



HERON SOCIETE ANONYME ENERGY SERVICES

85 Mesogeion Avenue, 115 26 Athens, Greece

General Electronic Commercial Registry No 005805601000

ANNUAL FINANCIAL REPORT

For the year

January 1st to December 31st 2025

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Share Capital € 8,856,202.74
85, Mesogeion Ave., GR-115 26 Athens
General Electronic Commercial Registry (GCR) No. 005805601000
Societe Anonyme Registration No. 56860/01/B/04/254

Board of Directors

Georgios Kouvaris	Chairman of the Board of Directors
Loukas Dimitriou	Chief Executive Officer
Penelope Lazaridou	Member of the BoD
Emmanouil Moustakas	Member of the BoD
Styliani Zacharia	Member of the BoD
Panagiotis Pervanas	Member of the BoD

Auditing Firm

Grant Thornton Certified Auditors-Accountants and Business Consultants Société Anonyme

ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR 2025

Dear Shareholders,

According to the provisions of Law 4548/2018 and of the Articles of Association of the Company, we are hereby submitting the Annual Management Report of the Board of Directors for the financial year from 01.01.2025 to 31.12.2025.

This Report discloses financial and non-financial information of the Company HERON SOCIETE ANONYME ENERGY SERVICES, for the year 2025 and discloses the most important events that occurred before and after the financial statements reporting date. In addition, the major risks and uncertainties that the Company may face in 2026 are described and the important transactions between the Company and its related parties are also presented.

(A) Financial Developments and Performance for the Financial Year 2025

Performance of the economy during the year 2025

The Greek economy continued to move on a steady growth trajectory in 2025, with growth reaching 2.1% according to the Hellenic Statistical Authority, exceeding the Eurozone average growth rate of 1.4%, despite the prevailing uncertainty in the European and global economic environment, due to the ongoing hostilities in Ukraine and the Middle East.

The achieved growth is mainly attributable to the increase in investments that enhance the productivity of the economy, which have been supported by: (a) the Public Investment Program, (b) the contribution of funds from the Recovery and Resilience Facility, (c) the increase in private consumption and (d) the positive contribution of exports driven by a strong tourism season. It is noted that total investments for 2025 amounted to 17% of GDP.

The continued growth in 2025 was supported by a significant improvement in fiscal figures, with the primary surplus amounting to 5.27 billion euros, alongside a reduction in public debt, which decreased to 145.9% of GDP. Public debt is forecast to decline further in 2026, with the reduction depending on the growth rate and inflation developments, to the extent affected by hostilities in the Middle East. A key factor contributing to the improvement in fiscal figures was the intensification of the digitalization of processes, primarily in transactions with the Greek State, the increase in electronic transactions and the continued improvement in VAT and other tax collection.

Furthermore, according to the recent macroeconomic forecasts of the Bank of Greece, GDP growth is expected to reach 1.9% in 2026 and 2% in 2027, supported by significant private investments scheduled over the next three years exceeding 20 billion euros, mainly in energy, infrastructure, telecommunications and other investments, as well as by the acceleration in the absorption of remaining funds from the Recovery and Resilience Facility and new resources from various European programs. The Bank of Greece's forecasts may be revised in the event of an escalation of tensions in the Middle East, a prolonged increase in energy prices, or heightened uncertainty regarding the duration of military operations.

Regarding inflation in the Greek economy, for the year, the Consumer Price Index increased by 2.5%, showing a slight deceleration compared to the 2.7% increase in 2024. During the same period, inflation in Europe stood at 2.1%. For the following years, the European Central Bank estimates inflation at 3.1% in 2026 and 2.4% in 2027. While a gradual deceleration had initially been expected, recent hostilities in

the Middle East are anticipated to generate a new wave of inflationary pressures, the magnitude and duration of which will depend on geopolitical developments.

In this environment and having already regained investment grade from all major rating agencies, the sovereign credit rating is now one notch above Investment Grade (Scope, DBRS, S&P, Fitch, R&I). As a result, the spread of Greek government bonds against German bonds has declined to its lowest level in the past 18 years (~60bps), below the corresponding levels of Italy and France.

In any case, risks to the outlook of the Greek economy depend, on the one hand, on the outcome of the Russia–Ukraine conflict and, on the other hand, on the intensity and duration of hostilities in the Middle East. The US–Israel conflict with Iran, involving neighboring countries, in addition to significant human losses, has caused severe damage to infrastructure in the affected regions, which is expected to lead to higher energy prices (fuel, natural gas, etc.) and a slowdown in global growth until economies adjust to the new conditions.

Developments in the energy sector during the year 2025

The energy market in 2025 maintained the normalization trend that began in 2023, despite geopolitical tensions and increased demand for natural gas, with prices showing a slight increase compared to the year 2024 due to higher consumption and supply constraints. Natural gas prices (TTF) posted a slight increase to €37.8/MWh from €33.8/MWh in 2024, while the wholesale electricity price in the day-ahead trading market reached €103.9/MWh from €100.7/MWh, remaining lower than the respective prices in neighboring countries such as Bulgaria and Romania.

Domestic electricity demand decreased slightly to 51.4 TWh from 51.8 TWh in 2024 (i.e. by 0.8%), due to mild weather conditions. Thermal generation increased further, with natural gas dominating the market (with around 40% of the mix), while lignite production fell to a historic low of 5% and hydroelectric generation remained relatively limited. Greece established itself as a net energy exporter, with net exports exceeding 3 TWh (compared to 309 MWh in 2024).

RES (excluding large hydropower installed capacity) reached a record high of 26.4 TWh, up from 25.4 TWh in 2024, covering 48.5% of demand (up from 48.7%). Including large hydropower, green energy covered more than 54%. At the end of 2025, installed capacity reached 7.9 GW in PV and 5 GW in wind, according to DAPEEP and ELETAEN. The National Energy and Climate Plan (ESEK) foresees an increase in installed capacity to 13.5 GW for PV and 10.8 GW for wind (including offshore wind) by the year 2030.

Production, Supply of Electricity and Natural Gas

In the Electricity Generation Sector, the Company managed to ensure the uninterrupted, competitive and flexible supply of its Production Station, successfully facing the challenges arising from the volatility of international natural gas prices, the increased liquidity needs to ensure the supply, especially during the import of liquefied natural gas cargoes, but also the constantly changing competitiveness of the stations' production costs, mainly in relation to the electricity clearing prices of the neighboring countries.

The Company's Natural Gas-fueled Electricity Generation Unit, with a total gross capacity of 441.76 MW, was formed during the year 2025 at 6.06% of the production from natural gas units in Greece, constituting a strong pillar of ensuring the energy sufficiency of our country. The Company's HERON II Plant produced a total of 1,751 GWh during the financial year 2025.

In the Sector of Electricity and Natural Gas Supply to end consumers, despite the anticipated fluctuations in Electricity and Natural Gas prices during the year, the market generally performed at relatively normal

levels. The Company maintained its market share at 10% despite the intense competitive market conditions prevailing among suppliers. Furthermore, the Company managed to significantly increase the number of its customers in both the Electricity and Natural Gas sectors, achieving its aim which was to assume one of the leading positions among independent suppliers in terms of both market share and customer growth.

It should be noted that the risk of large sales contracts with a time horizon of more than one (1) month is ensured through forward contracts for the purchase and sale of Electricity and Natural gas, so as to minimize the risk of changes in the purchase and sale of electricity. The existing experience in handling the trading of electricity and natural gas ensures the Company's positive prospects of the operational sector of Electricity Production from Thermal Energy Sources and Energy Sales.

The main financial data from continuing operations for 2025 based on International Financial Reporting Standards compared to the corresponding financial data for 2024 are as follows:

Turnover from continuing operations amounted to € 1,518,569 thousand compared to € 1,556,895 thousand in the corresponding year of 2024, recording a drop of € (38,326) thousand, i.e. a decrease of 3% compared to the previous year.

Earnings before interest, taxes, financial, investment results and depreciation (EBITDA) settled at € 32,054 thousand in 2025 compared to € 103,653 thousand in the corresponding year of 2024.

Earnings before taxes from continuing operations amounted to € 5,201 thousand for 2025 compared to € 81,655 thousand in the corresponding year of 2024.

Earnings after taxes from continuing operations amounted to € 4,555 thousand in 2025 compared to € 63,827 thousand in the corresponding year of 2024.

The Company's Total Assets as of 31.12.2025 amounted to € 787,959 thousand compared to € 853,621 thousand on 31.12.2024.

The Company's Liabilities on 31.12.2025 accounted for € 562,762 thousand compared to € 504,386 thousand on 31.12.2024.

The capital expenditures for the year 2025 amounted to € 1,983 thousand compared to € 5,043 thousand in the corresponding year of 2024.

The Company's Cash and Cash Equivalents amounted to € 57,232 thousand at the end of 2025 and concerned bank deposits, compared to € 44,665 thousand in the corresponding financial year of 2024.

HERON ENERGY SA is one of the major private Electricity Producers and has the same structure as other players in the Energy Market. More specifically, the Company has one (1) Combined Cycle Power Plant (CCPP), whose Commercial Operation Commencement Date was set on August 4, 2010. The facility is a Combined Cycle Power Plant, with gross power capacity of 441.76 MWe, nominal thermal power of 762,707 MWh-th, single shaft, single fuel, natural gas fueled and includes the following:

- one (1) gas turbine with a nominal power of 296.5 MWe at ISO conditions,
- one (1) exhaust gas heat recovery boiler for the production of superheated steam,
- one (1) steam turbine with a nominal power of 145.25 MWe with an air-cooled condenser,
- one (1) three-phase generator with an apparent power of 426.7 MW / 533.4 MVA, P:f=0.80, 19kV, and
- a set of auxiliary systems.

