities	11,959	-	365	(807)	11,517
	11,959	**-**	**365**	**(807)**	**11,517**

	Thousands of euros				
	12/31/2023				
	Balance at 1/1/2023	Additions due to new contracts	Financial discounting (Note 16.g)	Rental payments	Balance at 12/31/2023
Lease liabilities	12,349	-	374	(764)	11,959
	12,349	-	**374**	**(764)**	**11,959**

13.3 *Other accounts payable*

Other payables

At December 31, 2024, the Group recognized an amount of 647 thousand euros (2023: 929 thousand euros) under "Trade and other payables - Other payables" in the accompanying consolidated statement of financial position, mainly corresponding to the amounts pending payment to third parties in connection with advisory services received for tax, technical, and legal matters, including audit fees.

13.4 Other non-current financial liabilities

Article 22 of Royal Decree 413/204 establishes the mechanism for adjusting regulated remuneration in connection with deviations from the estimated electricity market prices (Note 3).

By virtue of said article, at December 31, 2023 the Group recognized a balance of 6,819 thousand euros under "Other financial liabilities" in the accompanying consolidated statement of financial position, corresponding to the remuneration adjustment receivable, which will be compensated over the remaining regulatory useful life of the assets. Said amount arises from the difference between the market price estimated by the CNMC for calculating the remuneration parameters for each regulatory half-period and the real market price of energy. The Group decided to recognize the entire amount under non-current liabilities in the consolidated statement of financial position as the amount to be settled in the short term was not material and the final amount will be determined at the end of the regulatory useful life of each installation.

13.5 Information on average payment periods for suppliers

On February 4, 2016, the ICAC published its Resolution of January 29, 2016 on information to be included in the notes to the financial statements in connection with the average supplier payment periods in commercial transactions, the objective of which is to comply with the expressly stated obligations in Law 31/2014, of December 3.

This section was updated with the requirements of Law 18/2022, of September 28, on company creation and growth, so that in addition to the average payment period for suppliers, the monetary volume and number of invoices paid within the maximum period provided for in late payment regulations as well as the corresponding percentages these items represent over the total monetary payments to suppliers and total number of invoices, must also be disclosed.

The Group's average supplier payment periods during 2024 and 2023 were as follows:

	2024	2023
	Days	
Average supplier payment period	48	31
Ratio of transactions paid	48	28
Ratio of transactions pending payment	82	269
	Amount (Thousands of euros)	
Total payments made	7,274	6,999
Total payments outstanding	6	94
Monetary volume of invoices paid within the maximum period allowed for by late payment regulations	3,871	5,188
Percentage of payments made within the maximum period over total payments made	53%	74%
	Number of invoices	
Invoices paid within the maximum period established in late payment regulations	1,539	1,202
Percentage over total invoicing	80%	62%

The information provided in the above table on supplier payments relates to those payments which by their nature represent trade payables to suppliers of goods and services, and thus includes data related to the heading for "Other payables" under current liabilities in the consolidated statement of financial position.

"Average supplier payment period" is the period from delivery of the goods or provision of the services by the supplier and effective payment for the transaction. The balance to be recognized under this heading is the result of the fraction whose numerator is calculated as the sum of multiplying the transactions paid ratio by total payments made and adding the transactions pending payment ratio multiplied by the total amount of pending payments, and whose denominator is calculated by adding the total amount of payments made to the amount of pending payments.

The ratio of transactions paid is calculated as the sum of all the multiplications of the amounts paid by the number of days to payment (the number of natural days that have elapsed counting from the date on which the amounts became payable to the day they were settled), divided by the total amount of payments made.

Likewise, the ratio of transactions pending payment is the result of the fraction whose numerator is calculated as the sum of all multiplications of amounts pending payment by the number of days for which payments were outstanding (the number of natural days that have elapsed counting from the date on which the amounts became payable to the last day of the period to which the financial statements refer), and whose denominator corresponds to the total amount of pending payments.

The maximum legal period applicable to the Group companies in 2024 and 2023 in accordance with Law 3/2004 of December 29, establishing measures on combating late payment in commercial transactions, is 30 natural days unless otherwise agreed upon by the involved parties, who can also choose to increase said period up to a maximum of 60 natural days.

14. TAX MATTERS

From January 1, 2017 the Group companies started to file their corporate income tax returns under a consolidated tax regime, with Sonnedix España Equityco, S.L. (sole shareholder company) as tax representative of the tax group comprising all companies listed in Appendix I, with the exception of those subsidiaries whose registered tax address is outside Spanish territory and who consequently settle their tax returns individually in accordance with the tax regulations applicable to them.

Filing tax returns under the special tax consolidation regime involves determining the Group's tax result taken as a whole together with any deductions and tax rebates. For tax purposes, a group of companies is understood to be made up of the Parent and the subsidiaries located in Spanish territory in which the Parent directly or indirectly holds at least 75% of their share capital and who meet the requirements established for inclusion in this special regime.

The distribution of the tax burden is carried out as agreed upon by all the companies that belong to the tax consolidation group, respecting the stipulations of the accounting standards issued by the ICAC.

Balances with public administrations

The breakdown of balances with public administrations at December 31, 2024 and 2023, is as follows:

Receivable balances

2024

	Thousands of euros	
	Non-current	Current
	12/31/2024	12/31/2024
Deferred tax assets	15,524	-
Other receivables from public administrations	-	140
	15,524	**140**

2023

	Thousands of euros	
	Non-current	Current
	12/31/2023	12/31/2023
Deferred tax assets	15,103	-
Reimbursement of tax loss carryforwards 2019-2022	-	253
Other receivables from public administrations	-	94
	15,103	**347**

Payable balances

2024

	Thousands of euros	
	Non-current	Current
	12/31/2024	12/31/2024
Deferred tax liabilities	2,360	-
VAT payable to the tax authorities	-	2,271
Corporate income tax payable to the tax authorities	-	3,687
	2,360	**5,958**

2023

	Thousands of euros	
	Non-current	Current
	12/31/2023	12/31/2023
Deferred tax liabilities	2,578	-
VAT payable to the tax authorities	-	2,347
Corporate income tax payable to the tax authorities	-	39
	2,578	**2,386**

Reconciliation of taxable income (tax result) and corporate income tax expense

The reconciliation of taxable income and corporate income tax expense for the Group is as follows:

	Thousands of euros	
	2024	2023
Consolidated profit for the Group before tax	**27,666**	**5,378**
Permanent differences	**1**	**2**
Temporary differences:		
Non-deductible amortization of operating rights	869	3,357
Application of non-deductible amortization/depreciation 2013-2014	(562)	(562)
Non-deductible finance expenses	(3,139)	(3,421)
Tax impact of IFRS 16	127	177
Preliminary taxable income	**24,962**	**4,931**
Adjustment of tax loss carryforwards (Law 38/2022) – 2023	(287)	2,871
Adjustment of tax loss carryforwards (Law 38/2022) – 2024	2,224	-
Application of tax loss carryforwards recognized in prior years	(9,278)	(3,802)
Taxable income (Tax result)	**17,621**	**4,000**
Theoretical tax rate calculated at 25%	**(4,405)**	**(1,000)**
Application of deductions (not recorded)	28	50
Application of deductions (recorded)	140	43
Tax payable (current corporate income tax expense of the Group)	**(4,237)**	**(907)**
Impact of temporary differences:		
Non-deductible amortization of operating rights	218	839
Application of non-deductible amortization/depreciation 2013-2014	(169)	(141)
Non-deductible finance expenses	(785)	(855)
Tax impact of IFRS 16	32	44
Adjustment of tax loss carryforwards (Law 38/2022) – 2023	(72)	718
Adjustment of tax loss carryforwards (Law 38/2022) – 2024	556	-
Application of tax loss carryforwards recognized in prior years	(2,320)	(951)
Application of deductions recorded in prior years	(140)	(43)
Capitalization of unrecorded tax loss carryforwards from previous years	3,150	-
Other adjustments	46	96
Total income (expense) for corporate income tax	**(3,721)**	**(1,200)**

The temporary differences recognized correspond to the following:

- The non-deductible amortization arising from the restatement of intangible assets (operating rights) as a consequence of the mergers carried out in previous years, on the basis of which the Parent recognized the consolidated values of the photovoltaic projects, which were greater than their historical acquisition cost.

- The limitations to deductibility of finance expenses included in Royal Decree Law 12/2012, of March 30, subsequently modified by Royal Decree Law 20/2012, which established a limit to deductible finance expenses amounting to 30% of operating profit for the period (defined in the aforementioned Royal Decree Law: basically the accounting operating profit increased by the amortization/depreciation recognized as well as impairment losses and other gains (losses) obtained on disposals of assets) or one million euros. At any rate, the first million euros will always be tax deductible.

- The tax effect arising from the Group adopting IFRS 16 (*Leases*) in 2019.

- The limitations to deductibility of amortization/depreciation arising from approval on December 27, 2012 of Royal Decree Law 16/2012, introducing a temporary measure, which limits tax deductible amortization/depreciation for the 2013 and 2014 tax periods, for those entities which, during said tax periods, do not fulfill the requirements established in sections 1, 2 or 3 of article 108 of the revised text of the Corporation Tax Law, approved by Legislative Royal Decree 4/2004, of March 5. In accordance with said regulation, up to 70% of the amortization/depreciation will be deducted from the tax base that would have been tax deductible had that percentage not applied, in accordance with sections 1 and 4 of article 11 of said law.

  Accounting amortization and depreciation that is not tax deductible by virtue of the provisions established in said article will be deducted on a straight-line basis over 10 years or, optionally, over the useful life of the asset, counted from the first tax period commencing during 2015.

- The application of tax losses generated in prior years by Group companies.

- The limitation to 50% of the individual tax loss carryforwards for each of the companies which make up the tax group, included in Law 38/2022, for the tax periods which commenced in 2023. The amount to which the tax loss carryforwards are limited will be recovered in the tax group's tax base via negative adjustments amounting to one tenth of the corresponding balance for each of the first ten tax periods starting from January 1, 2024.

On January 18, 2024, a press release was published by the Plenary of the Constitutional Court which unanimously upheld the declaration of unconstitutionality with respect to certain measures related to corporate income tax introduced by Royal Decree Law 3/2016. Amongst the modifications introduced by said Royal Decree Law that were ruled upon, the one related to setting more stringent limits for the application of tax loss carryforwards is noteworthy. Thus, prior to authorizing the consolidated financial statements for 2023, the Parent's sole director calculated the current and deferred expense in accordance with the legislation prevailing prior to the amendments to corporate income tax subject to the ruling (in other words, without taking the effects of Royal Decree Law 3/2016 into account).

On May 16, 2024, the tax authorities decided to reject the request filed by the Parent's sole director.

On July 15, 2024, the tax authorities decided to partially accept the request presented by the sole director of the Parent, settling a balance of 143 thousand euros for said corrections relating to the aforementioned tax credits together with the corresponding late payment interest amounting to 6 thousand euros.

The reconciliation of taxable income and the current balance at year end is as follows:

	Thousands of euros	
	2024	2023
Taxable income (Tax result)	17,621	4,000
Theoretical tax rate calculated at 25%	(4,405)	(1,000)
Application of deductions	168	93
Tax installments and withholdings	550	868
Current tax receivable from / payable to the tax authorities	**(3,687)**	**(39)**
Tax credits corrected	-	253
Current tax assets (liabilities)	**(3,687)**	**214**

Deferred tax assets and liabilities recognized

The breakdown of these items at 2024 and 2023 year end is as follows:

Deferred tax assets

The movements in deferred tax assets in 2024 are as follows:

2024

	2023	Additions	Derecognitions	2024
Tax credit for unused tax losses	9,381	3,150	(2,320)	10,211
Adjustment of tax loss carryforwards (Law 38/2022) – 2023	718	-	(72)	646
Adjustment of tax loss carryforwards (Law 38/2022) – 2024	-	556	-	556
Non-deductible finance expenses and amortization/depreciation	4,641	-	(785)	3,856
Tax impact of IFRS 16	222	32	-	254
Deductions for environmental expenditure	141	-	(140)	1
Total deferred tax assets	**15,103**	**3,738**	**(3,317)**	**15,524**

2023

	2022	Additions	Derecognitions	2023
Tax credit for unused tax losses	10,585	-	(1,204)	9,381
Adjustment of tax loss carryforwards (Law 38/2022)	-	718	-	718
Non-deductible finance expenses and amortization/depreciation	5,665	-	(1,024)	4,641
Tax impact of IFRS 16	178	44	-	222
Deductions for environmental expenditure	184	-	(43)	141
Total deferred tax assets	**16,612**	**762**	**(2,271)**	**15,103**

During 2024 the Group has recorded "Tax credit for unused tax losses" amounting to 3,150 thousand euros corresponding to unrecorded tax loss carryforwards from previous years.

The Parent derecognized a balance of 253 thousand euros in 2023 under "Tax credit for unused tax losses" corresponding to the corrections made with respect to tax credits.

The aforementioned deferred tax assets were recognized in the consolidated statement of financial position as the sole director of the Parent, based on the best estimate for the future profits of Group companies, including certain tax planning initiatives, considers that these tax assets will probably be recovered.