The efficiency rate, compared to the average performance of natural gas/combustion plants operating in Greece, has placed the Company in a leading position regarding the classification of the selected technology. The high efficiency rate of the Power Plant also leads to reduced fuel consumption, thus to lower (CO₂) and (NO_x) emissions, a fact which renders HERON II Production Unit as one of the most environmentally friendly conventional electricity generation plants, after RES (Non-Renewable Energy Sources).

The efficiency of the closed-cycle Plant with the use of natural gas is high and is set at 57% approximately, in full load operation conditions. The actual average annual efficiency rate, taking into account the start-up and stop cycles, as well as the operation of units in partial load, reaches 53% approximately.

The Company owns 5 land parcels in the area CHARAINTINI OF THEBES in which the electricity power plant is located.

(B) Significant Events in the period 01.01 – 31.12.2025

During the Financial Year 2025, the conditions of the energy market were further normalized as compared to the Financial Years 2022-2023, given the fact that in 2025 the Greek State maintained only one of the extraordinary measures taken by the authorities during the previous years in order to address the energy crisis. Specifically the measure that was maintained concerned the granting of the state subsidy from the Energy Transition Fund (TEM) to the beneficiaries of the Social Tariff only for the months of January - March 2025, and also to the non-household electricity consumers with variable tariffs for the months of December 2024, January 2025 and February 2025. The measure of the special contribution for each thermal megawatt-hour consumed by power generation units fueled with natural gas had already ceased since September 2024. Also from the end June 2025, the State lifted the relevant suspension of submission by Balancing Service Providers of Balancing Energy Offers with negative prices.

In line with the Financial Year 2024, the Financial Year 2025 was also marked by the continued absence of a legislative and regulatory framework for several significant issues. This had a negative impact on the following: (a) the provisions for doubtful receivables of the electricity supply activity, (b) the promotion of healthy competition in the retail market and (c) the balancing of the dominant company's position. Indicatively, the cumulative failure to establish effective provisions (a) to address energy tourism, (b) to prevent strategic defaulters from transitioning to the Universal Service, (a matter that was partially resolved only in May 2024), (c) to reduce the deficit of the Special Account for the Utility Services, which led to an increase in both the cost and risk of the final consumers' Supply activity and (d) for the reduction of non-technical losses of the Network (Greece recorded the highest level of total network losses among the member states of the European Union (EU), i.e. 10.8% for 2024).

At the same time, for the Fiscal Year 2025, the energy market continued to lack the power compensation mechanism for generation units, which will ensure the adequacy of resources for the safe operation of the Transmission System on the one hand and contribute to the efficient operation of the markets on the other.

Finally, during the Financial Year 2025, the framework was further strengthened by only a small number of new regulations regarding the operation of the energy market, such as the following: (i) the increase from 01.05.2025 of the approved network loss factors that had remained unchanged since 01.07.2022, while during that period the non-technical losses had increased thus negatively affecting the results of the Final Settlement, (ii) the possibility for Balancing Service Providers to submit Balancing Energy Offers with negative prices, (iii) the introduction of 15-minute products in the Day-Ahead Market, reducing the cost of imbalances, (iv) the connection of IPTO to the European PICASSO platform for the exchange of balancing energy from frequency restoration reserves with automatic activation in the context of the formation of a resilient and more effective common European energy market, (v) the formation of an

appropriate regulatory framework for the participation of storage units in the energy market, and (vi) the completion of the regulatory framework in relation to the dynamic pricing.

(i) Litigation with the Independent Power Transmission Operator (IPTO)

The Company had filed on 23/11/2016 a lawsuit against Independent Power Transmission Operator S.A. (hereinafter “IPTO”) at the Multimember Court of First Instance of Athens (hereinafter “MMCFI Athens”), requesting the payment of unpaid or late payment invoices (as per principal amount) as well as default interest of the above-mentioned invoices, which IPTO owed to the Company on the basis of IPTO’s own obligations arising from Code of Management of the Power Transmission System (System Management Code of SMC). These invoices were issued from October 2011 to May 2015.

The amounts claimed were as follows: € 7,851,652.64 for principal and € 1,634,691.37 (if the SMC applies) or € 1,826,483 (where the Civil Code applies) or 1,647,888 (if the provisions of commercial transactions apply) for default interest and € 1,215,461 as compensation for material damage incurred to the Company according to the lawsuit.

The decision No 1121/2018 of the MMCFI which was issued on 23/3/2018 and presented to the Company on 29/5/2018 dismissed the Company's lawsuit.

The Company filed on 28/6/2018 the Appeal against the above-mentioned Decision.

The Company's appeal was heard on 10/10/2019. The Decision 2799/2020 of the Athens Court dismissed the Company's Appeal.

On 30.07.2020 the Company filed an appeal against IPTO before the Supreme Court as well as against the decision No. 2799/2020 of the Three-Member Court of Appeal of Athens.

Pursuant to the above Judgement No 2799/2020, the Company's appeal for the elimination of the Judgement No 1121/2018 was dismissed.

The above Appeal of the Company was heard on 21.02.2022 before the A1 Department of the Supreme Court and the Decision No. 1589/2022 of the Supreme Court was issued with a ruling "Rejected", which, however, has not yet been notified to the Company.

(ii) Significant events after the end of the year 01.01-31.12.2025

From January 1, 2026 until the date of approval of the attached financial statements, the following significant events have occurred:

- On February 17, 2026, the Company proceeded with the sale of its equity participation in the Companies TERNA ENERGY TRADING LTD, FAETHON SH.P.K. and FIER HELIOS SH.P.K. to the company SUSTAINABLE ENERGY SOLUTIONS SINGLE MEMBER S.A..
- On May 12, 2026, the Company proceeded with the purchase of a 100% equity participation in the Albanian company NRG POWER SH.P.K. from SUSTAINABLE ENERGY SOLUTIONS SINGLE MEMBER S.A., subject to the condition of article 4 of the sale & purchase agreement.
- On May 15, 2026, the Company proceeded with the sale of the electro mobility sector as well as the photovoltaic system it held at the location “Thesis Haraidini”, Thiva, Greece. The first sector was sold to the Group Company SENS Pulse SINGLE MEMBER S.A. and the second sector to the Group Company SUSTAINABLE ENERGY SOLUTIONS SINGLE-MEMBER S.A..

- On May 27, 2026, the Company as the Transferor proceeded to the signing of the Agreement for the Transfer of Common Registered Unlisted Shares issued by the société anonyme company under the name "Optimus Energy Société Anonyme" (hereinafter referred to as "Optimus"), with the subject of the sale consisting of twelve thousand three hundred forty-four (12,344) common registered shares, with a nominal value of ten (10) euros per share, corresponding to fifty-one percent (51%) of the share capital of Optimus to the société anonyme company of the Group "SUSTAINABLE ENERGY SOLUTIONS SINGLE MEMBER S.A." as the Acquirer and Optimus as the Third Party entering into this contractual agreement (hereinafter referred to as the "Agreement"). It is noted that the Company signed the above Agreement dated 27/05/2026 following: a) the decision of its General Meeting dated 23/12/2025, which decided to grant permission for the conclusion of the Agreement, b) the Announcement of its Board of Directors dated 24/12/2025 about the granting of the aforementioned permission by its General Meeting, in accordance with articles 99 & 1 and 100 of Law 4548/2018, which was registered in the General Commercial Registry (G.E.M.HI.) on 13/01/2026 with KAK 5886601, and c) the decision of its General Meeting dated 25/05/2026, according to which the approval of the General Meeting of the Company was granted in accordance with article 19 of Law 4548/2018 for the conclusion of the Agreement.

Apart from the above, no other significant events have occurred up to the date of this report.

(iii) Risk Factors and Uncertainties

The Company's activities are exposed to various risks and uncertainties, such as the recurrence of macroeconomic uncertainty, the market risk, credit risk and liquidity risk, wind and weather conditions, the uncertainty of the results in relation to the effect of geopolitical uncertainties and extraordinary natural events, which may have prolonged and unpredictable duration.

1. Financial Risks

The Company's activities expose it to various financial risks, such as market risk (including foreign exchange risk, interest rate risk and price volatility risk), credit risk and liquidity risk.

To address financial risks and limit their negative impact on the Company's financial results, the Company has a management program that aims to limit the negative effects on its financial results that may arise from the inability to forecast financial markets and fluctuations in cost and sales variables that affect financial results.

The financial products used by the Company mostly comprise bank deposits, long-term loans, derivatives for hedging interest rate risk, trade debtors and creditors, other accounts receivable and payable. The impact of major risks and uncertainties to which the Company's activities are exposed is analyzed below.

Credit risk

Credit risk entails the possibility that a counterparty will cause financial loss to the Company due to the breach of the counterparty's contractual obligations.

The Company continuously monitors its receivables, either separately or per group and encompasses all the arising information into the credit audit. When deemed necessary, external reports or analyses related to effective or potential clients are used.

The Company is not exposed to significant credit risk arising from trade receivables for its activities, except in the trading of electricity and natural gas. This is attributed, on the one hand, to the Company's

policy, which is focused on cooperation with reliable clients and, on the other hand, to the nature of the Company's operations.

In particular, total receivables, whether related to the narrow or the broader public sector, or private sector clients with significant financial position in Greece and abroad, are under special monitoring and the Management constantly assesses the reliability of its customers, their financial sizes regardless of whether they are a broader public or private entity, for potential implications, in order to take the necessary measures to minimize any adverse effects for the Company.

The Company is exposed to credit risk from end consumers from the sale of electricity and natural gas. Credit risk management in this group begins upon onboarding, where the Company has established procedures to control the credit risk of the new customer prior to acceptance. Right after, controls to ensure the collectability of receivables are continuously monitored. Where required, adequate reserves are created through provisions to minimize potential adverse effects. In addition to the aforementioned measures, to further ensure collectability, monthly "advance" bills are issued for the estimated consumption per month, so that when the settlement bill is issued in the fourth month of consumption, there is no large balance to be settled. It should be noted that, at the beginning of the cooperation with customers, for those who do not have a standing order activated, they are required to pay an amount equal to the indicative consumption cost for one month as a guarantee.

In addition to the above, the Company has entered into a credit risk insurance contract with the insurance company Allianz. The agreement secures credit limits granted to B2B customers. In the event of failure of the specific customers to repay their obligations, the corresponding outstanding amounts are covered by the insurance company, thus limiting the relevant credit risk.

The credit risk regarding cash and cash equivalents and other receivables is considered limited, given that the counterparties are reliable Banks with high quality capital structure, the Greek State or companies of the broader public sector and strong Groups of companies.

The Management assumes that all the financial assets, with the exception of those for which necessary impairment is calculated, are of high credit quality.

Liquidity risk

Liquidity risk entails the risk that the Company will be in no position to meet their financial obligations when required. The Company maintains its liquidity risk at a low level.

In particular, the Company's liquidity is considered satisfactory, as apart from the existing cash reserves, the cash flows generated from the production and sale of electricity are continuous.

The Company manages its liquidity needs by carefully monitoring the financial liabilities as well as the payments made daily. Liquidity needs are monitored in various time zones, on a daily and weekly basis, as well as in a rolling period of 30 days. Liquidity needs for the next 6 months and the following year are determined on a monthly basis.

The Company maintains cash and cash equivalents in banks to meet liquidity needs for periods of up to 30 days. The funds for the medium-term liquidity needs are released, if applicable, from the time deposits and if deemed necessary, bank credits are also being used.

Market risk analysis

Foreign exchange risk

Foreign exchange risk arises when the fair value or future cash flows of a financial instrument are subject to fluctuations due to changes in exchange rates. This type of risk may arise, for the Company, from foreign exchange differences at the valuation and conversion into the Company's currency (Euro) of financial assets, mainly financial receivables and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Company's entities. The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as net investments in foreign operations.

The Company operates mainly in Greece and is therefore not exposed to a high foreign exchange risk that may arise from Euro exchange rate with other currencies. To manage this risk category, the Company's Financial Management Department uses the financial instruments and offset the Company's exposure to foreign exchange risk on the basis of specific policies, whenever it is necessary.

Regarding the Company's transactions with foreign companies, these are usually carried out with European Groups, where the settlement currency is the euro. To reduce this risk, the Company utilizes the locally produced cash available in local currency to pay the expenses incurred, minimizing the creation of foreign exchange risk.

Interest rate risk

Interest rate risk is the probability that the fair value of a financial instrument's future cash flows will fluctuate due to changes in market interest rates.

The Company's policy is to minimize its exposure to the interest rate risk of long-term financing. Under this policy, medium-term loans are mainly in Euro, with fixed spread and a floating base interest rate linked to Euribor. In order to further reduce the interest rate risk associated with long-term financing and to reduce the consequent volatility of financial expenses, the Company implements specific policies that include Interest Rates Swaps. The Company's long-term loans mature within the year, with a provision for renewal for another year based on a contractual agreement.

Market risk analysis

During its activity in the Energy Market, the Company supplies all categories of customers with Electricity. Customers are divided into two major categories, B2C customers and B2B customers. The first category concerns customers of Low Voltage (Household consumers, small and medium-sized companies), who receive a standardized offer for programs that are already posted on the Company's site, while the second concerns customers of all Voltages [Low (store chains), Medium and High], who receive a specialized financial offer, which is based on the analysis of the energy characteristics of the specific facilities.

Regarding B2C customers, they may choose either fixed-rate tariffs for a defined period (e.g., twelve (12), or eighteen (18) months), or variable-rate tariffs. For customers opting for fixed-rate tariffs, in order to ensure the desired profit margin regardless of fluctuations in the Electricity Market, the Company undertakes risk hedging actions through various instruments (such as long-duration futures contracts, etc.).

Furthermore, with regard to variable-rate tariffs, the applicable charge fluctuates depending on the consumption period, as it reflects wholesale market prices and the individual cost components incurred by the Supplier in its operations within the Electricity Market, plus a reasonable profit margin. In conclusion, in the case of B2C customers, the Company follows strategies that allow it to avoid exposure to potential risks arising from unforeseen fluctuations in energy costs.

With reference to B2B customers, all of the Company's B2B customers have chosen to continue to be billed through a variable pricing formula, which captures the individual costs borne by the Supplier during its activity in the Electricity Market plus a reasonable profit margin, as this option does not incorporate any risk for the Supplier, which it would be translated to the Customer in increased charges for its compensation. Therefore, not even in the B2B customer category does the company present any risk.

In addition, the Company supplies natural gas to all categories of customers, industrial (B2B), commercial (B2C) and residential (B2C). For industrial (B2B) natural gas customers, the Company offers both variable and fixed price tariffs. Variable price tariffs are based on the Company's natural gas supply costs plus a reasonable profit margin, thus mitigating any risk from natural gas price fluctuations. Fixed price tariffs are covered by appropriate hedging activities conducted by the Company and are offered following an agreement with the end B2B customer. Consequently, there is no risk from price fluctuations in this tariff category either. For commercial and residential customers, the Company offers variable tariffs based on the monthly variable price of natural gas supplied by the Company, reflecting as a result the supplier's cost, plus a reasonable profit margin. Therefore, in this tariff category as well, the Company is not exposed to any risk from natural gas price fluctuations.

Operational risks

The main risks associated with the development of the Company's business activities could be related to material damage, business interruption, human resources and loss arising from systems or external events. In order to protect itself against operational risks, the Company has entered into agreements with reputed insurance companies for Material Damage Insurance, Suspension of Business Activity and Civil Liability Insurance.

2. Risks from the current economic conditions prevailing in Greece, but also in the global economy

The Greek economy continued to move along a steady growth trajectory in 2025, which, according to the Hellenic Statistical Authority, was 2.1%, surpassing the average growth rate of the Eurozone, which stood at 1.4%, despite the existing uncertainty in the European and global economic environment, due to the ongoing hostilities in Ukraine and the Middle East.

Despite the presence of all the above negative factors, the Greek economy, given that it has not been directly involved in the ongoing hostilities and has taken a defensive stance against challenges, is forecasted, according to the Bank of Greece's current estimates, to grow by 1.9% in 2026 and 2% in 2027. This growth is supported by significant private investments planned for the next three years, which exceed 20 billion euros and mainly concern energy, infrastructure, telecommunications and other investments, as well as the acceleration of remaining funds from the Recovery and Resilience Fund, along with new resources from various new European programs.

Regarding the specific issues of the Greek economy that need to be addressed in order to positively contribute to achieving further economic growth, these are outlined below:

- The further enhancement of competitiveness, so that the economy becomes export-oriented and addresses the current account deficit.
- Further reducing high bank lending rates, which leads borrowers to face difficulties in repaying installments of their mortgage loans for the first residence and the agricultural land.
- Stabilizing the prices of consumer goods. The rising trend of prices reduces the real disposable income and household purchasing power and deprives the ability to create savings for future investment, while keeping inflation levels higher than the European average.

- Increasing disposable income for citizens through real wage increases and reduction in non-wage cost.
- The utilization of funds from the Recovery Fund and various programs to be agreed upon with the Eurozone, with an acceleration in the implementation of projects and reforms undertaken by the Government, to prevent any loss of funding.
- The acceleration of judicial proceedings, to reduce the time required for issuing decisions, which in many cases constitutes a deterrent to investment.
- Overcoming bureaucratic issues in Public Administration to become more functional and capable of making necessary plans, including emergency situations (natural disasters, fires, climate changes).

Despite the new conditions that have arisen due to the geopolitical developments, the decisions of the United States on the major problems (Ukraine, Middle East, increases in military armament) and inflationary pressures and given that the Company does not have any meaningful activity in the Middle East, Russia and Ukraine, the outlook for the Company remains positive in the medium term and long term due to the following factors: a) the attainment of investment grade rating for the creditworthiness of the Greek economy by major international rating agencies, as upgraded by Moody's in March to "Baa3", which signifies increased inflows of investment capital under more favorable borrowing terms, which are essential for supporting investment activity, b) the increase in the share of electricity generated from RES in the Greek economy, as well as the increase in market share in electricity trading and c) the increase in energy storage capacity.

3. Other risks and uncertainties

Climate change risk

The increase in the average temperature of the planet has caused a series of extreme natural phenomena (disastrous floods, extreme natural phenomena, but also large-scale wildfires from prolonged drought, as well as damage to the primary food production sector).

The risks arising from the effects of climate change and the transition to a low-carbon economy are expected to affect most, if not all, business entities in matters related to their sustainability.

Taking into account the extreme natural phenomena that have occurred in recent years, the Company takes all necessary measures to eliminate or minimize the problems that may arise, in addition to insurance coverage for the risks that are insurable.

Cyber Security Risk

Potential violations in the security of networks, information and operating systems threaten the integrity of the Company's data, sensitive information, as well as the smooth operation of its business activities. Such a breach could adversely affect the Company's reputation and competitive position. Also, a possible occurrence of damages, release of fines or loss of business (including restoration costs) could have a significant negative impact on our financial position and operating results. In addition, managing cyber-security breaches may require a significant investment of time by the Management.

In order to avoid the Cyber Security risks, the Company has established and implements Cyber Security Policies and Procedures, with which all the executives and the external collaborators of the Company must comply. In cases where it is deemed necessary, the IT Department provides additional instructions and guidance.

The Company is in continuous cooperation with companies providing specialized Cybersecurity services as well as with experienced consultants in the field, in order to provide full technical and organizational coverage in terms of Cybersecurity.

Other Operational Indicators

Net Debt / (Surplus)

It is a ratio, through which the Management of the Company assesses the cash position of an operating segment at any given time. The ratio is defined as the total liabilities from loans and finance leases less cash and cash equivalents. From the respective ratio if restricted deposits are subtracted and the grants to be returned are added, the "Net Debt / (Surplus) after restricted deposits and grants to be returned" is concluded.