In addition, the Group has deductions pending application in the amount of 452 thousand euros (2023: 2,875 thousand euros) for which the corresponding deferred tax assets were not recognized. These deductions break down as follows:

Year generated	Last year for utilization	2024	2023
Deductions for environmental expenditure			
2009	2024/2025	2,246	2,353
2010	2025/2026	86	86
2011	2026/2027	366	399
		2,698	**2,838**

Deferred tax liabilities

The deferred tax liabilities entirely correspond to the deferred tax recognized as a consequence of assigning the difference between the amount paid for the acquisitions made and the net assets acquired, recognized as a greater amount for intangible assets with a defined useful life (operating rights; see Note 5). The reversal of these deferred tax liabilities will be carried out during the useful life of the assets associated with said rights.

The movements in deferred tax liabilities during 2024 and 2023 are as follows:

	Thousands of euros
	Temporary differences in liabilities (operating rights)
Balance at January 1, 2024	**2,578**
Amortization of operating rights	(218)
Balance at December 31, 2024	**2,360**
Balance at January 1, 2023	**3,417**
Amortization of operating rights	(839)
Balance at December 31, 2023	**2,578**

Years open to tax verification and inspections

In accordance with prevailing legislation, tax returns cannot be considered final until they have been inspected by the tax authorities or until the four-year inspection period has elapsed. The Parent's sole director considers that all applicable taxes have been duly settled so that even in the event of discrepancies in the interpretation of prevailing tax legislation with respect to the treatment applied, the resulting potential tax liabilities, if any, would not have a material impact on the accompanying consolidated statement of financial position.

15. TRANSACTIONS WITH RELATED PARTIES

15.1 Related-party transactions

The breakdown of transactions performed with related parties during 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Cost of sales (Note 16.b)	(4,437)	(4,274)
Finance income from group companies and associates (Note 16.f)	922	388
Finance costs with group companies and associates (Note 16.g)	(445)	(445)

Cost of sales, group companies and associates

The balance recognized under "Cost of sales" in the accompanying consolidated statement of profit or loss for 2024 mainly includes the expense incurred in connection with the operation and maintenance services rendered for the Group's photovoltaic installations by the related party Sonnedix España Services, S.L., amounting to 4,437 thousand euros (2023: 4,274 thousand euros) by virtue of the contracts signed by the involved parties. Said contracts established a fixed annual cost per MW of installed nominal capacity (Note 16.b).

The breakdown for operation and maintenance expenses by subsidiary is as follows:

	Thousands of euros	
	2024	2023
Siluendor Plano, S.L.	96	92
Unified Group, S.L.	100	96
Cruanorna, S.L.	246	236
Gapalencos, S.L.	96	92
Sonnedix España SPV VIII, S.L.	303	292
Sonnedix España SPV IX, S.L.	50	49
Sonnedix España SPV XI, S.L.	76	73
Sonnedix España SPV XII, S.L.	45	44
Arroyo Solar, S.L.	30	29
Fotovoltaica La Gamonosa, S.L.	96	92
Sonnedix España SPV XXI, S.L.	71	68
Proyectos Integrados Renovables, S.L.	152	146
Parque Solar Caudete, S.L.	86	83
Capur Business, S.L.	48	46
Acacia Instalaciones Fotovoltaicas, S.L.	404	389
Villanueva Cosolar, S.L.	177	170
Sonnedix España Solar Isnalloz, S.L.	137	131
Sonnedix España Solar Villamesías, S.L.	101	97
Sonnedix España Solar Pedro Martínez, S.L.	55	53
Global Atreo, S.L.	252	243
Sonnedix España Solar Alcudia, S.L.	50	49
Sonnedix España Solar Acula, S.L.	91	88
J.B. Solar Malagón, S.L.	353	341
Sonnedix España Solar Alhama de Granada, S.L.	91	88
Bujía Solar, S.L.	237	228
Sonnedix España SPV XIII, S.L.	25	24
Sonnedix España SPV XXII, S.L.	33	32
Sonnedix España SPV XXIII, S.L.	95	91
Sonnedix España SPV XXIV, S.L.	288	277
Sonnedix España SPV XXV, S.L.	95	92
Diversia Solar Proyectos y Explotaciones de Parques solares, S.L.	101	97
Sociedad de Explotación Fotovoltaica Omega, S.L.	76	73
Sonnedix España SPV IV, S.L.	45	44
Vermarozul, S.L.	61	58
Sonnedix España SPV V, S.L.	175	168
	4,437	**4,274**

Finance costs with group companies and associates

During 2024, the Group companies accrued interest on the financing received from Sonnedix Holdco Spain, B.V. (Note 15.2). The breakdown of finance costs accrued during 2024 and 2023, by Group company, is as follows:

	Thousands of euros	
	2024	2023
Cruanorna, S.L.	144	144
Sonnedix España Solar Solarfin, S.L.	76	76
Sonnedix España Solar Pedro Martínez, S.L.	225	225
	445	**445**

15.2 Balances with related parties

The breakdown of the balances with related parties recognized in the consolidated statement of financial position at December 31, 2024 and 2023 is as follows:

	12/31/2024	
	Non-current	Current
Loans to group companies	36,392	-
	36,392	**-**
Borrowings from group companies	4,442	918
	4,442	**918**
Trade payables, group companies	-	1,871
	-	**1,871**

	12/31/2023	
	Non-current	Current
Loans to group companies	16,530	-
	16,530	**-**
Borrowings from group companies	4,442	473
	4,442	**473**
Trade payables, group companies	-	1,802
	-	**1,802**

Non-current loans to group companies and associates

The breakdown of non-current loans to related parties at 2024 and 2023 year end corresponds to the loans granted to Sonnedix Holdco Spain B.V. (Note 7).

Company	Thousands of euros		
	12/31/2024		
	Balance	Maturity	Interest rate
Sonnedix Holdco Spain B.V.	35,082	9/5/2043	3.275%
Accrued interest pending collection	1,310		
	36,392		

Company	Thousands of euros		
	12/31/2023		
	Balance	Maturity	Interest rate
Sonnedix Holdco Spain B.V.	16,142	9/7/2042	3.275%
Accrued interest pending collection	388		
	16,530		

Non-current borrowings from group companies and associates

The breakdown of non-current subordinate debt with Group companies and associates at December 31, 2024 and 2023 corresponding to the borrowings from Sonnedix Holdco Spain B.V. is as follows:

	Thousands of euros			
	12/31/2024	12/31/2023	Maturity date	Interest rate
Cruanorna, S.L.	1,443	1,443	4/1/2033	10%
Sonnedix España Solar Solarfin, S.L.	759	759	1/31/2029	10%
Sonnedix España Solar Pedro Martínez, S.L.	2,240	2,240	1/31/2029	10%
	4,442	**4,442**		

During 2023, the Group repaid an amount of 35 thousand euros corresponding to the loan granted by Sonnedix España Solar Pedro Martinez, S.L.