The ratio is recorded as follows for 2025 and 2024:

	31.12.2025	31.12.2024
Long-term loans (Note 21)	255	155,446
Liabilities from bank leases	0	0
Short-term loans (Note 21)	0	2,977
Long-term loan liabilities payable within the next fiscal year	155,087	0
Total Loan Liabilities	155,342	158,423
Less: Cash and cash equivalents (Note 15)	(57,232)	(44,665)
Net Debt / (Surplus)	98,110	113,758
Less: Restricted bank deposit accounts	0	0
Plus: Approved and collected grants to be returned	0	0
Net Debt / (Surplus) after restricted deposits and grants to be returned	98,110	113,758

EBITDA (Earnings before Interest Taxes Depreciation & Amortization)

It is a ratio based on which Company's Management assesses the operational performance of an operating segment. The "EBITDA" ratio is defined as Earnings Before interest and Taxes "EBIT", plus depreciation of fixed assets and amortization, less the fixed assets grants, as presented in the accompanying financial statements.

EBIT (Earnings before Interest and Taxes)

Earnings before Interest and Taxes (EBIT) is defined as the Gross Profit less Administrative and Distribution Expenses, less Research and Development Expenses, plus/less Other Income/(Expenses) EBIT determinants.

Other Income/(expenses) EBIT determinants are defined as Other Income/(Expenses) in the Income Statement apart from the Items of Foreign Currency Valuation Differences, Impairments/(Reversals of Impairments) of fixed, intangible assets, right of use assets and goodwill, as well as income from reversal of unused other provisions (see Note 29).

EBITDA amounted to €32,054 thousand in 2025 and to €103,653 thousand in 2024 and is calculated as follows:

	31.12.2025	31.12.2024
Gross profit	62,722	97,876
Administrative and distribution expenses	(32,989)	(29,294)
Research and development expenses	0	0
Other income/(expenses) determining EBIT	(15,815)	18,561
Earnings before interest and taxes (EBIT)	13,918	87,143
Net depreciation for the year	18,136	16,510
EBITDA	32,054	103,653

4. Transactions with related parties

Transactions, as well as the balances of the Company with the related parties for the period that ended on 31.12.2025 and 31.12.2024 are analyzed as follows:

Financial Year 31.12.2025

Related party	Income	Pur-chases	Debit bal-ances	Credit bal-ances
Parent company GEK TERNA	868	755	34	33,906
Other related parties	117,888	18,674	41,920	37,356
Total	118,756	19,429	41,954	71,262

Financial Year 31.12.2024

Related party	Income	Pur-chases	Debit bal-ances	Credit bal-ances
Parent company GEK TERNA	441	212	25,307	109
Other related parties	102,594	30,995	61,935	7,410
Total	103,035	31,207	87,242	7,519

Remuneration of the members of the Board of Directors and senior managers of the Company recognized on December 31st 2025, as well as the respective balances have as follows:

1.1-31.12.2025
1.1-31.12.2024

Services fee	668	523
Payroll	3,325	2,386
Total	3,993	2,909
	31,12,2025	31,12,2024
Liabilities	0	0
Receivables	0	0

Athens, 29 May 2026
For the Board of Directors

The Chairman of BoD
Georgios Kouvaris

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Independent Auditor's Report

(This report has been translated from Greek original version)

To the Shareholders of "HERON ENERGY S.A."

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of "HERON ENERGY S.A." (the Company), which comprise the statement of financial position as at December 31st, 2025, the income statement and statements of comprehensive income, changes in equity and cash flows statement for the year then ended, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company "HERON ENERGY S.A." as at December 31st, 2025, and its financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Basis for opinion

We performed our audit in accordance with International Standards on Auditing (ISAs) as these have been integrated to the Greek Legislation. Our responsibilities, under those standards are described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. During our audit, we remained independent of the Company, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as incorporated in Greek Legislation and the ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our responsibilities in accordance current legislation requirements and the requirements of the aforementioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information is included in the Board of Directors Report, also referred to in the section "Report on Other Legal and Regulatory Requirements", the Representations of the Members of the Board of Directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the management for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs as incorporated in Greek Law, 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 financial statements.

As part of an audit in accordance with ISAs as incorporated into in Greek Law, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting methods and policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management 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.

Report on Other Legal and Regulatory Requirements

1. Report of the Board of Directors

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management is responsible for the preparation of the Board of Directors' Report, the following is to be noted:

- a) In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Article 150, L. 4548/2018, and its content corresponds to the accompanying financial statements for the year ended as at 31/12/2025.
- b) Based on the knowledge we obtained from our audit, for the Company "HERON ENERGY S.A." and its environment, we have not identified any material misstatements to the Board of Directors' report.

2. Unbundled Financial Statements

Management is responsible for the preparation of the Company's unbundled financial statements in accordance with the provisions of Article 141, Law 4001/2011 and No. 301/2017 approving decision of the Regulatory Authority of Energy (RAE) as well as for those internal controls that the Management determines as necessary, in order to enable the preparation of the unbundled balance sheet as of December 31, 2025 and the Company's unbundled Income Statements before tax for the period from January 1, 2025 to December 31, 2025, that are free from material misstatement, whether due to fraud or error. The methodology used for the preparation of the Company's unbundled financial statements is described in Attachment I to the separate financial statements.

Based on our audit, we established that the Company's unbundled Financial Statements as of December 31, 2025, as presented in Attachment I to the separate financial statements, have been prepared in accordance with the provisions of Article 141 of Law 4001/2011 and No. 301/2017 approving decision of the Regulatory Authority for Energy (RAE).

Athens, 29 May 2026
The Certified Public Accountant

George Panagopoulos
SOEL Reg. No 36471

 **Grant Thornton**
Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

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ANNUAL FINANCIAL STATEMENTS AS AT DECEMBER 31ST 2025

(January 1st – December 31st 2025)

In accordance with the International Financial Reporting Standards

The Financial Statements were approved by the Board of Directors of “HERON SOCIÉTÉ ANONYME ENERGY SERVICES” (the “Company”) on May 29th 2026 and have been published online at the website of the Company, www.heron.gr, where they will remain available for at least a 5-year period from the date they were prepared and published. It is noted that the attached Financial Statements are subject to the approval of the Annual Ordinary General Meeting of the Shareholders of the Company. The Annual Ordinary General Meeting of the Shareholders of the Company has the authority to amend the attached Financial Statements.

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STATEMENT OF FINANCIAL POSITION

	Note	31.12.2025	31.12.2024
ASSETS			
Non-current assets			
Intangible assets	5	3,232	2,258
Tangible Assets	6	70,920	84,777
Right-of-use assets	7	2,145	1,455
Participations in subsidiaries	8	44,621	45,121
Investments in equity securities	9	15	15
Receivables from Derivatives	25	15,032	12,041
Other long-term receivables	10	33,641	62,529
Total non-current assets		169,606	208,196
Current assets			
Inventory	11	9,080	8,819
Trade receivables	12	173,431	253,961
Assets from contracts with customers	13	197,156	216,977
Advances and other receivables	14	139,223	80,917
Income tax receivables		22,589	19,499
Short-term receivables from derivatives	25	19,643	20,587
Cash and cash equivalents	15	57,232	44,665
Total current assets		618,353	645,425
TOTAL ASSETS		787,959	853,621
EQUITY AND LIABILITIES			
Share capital	22	8,856	8,856
Reserves	23	2,236	2,247
Share premium account		23,350	23,350
Retained earnings		190,755	314,782
Total Equity		225,197	349,235
Non-current Liabilities			
Long-term loans	21	255	155,446
Liabilities from leases	20	1,417	542
Liabilities from derivatives	25	13,920	16,494
Provision for staff retirement indemnities	16	252	193
Other Provisions	17	2,213	2,036
Deferred tax liabilities		24,493	21,317
Long-term liabilities from contracts with customers		6,279	5,780
Total non-current liabilities		48,829	201,808
Current liabilities			
Short-term loans	21	0	2,977
Long-term loan liabilities due within the next 12 months	21	155,087	0
Short-term part of liabilities from leases	20	854	732
Short-term part of liabilities from derivatives	25	9,162	4,915
Suppliers	18	44,728	81,967
Accrued and other short-term liabilities	19	304,102	211,987
Total current liabilities		513,933	302,578
TOTAL EQUITY AND LIABILITIES		787,959	853,621

The accompanying notes constitute an integral part of the present Annual Financial Statements.

STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD**January 1st to December 31st 2025**

	Note	1.1-31.12.2025	1.1-31.12.2024
Results for the year			
Revenue	26	1,518,569	1,556,895
Cost of goods sold	27	(1,455,847)	(1,459,019)
Gross profit / (loss)		62,722	97,876
Administrative and distribution expenses	27	(32,989)	(29,294)
Other income/(expenses)	30	(15,805)	19,177
Financial income/(expenses)	32	(8,727)	(11,214)
Income/(Losses) from participations and other securities	31	0	5,110
Earnings/(Losses) before income tax		5,201	81,655
Income tax	24	(646)	(17,828)
Earnings/(Losses) after income tax		4,555	63,827
Other Comprehensive Income			
<i>Other Comprehensive Income not carried forward to FY results of future periods:</i>			
Actuarial gains/(losses) from defined benefit plans	16	(15)	(4)
Tax corresponding to the above result	24	3	(1)
		(12)	(5)
TOTAL COMPREHENSIVE INCOME		4,543	63,822

The accompanying notes constitute an integral part of the present Annual Financial Statements.