Current payables to group companies and associates

At December 31, 2024, the Group recognized an amount of 918 thousand euros (2023: 473 thousand euros) corresponding to unpaid accrued interest owed to Sonnedix Holdco Spain B.V. in connection with the subordinated loans held with said company.

The breakdown of interest payable to the Group entity Sonnedix Holdco Spain B.V. at 2024 and 2023 year end is as follows:

	Thousands of euros	
	12/31/2024	12/31/2023
Cruanorna, S.L	334	190
Sonnedix España Solar Solarfin, S.L.	176	100
Sonnedix España Solar Pedro Martínez, S.L.	408	183
	918	**473**

During 2023, the Group repaid an amount of 165 thousand euros corresponding to the interest accrued and not paid on the loan granted by Sonnedix España Solar Pedro Martinez, S.L.

Trade payables to group companies and associates (current)

At 2024 year end, this heading in the consolidated statement of financial position includes a balance of 1,871 thousand euros (2023: 1,802 thousand euros) which fundamentally corresponds to the amounts pending payment to the related party Sonnedix España Services, S.L., mainly in connection with the improvements carried out by the Group on some of its photovoltaic power plants (Note 6).

16. INCOME AND EXPENSES

a) Revenue

Group revenue for 2024 amounted to 55,589 thousand euros (2023: 55,122 thousand euros), entirely corresponding to income obtained from the sale of electric energy produced at the different solar power plants being operated.

b) Cost of sales

This heading in the accompanying consolidated statement of profit or loss presents a balance of 4,953 thousand euros at 2024 year end (2023: 4,954 thousand euros), mainly corresponding to work performed by the related party Sonnedix España Services, S.L. for operation and maintenance services rendered at the Group's photovoltaic installations (Note 15.1).

c) Other operating expenses

The breakdown of this heading in the accompanying consolidated statement of profit or loss at December 31, 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Rent	217	182
Bank services	3	5
Independent professional services	148	283
Other taxes	3,659	306
	4,027	**776**

In 2024, "Independent professional services" in the accompanying consolidated statement of profit or loss includes an expense of 148 thousand euros (2023: 283 thousand euros), mainly corresponding to the cost of advisory services received by the Group for legal, tax, and technical matters, including the fees for audit services (Note 19).

In 2024, the amount recognized under “Other Taxes” in the consolidated statement of profit or loss includes expenses which break down as follows: 3,285 thousand euros corresponding to the TVEEP (exempt during 2023;

Note 3); 194 thousand euros corresponding to property tax (2023: 192 thousand euros); 143 thousand euros corresponding to business activity tax (2023: 89 thousand euros); and 37 thousand euros corresponding to other taxes and levies (2023: 25 thousand euros).

d) Depreciation and amortization allowances

The breakdown of this heading in the accompanying consolidated statement of profit or loss at December 31, 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Amortization allowance for intangible assets (Note 5)	2,371	5,078
Depreciation allowance for PP&E (Note 6)	8,692	29,540
	11,063	**34,618**

e) Impairment losses and gains (losses) on disposal of assets

At 2024 year end, "Impairment losses and gains (losses) on disposal of assets" in the accompanying consolidated statement of profit or loss presents a balance of 338 thousand euros (2023: 261 thousand euros), corresponding to the losses generated by the Group when derecognizing certain PP&E items which were replaced at the photovoltaic installations during said year (Note 6).

f) Finance income

Finance income from Group companies and associates amounting to 922 thousand euros in 2024 corresponds entirely to interest accrued by the Group on the financing granted to Sonnedix Holdco Spain, B.V. (2023: 388 thousand euros) (Notes 7 and 15).

Likewise, the Parent mainly recognized the interest corresponding to the current accounts it holds under "Finance income - Of third parties" in the accompanying consolidated statement of profit or loss, amounting to a total balance of 412 thousand euros in 2024 (2023: 175 thousand euros).

g) Finance costs

Finance costs mainly correspond to the interest accrued on financing obtained by Group companies for operation of the photovoltaic power plants. The breakdown of these finance costs is as follows:

	Thousands of euros	
	2024	2023
Finance costs for bonds and other marketable securities	8,172	8,813
Finance costs with group companies and associates (Note 15.1)	445	445
Other finance costs	504	440
	9,121	**9,698**

Finance costs for bonds and other marketable securities

This heading reflects the interest accrued on the financing obtained through the Selene Bond issue (Note 13.1), amounting to 7,928 thousand euros during 2024 (2023: 8,550 thousand euros).

It also includes the finance cost corresponding to the arrangement fees accrued with respect to the bond issue, amounting to 244 thousand euros in 2024 (2023: 263 thousand euros) (Note 13.1).

Other finance costs

This heading includes the finance expenses arising from the discounting of dismantling provisions in connection with some of the Group's photovoltaic solar parks, amounting to 64 thousand euros during 2024 (2023: 61 thousand euros) (Note 20). In addition, a balance of 67 thousand euros was recognized in 2024 corresponding to fees charged for extending guarantees (2023: 5 thousand euros), and a balance of 8 thousand euros was recognized corresponding to agency fees.

In addition, during 2024 the Group recognized the finance expenses arising from the discounted lease liability recognized in the consolidated statement of financial position as a consequence of applying IFRS 16, amounting to 365 thousand euros (2023: 374 thousand euros) (Note 13.2).

17. INFORMATION ON SITUATIONS REPRESENTING A CONFLICT OF INTEREST FOR THE SOLE DIRECTOR OF THE PARENT AND WITH RESPECT TO REMUNERATION FOR SENIOR MANAGEMENT

Disclosures regarding potential conflicts of interest on the part of the Sole Director

The Parent's sole director did not report any potential direct or indirect conflict of interest between the sole director or related persons, as defined in Spain's Corporate Enterprises Act, and the Group at either 2024 or 2023 year end.

Remuneration and other benefits for Senior Management and the Sole Director

The Group companies did not recognize any amounts whatsoever in 2024 or 2023 in respect of wages or salaries paid to the Parent's sole director or members of senior management. The functions and duties of the Parent's senior management were assumed by the sole director in 2024 and 2023.

Moreover, at 2024 and 2023 year end, the Group companies had not contracted any obligations relating to pensions, life insurance, or civil liability insurance on behalf of the Parent's sole director. Neither had they granted any loans, advances, or guarantees of any kind on behalf of the sole director.

18. FINANCIAL STRUCTURE (Note 13)

The Group mainly funds its photovoltaic projects with financing obtained at the Group level via issue of the Selene Bond described in Note 13.1. In addition to the financing obtained from the bonds issued, some of the projects are also financed with subordinated debt granted by the related party Sonnedix Holdco Spain B.V. (Note 15).

19. AUDIT FEES

The fees during 2024 and 2023 for audit and non-audit services provided by the auditor of the Group's consolidated financial statements, Ernst & Young, S.L., as well as fees for services invoiced by the auditors of the individual financial statements of companies included in the consolidation and by parties related to them due to control, common ownership or management, were as follows:

	Thousands of euros	
	Services provided by the main auditor	
Description	2024	2023
Audit services	87	82
Total audit and related services	**87**	**82**

20. PROVISIONS

At the end of the useful life of some of the photovoltaic solar installations the Group must dismantle them. Upon initial recognition of the fixed assets, the Group estimates the future cost for asset dismantling or retirement obligations and other associated items, such as the cost of restoring the surroundings where they were located. To determine the amount of the provision, the Group makes assumptions and estimates regarding the discount rate and expected dismantling costs.

The Group estimated that expected dismantling costs for the installations, taking into account each one's size and installed capacity, and based on a technical report issued by an independent expert, range from 27 thousand euros per installed MW to 45 thousand euros per installed MW.

The provision recognized by the Group for some of these photovoltaic power plants in the consolidated statement of financial position amounts to 2,357 thousand euros at December 31, 2024 (2023: 2,293 thousand euros).

This provision does not represent an outflow of cash resources until the useful life of each photovoltaic installation affected finalizes.

At each reporting date this provision is discounted to its present value, recognizing the corresponding adjustments as a finance cost as accrued (Note 16.g).

21. SEGMENT INFORMATION

The Group focused its activities during 2024 on a single business line: the operation of photovoltaic solar installations in Spain, which includes, amongst other activities, the production and sale of electricity generated by solar energy. Said business segment is the only one utilized by General Management of the Group in its reports to the sole director and is the only one used for management of the Group.

22. EVENTS AFTER THE REPORTING DATE

No events occurred subsequent to the annual closing which are significant enough to warrant disclosure in the accompanying consolidated financial statements.

Sonnedix Equityco, S.L. and Subsidiaries

Consolidated Management Report
for the year ended December 31, 2024

1. Economic data of the Group

Consolidated operating results for 2024 presented a profit of 35,453 thousand euros (2023: a profit of 14,513 thousand euros), obtaining revenue of 55,589 thousand euros (2023: 55,122 thousand euros).

Profit before taxes on continuing operations for 2024 amounted to 27,666 thousand euros (2023: a profit of 5,378 thousand euros), while the Group's positive results amounted to 23,945 thousand euros (2023: positive results of 4,178 thousand euros).

The Group will continue operating the solar power plants described in Note 1 to the accompanying consolidated financial statements for the coming years.

2. Main business risks

The main risk to which the Group's business activities are exposed relates to the possibility of regulatory changes which may arise in the different markets where it is present. To the extent that the Group pursues its activities in developed economies with legal security, it can manage said risk and does not anticipate any relevant matters which could significantly affect its equity in the future.

Apart from this, the Group is not exposed to any other significant risks, given that the critical variables of its business (sales price for energy and installation rental costs) are known and have been agreed upon contractually, so that performance of the Group during the period it operates a photovoltaic power plant basically depends on the amount of daylight hours permitting the generation of electric energy.

3. Business outlook

The Group's strategic objective for 2025 is based on continuing the operation of its photovoltaic projects in the most efficient manner possible so as to maximize value.

4. Significant events for the Group after the reporting date

No additional significant matters arose other than those disclosed in Note 22 to the accompanying consolidated financial statements.

5. Research and development activities

The Group did not carry out any R&D activities during 2024.

6. Acquisition of treasury shares

During 2024 and 2023, the Group did not carry out any transactions with treasury shares and neither did it hold any treasury shares at 2024 or 2023 year end.

APPENDIX I. Subsidiaries of the Sonnedix España Equityco, S.L. Group at December 31, 2024