STATEMENT OF CASH FLOWS**31st December 2025**

	Note	1.1-31.12.2025	1.1-31.12.2024
Cash flows from operating activities			
Earnings for the period before income tax		5,201	81,655
<i>Adjustments for reconciliation of net cash flows from operating activities</i>			
Depreciation of fixed assets	5, 6, 7	18,136	16,510
Impairments	12,13	20,312	16,628
Provisions		87	(381)
Interest and related income	32	(727)	(272)
Interest and other financial expenses	32	9,830	8,856
(Profit)/Loss from derivatives		(374)	2,630
Results from participations and securities	31	0	(5,110)
Gains/(Losses) on sale of tangible fixed assets		0	(28,764)
Operating profit/(loss) before any changes in working capital		52,465	91,752
<i>(Increase)/Decrease in:</i>			
Inventory		(261)	1,309
Trade receivables		80,046	(105,006)
Prepayments and other receivables		(73,683)	(26,496)
<i>Increase/(Decrease) in:</i>			
Suppliers		(37,239)	16,868
Accrued and other liabilities		29,144	(3,482)
Income tax payments		(557)	(26,302)
Net cash flows from operating activities		49,915	(51,357)
Cash flows from investing activities			
Proceeds from sale of fixed assets		19,003	7,944
Payments for purchases of fixed assets	5, 6	(4,154)	(6,693)
Interest and related income received		993	7
Proceeds from loss of control over subsidiaries	19	25,600	0
Receipts of Dividends	31	0	5,110
Receipts from granted loans	21	25,000	0
Issued Loans		0	(25,000)
Cash flows from investing activities		66,442	(18,632)
Cash flows from financing activities			
Payments from changes in subsidiaries without loss of control		0	(800)
Proceeds from short-term loans		0	43,000
Proceeds from long-term loans	21	0	105,446
Repayment of long-term loans	21	(191)	0
Payment of liabilities from leases	20	(876)	(1,043)
<i>Dividends paid to the shareholders of the parent company</i>		(90,082)	(25,000)
Repayments of short-term loans	21	(2,800)	(57,800)
Interest & related financial expenses paid		(9,840)	(10,107)
Cash flows from financing activities		(103,789)	53,696
Net increase/(decrease) in cash and cash equivalents		12,568	(16,293)
Cash and cash equivalents at the beginning of the period		44,665	60,958
Cash and cash equivalents at the end of the period		57,233	44,665

The accompanying notes constitute an integral part of the present Annual Financial Statements.

STATEMENT OF CHANGES IN EQUITY

31st December 2025

		Share Capital	Share Premium	Reserves	Retained Earnings	Total
January 1st 2024		8,856	23,350	2,252	275,955	310,413
Total comprehensive income		-	-	(5)	63,827	63,822
Distribution of dividends	21	-	-	-	(25,000)	(25,000)
December 31st 2024		8,856	23,350	2,247	314,782	349,235
January 1st 2025		8,856	23,350	2,247	314,782	349,235
Total comprehensive income		-	-	(11)	4,555	4,544
Distribution of dividends		-	-	-	(128,582)	(128,582)
December 31st 2025		8,856	23,350	2,236	190,755	225,197

The accompanying notes constitute an integral part of the present Annual Financial Statements.

NOTES ON THE FINANCIAL STATEMENTS

1. ESTABLISHMENT AND COMPANY ACTIVITY

HERON SOCIÉTÉ ANONYME ENERGY SERVICES (HERON ENERGY S.A.) was incorporated in Greece in 2001 at first as a general partnership and it was later transformed into a société anonyme in 2004. Its registered office is in Athens, at 85 Mesogeion Avenue and its duration is set to fifty (50) years.

The Company is registered in the Registry of Sociétés Anonyme with Reg. No 56860/01/B/04/254 and General Commercial Registry (GCR) No 005805601000. Its main activity is the construction, installation and operation of a thermoelectric power plant of combined cycle (using natural gas as fuel).

The company operates a combined cycle power plant with a power capacity of 441.76 MW in the industrial area of Thebes at the location of Charaintini and has put the station into operation since August 2010.

On 21.12.2023, a merger was completed via the absorption of Company HERON II THERMOELECTRIC STATION VIOTIAS SA by the company HERON ENERGY SA. From the exchange taking place between old and new shareholders, it emerged that the company TERNA SA which held 25% of the shares of HERON II THERMOELECTRIC STATION VIOTIAS SA, will now own an equity stake of 13.82% of HERON ENERGY S.A. whereas the company GEK TERNA will own the remaining equity stake of 86.18%.

The attached Financial Statements of the Group for the year ended 31 December 2025 were approved by the Board of Directors on 29th/5/2025 and are subject to the final approval of the General Meeting of Shareholders. The financial statements are consolidated on the basis of equity method in the financial statements of GEK TERNA S.A., which has its registered office in Greece.

2. BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Basis for the presentation of the Financial Statements

The Company's Financial Statements as of 31st December 2025 covering the annual period starting on January 1st until December 31st 2025 have been prepared according to the International Financial Reporting Standards (IFRS), which have been issued by the International Accounting Standards Board (IASB), as well as their interpretations, which have been issued by the International Financial Reporting Interpretations Committee (IFRIC) and adopted by the European Union until December 31st, 2025.

The Company applies all the International Accounting Standards, International Financial Reporting Standards, and their Interpretations, which apply to the Company's activities. The relevant accounting policies, a summary of which is presented below in Note 3, have been applied consistently in all the periods presented.

2.2 Going concern

The Company's management estimates that the Company has sufficient resources that secure the smooth continuance of its operation as a "Viable Financial Unit" (Going Concern) in the foreseeable future.

The decision of the Management to use the going concern principle is based on the estimates related to potential effects of the war conflict that is raging both in the wider region of Ukraine and in the Middle East.

The Management has estimated that there is no material uncertainty regarding the continuation of the activity of the Company, thus implementing the framework for preparing the financial statements for the financial year ended on 31.12.2025.

2.3 Basis of measurement

The attached Financial Statements as of December 31st, 2025, have been prepared according to the principle of historical cost, apart from the cases of investment property, investments in equity securities, derivative financial instruments, financial assets recorded at fair value through profit or loss and contingent consideration liabilities, which are measured at fair value.

2.4 Presentation currency

The presentation currency is Euro (the currency of the Group's parent domicile) and all the amounts are presented in thousand Euro unless otherwise mentioned.

2.5 Comparability

The comparative items of the Financial Statements for the year ended 31.12.2024 have not been revised.

2.6 Use of estimates

The preparation of the Financial Statements according to IFRS requires the use of estimates and judgments on the application of the Company's accounting policies. Judgments, assumptions and estimates of the Management affect the amount of valuation of several asset and liability items, the amount recognized during the year regarding specific income and expenses as well as the presented estimates of contingent liabilities.

Assumptions and estimates are assessed on an on-going basis according to historic experience and other factors, including expectations of future event outcomes, considered reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may differ from the accounting calculations.

The areas that require the highest degree of judgment as well as the areas in which estimates and assumptions have a significant effect on the Financial Statements are presented in Note 3 of the Financial Statements.

2.7 New standards, Interpretations and amendments of Standards

The accounting principles applied during the preparation of the Financial Statements are the same as those followed for the preparation of the Group's and the Company's Financial Statements for the period ended on December 31st, 2024, except for the adoption of new standards and interpretations, whose application is mandatory in the European Union for the fiscal years from January 1st 2025 onwards (see Notes 2.7.1 and 2.7.2).

2.7.1 New Standards, Interpretations, Revisions and Amendment of existing Standards which have entered into force and have been adopted by the European Union

The following new Standards, Interpretations and amendments of Standards have been issued by the International Accounting Standards Board (IASB), have been adopted by the European Union and their application is mandatory from 01/01/2025 or at a later date.

Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective for annual periods starting on or after 01.01.2025)”

In August 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” that require entities to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments introduce a definition of currency exchangeability and the process by which an entity should assess this exchangeability. In addition, the amendments provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable and require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability. The above have been adopted by the European Union with effective date of 01.01.2025. The amendments have no impact on the company's Financial Statements.

2.7.2 New Standards, Interpretations, Revisions and Amendments to existing Standards which have not yet entered into force or have not been adopted by the European Union

The following new Standards, Interpretations and amendments to Standards have been issued by the International Accounting Standards Board (IASB), but either have not yet entered into force or have not been adopted by the European Union.

IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” (effective for annual periods starting on or after 01.01.2026)

In May 2024, the International Accounting Standards Board (IASB) issued amendments to the Classification and Measurement of Financial Instruments which amended IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures”. Specifically, the new amendments clarify when a financial liability should be derecognized when it is settled by electronic payment. Also, the amendments provide additional guidance for assessing contractual cash flow characteristics to financial assets with features related to ESG-linked features (environmental, social, and governance). IASB amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs. The amendments are effective from annual reporting periods beginning on or after 1 January 2026. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with an effective date on 01/01/2026.

Amendments to IFRS 9 and IFRS 7 – “Nature-dependent Electricity Contracts” (effective for annual periods starting on or after 01.01.2026)

On December 18, 2024, the International Accounting Standards Board (IASB) issued amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures,” aimed at helping companies to present more accurately the financial impacts of nature-dependent electricity reference contracts, known as Power Purchase Agreements (PPAs). These contracts are used by companies to secure the supply of electricity from renewable sources, such as wind and solar energy. However, the amount of energy produced can vary due to external factors, such as weather conditions. The amendments aim to optimally reflect these contracts in financial statements by: a) clarifying the requirements for applying the “own-use” concept, b) allowing hedge accounting when these contracts are used as hedging instruments and c) adding new disclosure requirements to help investors better understand the impact of these contracts on companies' financial results and cash flows. The amendments are effective for accounting periods beginning on or after 1 January 2026, with early adoption permitted. The

Company will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with an effective date on 01/01/2026.

Annual Improvements to IFRS Standards-Volume 11 (effective for annual periods starting on or after 01.01.2026)

In July 2024, the IASB issued the Annual Improvements to IFRS Accounting Standards-Volume 11 addressing minor amendments to the following Standards: IFRS 1 'First-time Adoption of International Financial Reporting Standards', IFRS 7 'Financial Instruments: Disclosures', IFRS 9 'Financial Instruments', IFRS 10 'Consolidated Financial Statements', and IAS 7 'Statement of Cash Flows'. The Group will examine the impact of the above on its Financial Statements, although none is expected. The above have been adopted by the European Union with effective date of 01.01.2026.