Company	Activity	Registered business address (2)	% of indirect ownership	% of direct ownership	Year of acquisition	Equity of the subsidiary (thousands of euros)				
						Share capital	Reserves	Profit (loss)		Total equity
								Operating	Net	
Sonnedix Finance, S.A.	(1)	Luxembourg	-	100%	2016	531	701	(64)	112	1,467
Sonnedix España Holdings, S.L.	(1)	Spain	-	100%	2016	17	2,641	5	(30)	21,310
Siluendor Plano, S.L.	(1)	Spain	100%	-	2014	6	3,008	973	1,051	4,519
Unified Group, S.L.	(1)	Spain	100%	-	2014	3	448	534	346	1,073
Cruanorna, S.L.	(1)	Spain	100%	-	2016	4	(1,380)	332	(26)	(846)
Gapalencos, S.L.	(1)	Spain	100%	-	2016	4	2,542	1,164	864	3,435
Arroyo Solar, S.L.	(1)	Spain	100%	-	2016	3	442	324	232	682
Parque Solar Caudete, S.L.	(1)	Spain	100%	-	2016	3	668	811	558	1,712
Proyectos Integrados de Renovables 2, S.L.U.	(1)	Spain	100%	-	2016	3	(209)	1,281	870	1,957
Capur Business, S.L.	(1)	Spain	100%	-	2016	3	481	257	174	666
Villanueva Cosolar, S.L.	(1)	Spain	100%	-	2016	3	1,164	933	573	1,933
Vermarozul, S.L.	(1)	Spain	100%	-	2016	4	421	340	249	1,159
Sonnedix España SPV IV, S.L.	(1)	Spain	100%	-	2016	3	58	603	424	1,046
Sonnedix España SPV V, S.L.	(1)	Spain	100%	-	2016	3	3,251	1,625	1,217	5,376
Sonnedix España SPV VI, S.L.	(1)	Spain	100%	-	2016	3	130	-	-	1,214
Fotovoltaica La Gamonosa, S.L.	(1)	Spain	100%	-	2016	4	1,283	933	678	2,831
Sonnedix España SPV VIII, S.L.	(1)	Spain	100%	-	2016	3	2,972	2,856	2,007	6,286
Sonnedix España SPV IX, S.L.	(1)	Spain	100%	-	2016	3	(426)	570	402	743
Sonnedix España SPV XI, S.L.	(1)	Spain	100%	-	2016	3	150	846	590	1,567
Sonnedix España SPV XII, S.L.	(1)	Spain	100%	-	2016	3	414	465	343	1,538
Sonnedix España SPV XIV, S.L.	(1)	Spain	100%	-	2016	3	(11)	-	-	273
Acacia Instalaciones Fotovoltaicas, S.L.U.	(1)	Spain	100%	-	2016	7	(7,319)	3,468	2,179	8,150
Sonnedix España SPV XV, S.L.	(1)	Spain	100%	-	2016	3	9,786	1	-	10,525
Sonnedix España Solar Spanish Holdings 2, BV	(1)	Netherlands	100%	-	2016	-	(185)	(20)	(20)	642
Sonnedix España Power España I, BV	(1)	Netherlands	100%	-	2016	18	(5,788)	(18)	(18)	21,332
Sonnedix España Power España II, BV	(1)	Netherlands	100%	-	2016	18	(229)	(33)	(33)	(184)
Sonnedix España Power España I, BV S.L.	(1)	Spain	100%	-	2016	1,593	(11,237)	(2)	(1)	10,218
Sonnedix España Solar España Finance, S.L.	(1)	Spain	100%	-	2016	980	(2,643)	(2)	(1)	7,221
Sonnedix España Solarfin, S.L.	(1)	Spain	100%	-	2016	3	(7,379)	(1)	(77)	(2,057)
Sonnedix España Solar Alcudia, S.L.	(1)	Spain	100%	-	2016	4	326	470	335	1,651
Sonnedix España Solar Acula, S.L.	(1)	Spain	100%	-	2016	4	728	801	554	2,100
Sonnedix España Solar Pedro Martínez, S.L.	(1)	Spain	100%	-	2016	4	(2,082)	390	(20)	(2,084)
Sonnedix España Solar Alhama de Granada, S.L.	(1)	Spain	100%	-	2016	4	372	799	536	1,412
Sonnedix España Solar Isnalloz, S.L.	(1)	Spain	100%	-	2016	4	9	1,081	723	1,889
Sonnedix España Solar Villamesías, S.L.	(1)	Spain	100%	-	2016	3	626	1,041	763	3,766
Global Atreo, S.L.	(1)	Spain	100%	-	2016	4	1,035	2,092	1,471	6,264
Bujía Solar, S.L.	(1)	Spain	100%	-	2016	3	1,837	1,918	1,244	4,843
J.B. Solar Malagón, S.L.	(1)	Spain	100%	-	2016	3	8,010	2,641	1,810	10,257
Sonnedix España SPV XIII, S.L.	(1)	Spain	100%	-	2016	3	287	234	164	706
Sonnedix España SPV XXIV, S.L.	(1)	Spain	100%	-	2016	3	138	2,087	1,262	3,803
Sonnedix España SPV XXI, S.L.	(1)	Spain	100%	-	2016	3	95	642	435	1,053
Sonnedix España SPV XXII, S.L.	(1)	Spain	100%	-	2016	3	229	318	222	648
Sociedad de Explotación Fotovoltaica Omega, S.L.	(1)	Spain	100%	-	2016	10	2,123	502	381	2,791
Diversia Solar, Proyectos y Explotaciones de Parques Solares, S.L.	(1)	Spain	100%	-	2016	3	1,660	1,067	757	2,454
Sonnedix España SPV XXV, S.L.	(1)	Spain	100%	-	2016	3	(19)	843	508	1,324
Sonnedix España SPV XXIII, S.L.	(1)	Spain	100%	-	2016	3	(806)	576	263	846

(1) None of the companies indicated above is listed on a stock exchange. The activities of the companies are focused on the development and promotion of electric energy production projects.

(2) Companies with their registered address at Calle Príncipe de Vergara 108, 12º, 28002 (Madrid) with the exception of Sonnedix Finance, S.A., whose registered address is at 46ª avenue J.F. Kennedy, L-1855 (Luxembourg) and the subsidiaries located in Holland, whose registered address is at Amstelveenseweg 760, 1081 JK, Amsterdam.

All the investments presented were consolidated under the full consolidation method.

APPENDIX I. Subsidiaries of the Sonnedix España Equityco, S.L. Group at December 31, 2023