IFRS 18 "Presentation and Disclosure in Financial Statements" (effective for annual periods starting on or after 01.01.2027)

In April 2024, the International Accounting Standards Board (IASB) issued a new Standard, IFRS 18, which replaces IAS 1 "Presentation of Financial Statements". The objective of the Standard is to improve how information is communicated in an entity's financial statements, particularly in the statement of profit or loss and in its notes to the financial statements. Specifically, the Standard will improve the quality of financial reporting due to: a) the requirement of defined subtotals in the statement of profit or loss, b) the requirement of the disclosure about management-defined performance measures and c) the new principles for aggregation and disaggregation of information. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (effective for annual periods starting on or after 01.01.2027)

In May 2024, the International Accounting Standards Board issued a new standard, IFRS 19 "Subsidiaries without Public Accountability: Disclosures". The new standard allows eligible entities to elect to apply IFRS 19 reduced disclosure requirements instead of the disclosure requirements set out in other IFRS. IFRS 19 works alongside other IFRS, with eligible subsidiaries applying the measurement, recognition and presentation requirements set out in other IFRS and the reduced disclosures outlined in IFRS 19. This simplifies the preparation of IFRS financial statements for the subsidiaries that are in scope of this standard, while maintaining at the same time the usefulness of those financial statements for their users. IFRS 19 is effective from annual reporting periods beginning on or after 1 January 2027, with early adoption permitted. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (effective for annual periods starting on or after 01.01.2027)

IFRS 19 "Subsidiaries without Public Accountability: Disclosures" was developed based on the disclosure requirements in other IFRS Accounting Standards as at 28 February 2021. At the time of its issuance, IFRS 19 did not include reduced disclosure requirements introduced or amended after that date. In August 2025, the IASB amended IFRS 19 to incorporate reduced disclosure requirements for new and amended IFRS Accounting Standards issued between February 2021 and May 2024. IFRS 19 will

continue to be updated when new or amended IFRS Accounting Standards are issued. The Company will consider the impact of all of the above on its Financial Statements, although none is expected. The above has not been adopted by the European Union.

Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency” (effective for annual periods starting on or after 01/01/2027)

In November 2025, the International Accounting Standards Board (IASB) issued amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” to clarify how entities should translate financial statements from a non-hyperinflationary functional currency into a hyperinflationary presentation currency. Under the amendments, all amounts in the financial statements (assets, liabilities, equity, income, expenses, including comparatives) shall be translated at the closing rate at the date of the most recent statement of financial position. Previously, assets and liabilities were translated at the closing rate, but income and expenses were translated at transaction rates. In addition, when an entity applies IAS 29 “Financial Reporting in Hyperinflationary Economies” to a foreign operation whose functional currency is not hyperinflationary, comparative amounts for that foreign operation are restated using a general price index rather than the closing rate. The amendments also introduce additional disclosure requirements, including disclosures regarding the application of the new translation requirements, instances where the presentation currency ceases to be hyperinflationary, and the provision of summarized financial information for affected foreign operations. The Company will consider the impact of all of the above on its Financial Statements, although none is expected. The above has not been adopted by the European Union.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND MANAGEMENT ASSESSMENTS

Preparation of Financial Statements in accordance with the International Financial Reporting Standards (IFRS) requires the Management to make judgments, estimates and assumptions which affect assets and liabilities, contingent receivables and liabilities disclosures, as well as revenue and expenses during the presented periods.

In particular, the amounts included in or affecting the financial statements, as well as the related disclosures, are estimated through making assumptions about values or conditions that cannot be known with certainty at the time of preparation of the financial statements and, therefore, actual results may differ from what has been estimated. An accounting estimate is considered significant when it is material to the financial position and income statement of the Company and requires the most difficult, subjective or complex judgments of the Management. Estimates and judgments of the Management are based on past experience and other factors, including expectations for future events, judged to be reasonable in the circumstances. Estimates and judgments are continually reassessed on the basis of all the available data and information.

Key estimates and evaluations referring to the data whose development could affect the financial statements items in the upcoming 12 months are as follows:

3.1 Significant judgments of the Management

The significant accounting estimates and assumptions concerning future and other key sources of uncertainty at the date of the financial statements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Acquisition of “business” according to the definition provided in IFRS 3 or acquisition of assets

In accordance with IFRS 3 "Business Combinations", the Management determines whether a transaction or other event constitutes a business combination in accordance with the relevant definition of the Standard, i.e. whether the assets acquired and liabilities assumed constitute a "business". In the event the acquired assets do not constitute a business, then the Group manages the transaction or other event as an acquisition of an asset. According to IFRS 3, the term "business" is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or other economic benefits directly to investors or other owners, members, or participants. The accounting treatment of a business combination is carried out in accordance with the accounting policy described in Note 4.2, while the accounting treatment of acquisition of an asset (or group of assets) which do not constitute a "business" is carried out in accordance with the accounting policy described in Note 4.3.

3.2 Energy sector revenue recognition (non-invoiced revenue)

The Company estimates the consumption of electricity and natural gas, which has not yet been invoiced for retail customers. In particular, the Company measures and records specific revenues from sales for which final clearances have not been received from the Energy Exchange and the Natural Gas Distribution Administrator. Such revenues are calculated using historical data and forecasts for the consumption of electricity and natural gas for each energy consumption meter.

3.3 Uncertainty of estimates and assumptions

Specific amounts that are either included or affect the Financial Statements and the related disclosures are estimated, necessitating to make assumptions about values or conditions that cannot be known with certainty during the period of the Financial Statements preparation. An accounting estimate is considered significant when it is material to the financial position and the income statement of the Group and requires most difficult, subjective or complex judgments of the Management. The Company assesses such estimates on an ongoing basis, based on historical results and experience, through meetings with specialists, applying trends and other methods considered reasonable in the circumstances, as well as making projections regarding potential changes in the future.

i) Recognition of deferred tax assets

The extent to which deferred tax assets are recognized for unused tax losses is based on the judgment regarding the extent to which it is probable that sufficient taxable profits will be offset with these tax losses. In order to determine the amount of a deferred tax asset that can be recognized, significant judgments and estimates of the Company's Management are required, based on future taxable profits, combined with future tax strategies to be pursued, as well as the uncertainties dominating in various tax frameworks within which the Company operates (for further information please refer to Note 24).

ii) Impairment of non-financial assets and goodwill

Non-financial assets are tested for impairment whenever events or changes in the effective conditions indicate that their book value may not be recoverable. Goodwill, intangible assets with indefinite economic lives and intangible assets with finite economic lives for which amortization has not yet begun are tested for impairment at least annually.

iii) Useful lives of depreciated assets

For the purpose of calculating depreciation, the Company examines the useful life and residual value of tangible and intangible assets in every reporting period in the light of technological, institutional and economic developments as well as the experience of their exploitation. As at 31/12/2025 the Management estimated that the economic life of the other depreciable assets represents their expected useful value.

iv) Fair value measurement

The Management uses valuation techniques to determine the fair value of financial instruments (when no active market prices are available) and non-financial assets. This procedure involves making estimates and assumptions about the consideration that market participants would pay to acquire these financial instruments.

The Management bases its assumptions on observable data, but it is not always feasible. In such cases, the Management uses the best available information for its estimates, based on its past experience, also taking into account the available information. Estimated fair values may differ from the actual values that would be made in the context of an ordinary transaction at the reporting date of the financial statements.

The Company uses derivative financial instruments to manage a range of risks including interest rate and commodity prices risks. For the purpose of determining an effective hedging rate, the Company requires both - to declare its hedging strategy and to estimate that the hedge will be effective throughout the term of the hedging instrument (derivative). Further information regarding the use of derivatives is provided in Note 25.

v) Inventory

To facilitate valuation of inventories, the Company estimates, based on statistical valuation reports and market conditions, the expected selling prices and the costs of processing and disposing the items per inventory category.

vi) Provision for income tax

Provision for income tax based on IAS 12 is calculated by estimating the taxes to be paid to tax authorities and includes the current income tax for every financial year and a provision for additional taxes that might arise during tax inspections.

The Company is subject to various income taxation legislations. Significant estimates are required in order to determine the total provision for income tax, as presented in the Statement of Financial Position.

The final tax determination is uncertain in respect of specific transactions and calculations. The Company recognizes liabilities for the projected tax issues based on the calculations to the extent to which additional taxation will arise. In cases where the final tax result differs from the initially recognized amount, the differences affect the provisions for income tax and deferred tax for the period when it had been determined (for further information please refer to Note 24).

vii) Provisions for rehabilitation of environment

The Company makes provision for its related obligations to dismantle the technical equipment of its production Plant and restoration of the environment resulting from the applicable environmental legislation or from binding practices of the Company. Provision for rehabilitation of environment reflects

the present value, as at the reporting date (based on the appropriate discount rate) of the rehabilitation obligation less the estimated recoverable amount of the materials, estimated to be disposed of and sold (further information is provided in Note 17).

viii) Contingent liabilities and receivables

The existence of contingent liabilities and receivables requires the management to make assumptions and judgments on on-going basis about the probability that future events will occur or not occur as well as the possible consequences that these events may have on the Company's operations. Determining contingent liabilities and receivables is a complex procedure that includes judgments regarding future events, laws, regulations, etc. Changes in judgments or interpretations are likely to lead to an increase or decrease in the Company's contingent liabilities in the future. When additional information becomes available, the Company's Management reviews the facts, based on which it may also have to review its estimates.

ix) Provisions for expected credit losses from receivables from clients

The Company apply the simplified approach under the provisions of IFRS 9 for calculation of expected credit losses. Under the aforementioned approach, provision for impairment is measured at an amount equal to the expected lifetime loss for the receivables from customers and the contractual assets. The Company have made provisions for bad receivables in order to adequately cover the loss that can be reliably estimated and arises from these receivables. In every reporting period, the provision that has been made is adjusted and the changes are recognized in the income statement.

x) Acquisition of a company or business

At initial recognition, the assets as well as the liabilities of the acquired company are included in the financial statements at their fair values. In measuring fair values, Management uses estimates of future cash flows, however the actual results may differ. Any change in the measurement after initial recognition affects the measurement of goodwill.

xi) Valuation of cash flow hedging agreements

The Company uses financial derivatives and specifically it enters into interest rate swaps to hedge its risk linked to fluctuations of interest rates and into contracts to hedge the risks associated with volatile energy sale prices. The swap agreements are valued according to market estimations regarding the trend of relevant interest rates for periods up to thirty years and with regard to the course of energy prices accordingly in each case. Based on these estimates, the cash flows are discounted in order to determine the liability or asset at the reporting date of the financial statements.

4. SUMMARY OF KEY ACCOUNTING PRINCIPLES**Significant Accounting Principles**

The key accounting principles adopted during the preparation of the attached financial statements are the following:

4.1 Intangible Assets

Intangible assets mostly comprise the software sales cost and all expenses realized in order to render the software operational. Depreciations of software are calculated based on the straight-line depreciation method for a period of three (3) years.

Upon initial recognition, the intangible assets acquired separately are recorded at cost. Intangible assets acquired as part of business combinations are recognized at fair value at the acquisition date.

Following initial recognition, the intangible assets are measured at cost less accumulated amortization and any impairment loss. Amortization is recorded based on the straight-line method during the useful life of the said assets.

The period and method of amortization is redefined at least at the end of every reporting period. Changes in the expected useful life of each intangible asset are accounted for as a change in accounting estimates.

(a) Software

Maintenance of software programs is recognized as an expense when the expense is realized. On the contrary, the costs incurred for improving or prolonging the return of software programs beyond their initial technical specifications, or respectively the costs incurred for the modification of the software, are incorporated in the acquisition cost of the intangible asset, only if they can be measured reliably.

4.2 Tangible Fixed Assets

Tangible fixed assets are recognized in the Financial Statements at acquisition values, less accumulated depreciation and any potential impairment losses. The acquisition cost includes all directly reimbursable costs incurred for the acquisition of these assets.

Subsequent expenses are recorded as an increase in the book value of tangible assets or as a separate asset only to the extent that the said expenses increase the future economic benefits, expected to arise from the use of the fixed asset and that their cost can be measured reliably.

Repairs and maintenance are booked as expenses during the year in which they are incurred.

Tangible fixed asset items are eliminated from the balance sheet on disposal or withdrawal or when no further economic benefits are expected from their continued use. Gains or losses resulting from the elimination of an asset from the balance sheet are included in the income statement of the fiscal year in which the fixed asset in question is eliminated.

Tangible fixed assets under construction include fixed assets under construction and are depicted at cost. Tangible fixed assets under construction are not depreciated until the fixed asset is completed and put into operation.

Depreciation of tangible assets is calculated according to the straight-line method using rates that approximate the relevant useful life of the respective assets. Useful life per category of fixed asset has as follows:

Tangible Assets	Useful life (in years)
Buildings and technical works	20-25
Machinery and technical facilities	4-20
Means of transportation	5
Furniture and fixtures	1-10

The useful lives of property, plant and equipment are subject to review at least at each end of every use.

When the book values of the tangible fixed assets are higher than their recoverable value, then the difference (impairment) is recorded directly as an expense in the Income Statement. Upon sale of tangible assets, the differences between the received consideration and their book value are recognized as profits or losses in the Income Statement.

Interest accrued on loans specifically or generally issued in order to finance the construction of tangible fixed assets is capitalized in the year when incurred, during the tangible assets construction period, provided that the recognition criteria are met.

4.3 Leases

Recognition and initial measurement of the right-of-use asset

The Company applies a single recognition and measurement approach for all leases (including short-term and low-value leases). The Company recognizes lease liabilities for lease payments and right-of-use assets representing the right to use the underlying assets.

At the lease period commencement date, the Company recognizes a right-of-use asset and a lease liability, measuring the right-of-use asset at cost, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of a low-value underlying asset. For these leases, the Company recognizes rentals as operating expenses using the straight-line method over the lease term.

The cost of the right-of-use asset comprises:

- the amount of the initial measurement of the lease liability (see below)
- any lease payments made at or before the commencement date, less any lease incentives received,
- the initial direct costs incurred by the lessee and
- an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Company undertakes the obligation for those costs either at the lease period commencement date or as a consequence of having used the leased asset during a particular period.

Initial measurement of the lease liability

At the lease period commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. When the interest rate implicit in the lease can be readily determined, the lease payments shall be discounted using the interest rate implicit in

the lease. If that rate cannot be readily determined, the Company shall use the Group's incremental borrowing rate.

At the lease period commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right-of-use asset during the lease term that are not paid at the lease commencement date:

1. fixed payments less any lease incentives receivable,
2. any variable lease payments that depend on the future change in index or a rate, initially measured using the index or rate as at the lease period commencement date
3. amounts expected to be payable by the Group under residual value guarantees,
4. the exercise price of a purchase option if the Company is reasonably certain to exercise that option and
5. payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

Subsequent measurement

Subsequent measurement of the right-of-use asset

After the lease period commencement date, the Company measures the right-of-use asset applying a cost model.

The Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any subsequent measurement of the lease liability.

The Company applies the requirements set in IAS 16 regarding the depreciation of the right-of-use asset, which it reviews for potential impairment.

Subsequent measurement of the lease liability

After the lease period commencement date, the Company measures the lease liability by:

1. increasing the carrying amount to reflect financial cost on the lease liability,
2. reducing the carrying amount to reflect the lease payments made, and
3. re-measuring the carrying amount to reflect any lease reassessment or modification.

Financial cost of a lease liability is allocated over the lease term in such a way that it results in a constant periodic rate of interest on the remaining balance of the liability.

After the lease period commencement date, the Company recognizes in profit or loss, (unless the costs are included in the carrying amount of another asset applying other applicable Standards), both:

1. financial cost of the lease liability, and
2. variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

The Company as lessor

Leases in which the Company is the lessor are classified as either finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the lease is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessee, it accounts for the master lease and sublease as two separate contracts. A sublease is classified as either a finance lease or an operating lease depending on the right-of-use asset arising from the head lease.

Revenue from operating leases is recognized on a straight-line basis over the term of the lease. The initial direct costs of negotiating and arranging an operating lease agreement are added to the carrying amount of the underlying asset and recognized using the straight-line method over the lease term.

Amounts due from lessees under finance leases are recognized as receivables in the amount of the Company's net investment in the finance lease. The finance income from the lease is allocated to the reporting periods to reflect the Company's constant periodic rate of return on its remaining net investment in the finance leases.

When the lease includes both leasehold and non-leasehold elements, the Company applies IFRS 15 in order to allocate the contract price to each element separately.

The aforementioned transactions bear the characteristics of an alternative form of sale, where the Company acknowledges the following:

- Income from the sale, which is recognized at the beginning of the lease period at the lower value between the fair value and the present value of the receivables to which the Company is entitled, discounted at an interest rate deemed appropriate based on market standards.
- Financial income recognized throughout the lease period from the subsequent measurement of the receivable at amortized cost.

The receivables recognized, as a result of the above contracts, are included in their long-term part in the "Other long-term financial receivables" item and in their short-term part in the "Advances and other receivables" item. At the same time, the collections of the related receivables and of the corresponding interest income are presented as inflows from investment activities.

4.4 Impairment of Non-Financial Assets

The book values of long-term assets are reviewed for impairment purposes when facts or changes in circumstances imply that the book value may not be recoverable. When the book value of an asset exceeds its recoverable amount, the respective impairment loss is recorded in the net earnings. The recoverable amount is defined as the largest between the fair value minus the sale cost and the value in use.

The fair value minus the sale cost is the plausible income from the sale of an asset, in which all parties have full knowledge and willingness, after the deduction of each additional direct sales cost for the asset, while the value in use consists of the net present value of future estimated cash flows expected to occur from the continuous use of the asset and from the income expected to arise from its sale at the end of its estimated useful life. In order to determine the impairment, the assets are grouped at the lowest level for which cash flows can be recognized separately.

Reversal of impairment losses on assets recognized in previous years takes place only when there are sufficient indications that such impairment no longer exists or it has been reduced. In these cases, the above reversal is treated as income in net profits.

The Management estimates that no impairment of the value of the assets of the Company will occur, consequently it has not calculated any recoverable amounts for its assets.

4.5 Inventory

Inventory includes spare parts and other material (Diesel). Inventory is valued at the lower of cost and

net realizable value.

Appropriate provisions are formed for obsolete inventory, if necessary. Impairment of inventory in net realizable value and other losses from inventory are recognized in profit or loss for the period in which they are incurred.

4.6 Financial instruments

I. Recognition and de-recognition

Financial assets and financial liabilities are recognized in the Statement of Financial Position when and only when the Company becomes a party to the financial instrument.

The Company ceases to recognize a financial asset when and only when the contractual rights in the cash flows of the financial asset expire or when the financial asset is transferred and all the risks and benefits associated with the specific financial asset are substantially transferred. A financial liability is de-recognized from the Statement of Financial Position when, and only when, it is repaid that is, when the commitment set out in the agreement is fulfilled, canceled or expires.

II. Classification and initial recognition of financial assets

With the exception of trade receivables that do not include a significant finance item and are measured at the transaction price in accordance with IFRS 15, other financial assets are initially measured at fair value by adding the relevant transaction cost except in the case of financial assets measured at fair value through profit or loss.