Company	Activity	Registered business address (2)	% of indirect ownership	% of direct ownership	Year of acquisition	Equity of the subsidiary (thousands of euros)				
						Share capital	Reserves	Profit (loss)		Total equity
								Operating	Net	
Sonnedix Finance, S.A.	(1)	Luxembourg	-	100%	2016	531	594	(150)	64	1,313
Sonnedix España Holdings, S.L.	(1)	Spain	-	100%	2016	17	2,641	-	-	20,582
Siluendor Plano, S.L.	(1)	Spain	100%	-	2014	6	2,410	630	598	3,465
Unified Group, S.L.	(1)	Spain	100%	-	2014	3	313	296	134	707
Cruanorna, S.L.	(1)	Spain	100%	-	2016	4	(1,203)	152	(177)	(835)
Gapalencos, S.L.	(1)	Spain	100%	-	2016	4	1,920	886	622	2,570
Arroyo Solar, S.L.	(1)	Spain	100%	-	2016	3	389	135	53	450
Parque Solar Caudete, S.L.	(1)	Spain	100%	-	2016	3	518	352	150	1,148
Proyectos Integrados de Renovables 2, S.L.U.	(1)	Spain	100%	-	2016	3	(386)	442	177	1,087
Capur Business, S.L.	(1)	Spain	100%	-	2016	3	411	102	70	484
Villanueva Cosolar, S.L.	(1)	Spain	100%	-	2016	3	983	445	181	1,359
Vermarozul, S.L.	(1)	Spain	100%	-	2016	4	327	144	94	910
Sonnedix España SPV IV, S.L.	(1)	Spain	100%	-	2016	3	54	60	3	606
Sonnedix España SPV V, S.L.	(1)	Spain	100%	-	2016	3	2,614	978	636	4,124
Sonnedix España SPV VI, S.L.	(1)	Spain	100%	-	2016	3	130	-	-	1,208
Fotovoltaica La Gamonosa, S.L.	(1)	Spain	100%	-	2016	4	954	459	329	2,148
Sonnedix España SPV VIII, S.L.	(1)	Spain	100%	-	2016	3	2,264	1,211	708	4,254
Sonnedix España SPV IX, S.L.	(1)	Spain	100%	-	2016	3	(460)	168	34	332
Sonnedix España SPV XI, S.L.	(1)	Spain	100%	-	2016	3	22	309	129	947
Sonnedix España SPV XII, S.L.	(1)	Spain	100%	-	2016	3	330	230	84	1,196
Sonnedix España SPV XIV, S.L.	(1)	Spain	100%	-	2016	3	(10)	-	-	273
Acacia Instalaciones Fotovoltaicas, S.L.U.	(1)	Spain	100%	-	2016	7	(7,768)	1,215	449	5,971
Sonnedix España SPV XV, S.L.	(1)	Spain	100%	-	2016	3	9,786	-	-	10,275
Sonnedix España Solar Spanish Holdings 2, BV	(1)	Netherlands	100%	-	2016	-	(152)	(33)	(33)	412
Sonnedix España Power España I, BV	(1)	Netherlands	100%	-	2016	18	(5,746)	(42)	(42)	21,101
Sonnedix España Power España II, BV	(1)	Netherlands	100%	-	2016	18	(181)	(48)	(48)	(151)
Sonnedix España Power España I, BV S.L.	(1)	Spain	100%	-	2016	1,593	(11,237)	-	-	9,969
Sonnedix España Solar España Finance, S.L.	(1)	Spain	100%	-	2016	980	(2,643)	-	-	6,973
Sonnedix España Solarfin, S.L.	(1)	Spain	100%	-	2016	3	(7,321)	(1)	(58)	(2,215)
Sonnedix España Solar Alcudia, S.L.	(1)	Spain	100%	-	2016	4	209	249	116	1,316
Sonnedix España Solar Acula, S.L.	(1)	Spain	100%	-	2016	4	594	311	134	1,546
Sonnedix España Solar Pedro Martínez, S.L.	(1)	Spain	100%	-	2016	4	(1,686)	(63)	(395)	(2,078)
Sonnedix España Solar Alhama de Granada, S.L.	(1)	Spain	100%	-	2016	4	273	299	100	855
Sonnedix España Solar Isnalloz, S.L.	(1)	Spain	100%	-	2016	4	(136)	402	145	1,153
Sonnedix España Solar Villamesías, S.L.	(1)	Spain	100%	-	2016	3	282	582	345	2,956
Global Atreo, S.L.	(1)	Spain	100%	-	2016	4	553	1,025	482	4,750
Bujía Solar, S.L.	(1)	Spain	100%	-	2016	3	1,415	861	422	3,599
J.B. Solar Malagón, S.L.	(1)	Spain	100%	-	2016	3	6,977	1,867	1,033	8,344
Sonnedix España SPV XIII, S.L.	(1)	Spain	100%	-	2016	3	219	137	68	542
Sonnedix España SPV XXIV, S.L.	(1)	Spain	100%	-	2016	3	(155)	787	293	2,360
Sonnedix España SPV XXI, S.L.	(1)	Spain	100%	-	2016	3	12	228	84	582
Sonnedix España SPV XXII, S.L.	(1)	Spain	100%	-	2016	3	207	145	22	417
Sociedad de Explotación Fotovoltaica Omega, S.L.	(1)	Spain	100%	-	2016	10	1,840	385	282	2,409
Diversia Solar, Proyectos y Explotaciones de Parques Solares, S.L.	(1)	Spain	100%	-	2016	3	1,374	498	285	1,679
Sonnedix España SPV XXV, S.L.	(1)	Spain	100%	-	2016	3	(106)	267	86	791
Sonnedix España SPV XXIII, S.L.	(1)	Spain	100%	-	2016	3	(789)	150	(17)	513

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All the investments presented were consolidated under the full consolidation method.

APPENDIX II. Photovoltaic solar parks in operation

Group company	Project	Nominal Capacity	Acquisition date	Start-up date	Standard facility code	Location
Siluendor Plano, S.L.	Las Jaras	1.9	2014	2008	IT-00048	Villanueva de la Jara (Cuenca)
Unified Group, S.L.	Warner	1.98	2014	2012	IT-00402	San Martin de la Vega (Madrid)
Cruanorma, S.L.	Isona I	1.2	2016	2013	IT-00550	Isona (Lérida)
Cruanorma, S.L.	Isona II	0.6	2016	2013	IT-00588	Isona (Lérida)
Cruanorma, S.L.	Isona III	0.5	2016	2013	IT-00588	Isona (Lérida)
Cruanorma, S.L.	Palau	0.03	2016	2007	IT-00067	Palau D'Anglesola (Lérida)
Cruanorma, S.L.	Torregrossa	1.6	2016	2012	IT-00478	Belvís (Lérida)
Cruanorma, S.L.	Torres del Segre	0.2	2016	2008	IT-00058	Torres del Segre (Lérida)
Cruanorma, S.L.	Vic	0.9	2016	2013	IT-00348	Vic (Barcelona)
Gapalencos, S.L.	Villacarrillo	1.89	2016	2008	IT-00048	Villacarrillo (Jaén)
Arroyo Solar, S.L.	Cuellar	0.3	2016	2008	IT-00048	Arroyo de Cuellar (Segovia)
Arroyo Solar, S.L.	Cuellar	0.3	2016	2008	IT-00048	Arroyo de Cuellar (Segovia)
Sonnedix España SPV VI, S.L.	Mejorada	1.9	2016	2008	IT-00085	Mejorada (Toledo)
Sonnedix España SPV VIII, S.L.	Tres Pinos	6	2016	2008	IT-00085	Blanca (Murcia)
Sonnedix España SPV XII, S.L.	Pinos Puente	0.9	2016	2008	IT-00048	Pinos Puente (Granada)
Proyectos Integrados de Renovables 2, S.L.	Romica I	2.1	2016	2007	IT-00061	Romica (Albacete)
Proyectos Integrados de Renovables 2, S.L.	Romica II	0.9	2016	2008	IT-00062	Romica (Albacete)
Sonnedix España SPV XI, S.L.	La Suerte	1.5	2016	2008	IT-00058	Écija (Seville)
Parque Solar Caudete, S.L.	Caudete	1.7	2016	2008	IT-00048	Caudete de las Fuentes (Valencia)
Sonnedix España Solar Alcudia, S.L.	Alcudia	1	2016	2008	IT-20048	Alcudia de Gaudix (Granada)
Sonnedix España Solar Acula, S.L.	Acula	1.8	2016	2008	IT-20048	Acula (Granada)
Sonnedix España Solar Pedro Martinez, S.L.	Pedro Martinez	1.1	2016	2008	IT-00048	Pedro Martinez (Granada)
Sonnedix España Solar Alhama de Granada, S.L.	Alhama	1.8	2016	2008	IT-20048	Alhama de Granada (Granada)
Sonnedix España Solar Iznalloz, S.L.	Iznalloz	2.7	2016	2008	IT-20062	Iznalloz (Granada)
Sonnedix España Solar Villamesías, S.L.	Villamesias	2	2016	2008	IT-20078	Villamesías (Extremadura)
Global Atreo, S.L.	Alvarado	5	2016	2008	IT-20062	Alvarado (Badajoz)
Bujía Solar, S.L.	Darro I	0.6	2016	2008	IT-20048	Darro (Granada)
Bujía Solar, S.L.	Darro II	3.7	2016	2008	IT-20062	Darro (Granada)
Bujía Solar, S.L.	Darro III	0.39	2016	2008	IT-20048	Darro (Granada)
J.B. Solar Malagón, S.L.	Malagón	7	2016	2008	IT-20062	Malagón (Ciudad Real)
Sonnedix España SPV IX, S.L.	Rodilana I	0.7	2016	2007	IT-00057	Medina del Campo (Valladolid)
Sonnedix España SPV IX, S.L.	Rodilana II	0.3	2016	2008	IT-00058	Medina del Campo (Valladolid)
Capur Business, S.L.	Zalamea	0.95	2016	2011	IT-00460	Zalamea de la Serena (Badajoz)
Sonnedix España SPV XIV, S.L.	Madridejos	8	2016	2008	IT-20085	Madridejos (Toledo)
Villanueva Cosolar, S.L.	Villanueva	3.5	2016	2011	IT-00505	Villanueva de Córdoba (Córdoba)
Sonnedix España SPV XIII, S.L.	Chozas	0.5	2016	2008	IT-00048	Chozas de Abajo (León)
Sonnedix España SPV XXI, S.L.	Torremejía	1.4	2016	2008	IT-00048	Torremejía (Badajoz)
Sonnedix España SPV XXII, S.L.	Lorca	0.66	2016	2008	IT-00048	Lorca (Murcia)
Diversia Solar, Proyectos y Explotaciones de Parques Solares, S.L.	Lupiñen	2	2016	2008	IT-00078	Lupiñen (Huesca)
Sociedad de Explotación Fotovoltaica Omega, S.L.	Campolara	1.5	2016	2011	IT-00507	Campolara (Burgos)
Sonnedix España SPV XXV, S.L.	Linares	1.89	2016	2008	IT-00058	Linares (Jaén)
Sonnedix España SPV IV, S.L.	Copero	0.9	2016	2008	IT-00058	Dos Hermanas (Seville)
Sonnedix España SPV XXIII, S.L.	Casa Quemada	1.88	2016	2008	IT-00058	Sanlúcar la Mayor (Seville)
Sonnedix España Solar XXIV, S.L.	Las Cabezas I	5.4	2016	2008	IT-00065	Las Cabezas de San Juan (Seville)
Sonnedix España Solar XXIV, S.L.	Las Cabezas II	0.3	2016	2008	IT-00053	Las Cabezas de San Juan (Seville)
Vermarozul, S.L.	Albaida	1.2	2016	2009	IT-00422	Albaidas (Valencia)
Sonnedix España Solar V, S.L.	Villena I, II y III	3.34	2016	2008	IT-00062	Villena (Alicante)
Sonnedix España Solar V, S.L.	Villena IV	0.1	2016	2008	IT-00030	Villena (Alicante)
		88.01				-

APPENDIX III. Remuneration parameters for 2023, 2024, and 2025

Installation	Standard facility code	Regulatory useful life (years)	Investment remuneration 2023-2025 (€/MW)	Operation remuneration 2023 (€/MW)	Operation remuneration 2024 (€/MW)	Operation remuneration 2025 (€/MW)
Las Jaras	IT-00048	30	542,896	-	-	2.141
Warner	IT-00402	30	284,116	-	-	-
Isona I	IT-00550	30	132,881	-	-	-
Isona II	IT-00588	30	116,784	-	-	-
Isona III	IT-00588	30	116,784	-	-	-
Palau	IT-00067	30	592,517	-	-	-
Torregrossa	IT-00478	30	99,988	-	-	-
Torres del Segre	IT-00058	30	646,476	-	-	2.152
Vic	IT-00348	30	196,916	-	-	-
Villacarrillo	IT-00048	30	542,896	-	-	2.141
Cuellar	IT-00048	30	542,896	-	-	2.141
Cuellar	IT-00058	30	646,476	-	-	2.152
Mejorada	IT-00085	30	525,021	-	-	0.430
Tres Pinos	IT-00085	30	525,021	-	-	0.430
Pinos Puente	IT-00048	30	542,896	-	-	2.152
Romica I	IT-00061	30	472,921	-	-	-
Romica II	IT-00062	30	485,562	-	-	-
La Suerte	IT-00058	30	646,476	-	-	2.152
Caudete	IT-00048	30	542,896	-	-	2.141
Alcudia	IT-20048	30	527,584	-	-	-
Acula	IT-20048	30	527,584	-	-	1.402
Pedro Martinez	IT-00048	30	542,896	-	-	2.141
Alhama	IT-20048	30	527,584	-	-	1.402
Iznalloz	IT-20062	30	471,634	-	-	-
Villamesias	IT-20078	30	555,314	-	-	2.740
Alvarado	IT-20062	30	471,634	-	-	-
Darro I	IT-20048	30	527,584	-	-	1.402
Darro II	IT-20062	30	471,634	-	-	-
Darro III	IT-20048	30	527,584	-	-	1.402
Malagón	IT-20062	30	471,634	-	-	-
Rodilana I	IT-00057	30	647,704	-	-	2.198
Rodilana II	IT-00058	30	646,476	-	-	2.152
Zalamea	IT-00460	30	256,734	-	-	-
Madridejos	IT-20085	30	510,163	-	-	-
Villanueva	IT-00505	30	325,993	-	-	-
Chozas	IT-00048	30	542,896	-	-	2.141
Torremejía	IT-00048	30	542,896	-	-	2.141
Lorca	IT-00048	30	542,896	-	-	2.141
Lupiñen	IT-00078	30	571,414	-	-	3.517
Campolara	IT-00507	30	358,334	-	-	-
Linares	IT-00058	30	646,476	-	-	2.152
Copero	IT-00058	30	646,476	-	-	2.152
Casa Quemada	IT-00058	30	646,476	-	-	2.152
Las Cabezas I	IT-00065	30	554,701	-	-	-
Las Cabezas II	IT-00053	30	640,914	-	-	2.400
Albaida	IT-00422	30	298,645	-	-	-
Villena I, II y III	IT-00062	30	485,562	-	-	-
Villena IV	IT-00030	30	534,887	-	-	-

Sonnedix España Equityco, S.L. and Subsidiaries

AUTHORIZATION OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024 TOGETHER WITH THE CONSOLIDATED MANAGEMENT REPORT

Authorization by the sole director of the Parent:

The accompanying consolidated financial statements (comprised of the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and notes thereto) for the year ended December 31, 2024, were authorized for issue together with the consolidated management report for the year then ended, by the natural person representing the sole director on March 31, 2025. The accompanying consolidated financial statements and consolidated management report are set forth on 47 pages, from page 1 to 47.

Mr. Miguel A. García Mascuñán
In representation of the sole director of the Parent
(Sonnedix España Holdings, S.L.)