Financial assets, except those defined as effective hedging instruments, are classified into the following categories:

- Financial assets at amortized cost,
- Financial assets at fair value through profit & loss, and
- Financial assets at fair value through other comprehensive income without recycling cumulative profit and losses on de-recognition (equity instruments)

Classification of every asset is specified according to:

- the Company's business model regarding management of financial assets, and
- the characteristics of their conventional cash flows.

All income and expenses related to financial assets recognized in the Income Statement are included in the items "Other financial results", "Financial expenses" and "Financial income", except for the impairment of trade receivables included in operating results.

III. Subsequent measurement of financial assets

Financial assets at amortized cost

A financial asset is measured at amortized cost when the following conditions are met:

- I. Financial asset management business model includes holding the asset for the purposes of collecting contractual cash flows.
- II. Contractual cash flows of the financial asset consist exclusively of repayment of capital and interest on the outstanding balance ("SPPI" criterion).

Following the initial recognition, these financial assets are measured at amortized cost using the effective interest method. In cases where the discount effect is not significant, the discount is omitted. The amortized cost measured category includes non-derivative financial assets such as loans and receivables with fixed or pre-determined payments that are not traded on an active market, as well as cash and cash equivalents, trade and other receivables.

Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include the financial assets held for trade, the financial assets specified on the initial recognition at the fair value through profit or loss or the financial assets which must mandatorily be measured at their fair value.

Financial assets are classified as held for trade if they are acquired for sale or buy-back purposes in the near future. Derivatives, including incorporated derivatives are also classified as held for trade, unless they are defined as effective hedging instruments.

Financial assets with cash flows that do not only comprise payments for principal amount and interest are classified and measured at their fair value through profit or loss, regardless of the business model.

Financial assets classified at fair value through total income (equity instruments)

Pursuant to the relevant provisions of IFRS 9, at initial recognition, the Group may irrevocably choose to disclose to other profit or loss directly in equity the subsequent changes in the fair value of an equity investment that is not intended for trading purposes.

Profits and loss from these financial assets are never recycled to the income statement. Dividends are recognized as other income in the income statement when the payment entitlement has been proved, unless the Group benefits from such income as a recovery of part of the cost of the financial asset, then such profit is recognized in the statement of comprehensive income. Equity interests designated at fair value through total income are not subject to an impairment test. This option is effective for each equity instrument separately.

IV. Impairment of financial assets

The adoption of the IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets, as it replaced the treatment of IAS 39 for recognition of realized losses by recognizing the expected credit loss. Impairment is defined in IFRS 9 as an Expected Credit Loss (ECL), which is the difference between the contractual cash flows attributable to the holder of a particular financial asset and the cash flows expected to be recovered, i.e. cash deficit arising from default events, discounted approximately at the initial effective interest rate of the asset.

The Group and the Company recognize provisions for impairment for expected credit loss for all financial assets except those measured at fair value through profit or loss. The objective of the IFRS 9 impairment provisions is to recognize the expected credit loss over the lifetime of a financial instrument whose credit risk has increased since initial recognition, regardless if the assessment is made at a collective or individual level, using all the information that can be collected on the basis of both historical and present data, as well as data relating to reasonable future estimates of the financial position of customers and the economic environment.

In order to apply the above approach, a distinction is made among:

- Financial assets whose credit risk has not deteriorated significantly since initial recognition or which have a low credit risk at the reporting date (Stage 1) and for which the expected credit loss is

recognized for the following 12 months,

- Financial assets whose credit risk has deteriorated significantly since initial recognition and which have no low credit risk (Stage 2). For these financial assets, the expected credit loss is recognized up to their maturity.
- Financial assets for which there is objective evidence of impairment at the reporting date (Stage 3) and for which the expected credit loss is recognized up to maturity.

Trade receivables, other receivables and receivables under customers agreements

The Group and the Company applies the simplified approach of IFRS 9 to its trade and other receivables, as well as to receivables from on construction contracts and receivables from leases, by estimating the expected credit loss over the life of the above items. In this case, the expected credit loss represents the expected shortfall in the contractual cash flows, taking into account the possibility of default at any point during the life of the financial instrument. In calculating the expected credit loss, the Group uses a provisioning table by grouping the above financial instruments based on the nature and maturity of the balances and taking into account available historical data in relation to the debtors, adjusted for future factors in relation to the debtors and the economic environment.

4.7 Cash and Cash Equivalents

The Company considers term deposits and other highly liquid investments less than three months maturity as cash available.

For the purposes of preparing the cash flow statements, cash and cash equivalents consist of cash, banks savings accounts and cash and cash equivalents as defined above.

4.8 Financial Liabilities, Recognition and De-recognition

Financial liabilities are recognized in the Statement of Financial Position when, and only when, the Company becomes a party to the financial instrument.

The Company ceases to recognize a financial asset when and only when the contractual rights in the cash flows of the financial asset expire or when the financial asset is transferred and all the risks and benefits associated with the specific financial asset are substantially transferred.

A financial liability is de-recognized from the Statement of Financial Position when, and only when, it is repaid that is, when the commitment set out in the agreement is fulfilled, canceled or expires.

4.9 Provision for staff indemnities

According to Greek labor law, each employee is entitled to a lump-sum indemnity in case of dismissal or retirement. The amount of the indemnity depends on the length of service with the company and the employee's wages the day he/she is dismissed or retires. Employees that resign or are justifiably dismissed are not entitled to such indemnity.

The indemnity payable in case of retirement in Greece is equal to 40% of the indemnity calculated in case of dismissal.

Estimates for staff indemnity liabilities were determined through an actuarial study.

Further analysis of the provision for staff indemnity is provided in Note 15.

4.10 State-Sponsored Staff Pension Plans

The Company's staff is mainly insured in the State Social Insurance Fund for the private sector (EFKA) which provides pension and medical-pharmaceutical benefits. Each employee is required to contribute part of his/her monthly salary to the fund, while part of the total contribution is covered by the Company. At the time of retirement, the pension fund is responsible for the payment of retirement benefits to the employees. Consequently, the Company has no legal or constructive obligation for the payment of future benefits according to this plan.

4.11 Income Tax (Current and Deferred)

Income tax burden for the year consists of current tax, deferred tax and tax differences from previous years.

Current Income Tax

Current tax is calculated on the basis of the tax Statements of Financial Position of every company, included in the consolidated Financial Statements, according to the tax regulation effective in Greece or other tax frameworks under which the foreign subsidiaries operate. Expenditure on current income tax includes income tax that is based on the profits of each company as restated in its tax returns and provisions for additional taxes and is calculated according to the statutory or substantially statutory tax rates.

Deferred Income Tax

Deferred taxes are taxes or tax relief related to financial burdens or benefits accruing in the year but already been accounted for or to be accounted for by the tax authorities in different years.

Deferred income taxes are calculated using the liability method in temporary differences at the date of the financial statements between the tax base and the carrying amount of assets and liabilities. Deferred tax liabilities are recognized for taxable temporary differences.

Deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, when the transaction took place, did not affect either the accounting or the tax profit or loss.

Deferred tax assets are recognized to the extent that there will be a future taxable profit for the utilization of the temporary difference that gives rise to the deferred tax asset.

Deferred tax assets are measured at every reporting date of the financial statements and are reduced to the extent that it is unlikely that there will be sufficient taxable profits against which part or all of the deferred income tax assets may be used.

Deferred tax assets and obligations are calculated at the tax rates expected to be effective for the year in which the asset is incurred or the liability will be settled and are based on the tax rates (and tax laws) that are in effect or effectively in force as at the financial statements reporting date. In the event the time of reversing temporary differences cannot be clearly identified, the tax rate applicable on the next FY date of the Statement of Financial Position will be applied.

Income tax related to items, recognized in other comprehensive income, is also recognized in other comprehensive income.

4.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has present legal or imputed liabilities as a result of past events; their settlement is possible through resources' outflow and the exact liability amount can be reliably estimated. The provisions are reviewed on the reporting date of the Financial Statements and are reviewed and adjusted accordingly on every financial statements reporting date to reflect the present value of the expense expected for the settlement of the liability.

When the effect of the time value of money is significant, the provision is calculated as the present value of the expenses expected to be incurred in order to settle this liability.

If it is no longer probable that an outflow will be required in order to settle a liability for which a provision has been made, then it is reversed.

In cases where the outflow of economic resources due to current commitments is considered improbable or the provision amount cannot be reliably estimated, no liability is recognized in the financial statements. Contingent liabilities are not recognized in the financial statements but are disclosed unless the probability of an outflow of resources incorporating financial benefits is minimal. Potential inflows from economic benefits for the Group which do not meet the criteria of an asset are regarded as contingent assets and are disclosed when the inflow of the economic benefits is probable.

Provisions for rehabilitation of natural landscape

Concerning restoration of natural landscapes, the Company recognizes the provisions for dismantling of plants and the restoration of the surrounding area. Decommissioning and remediation provisions reflect the present value at the reporting date of the estimated cost less the estimated residual value of the recoverable materials. Provisions are reviewed at every reporting date of the Statement of Financial Position and are adjusted in order to reflect the present value of the expense, expected to be disbursed for settling the liability regarding decommissioning and remediation. The effect of discounting the estimated cost is recorded in the income statement as an interest expense.

Emissions obligation

Emissions are recognized based on the net obligation method according to which the Company recognizes an obligation from emissions when the actual emissions exceed the emission rights allocated by the European Union. The amount is measured at fair values to the extent that the Company has the obligation to cover the deficit through purchases. Rights purchased in excess of those required to cover deficits are recognized as intangible assets at cost.

4.13 Revenues recognition

Revenues are recognized to the extent that it is possible that the economic benefits will result for the Company and that the relevant amounts can be accurately measured. The following specific recognition criteria must also be met for the recognition of revenue.

(i) Revenues from the sale of Electricity & Natural Gas.

It refers to revenue from contracts with customers arising from performance commitments that are fulfilled over time. Revenues from the sale of Electricity & Natural Gas are considered within the year they are realized. During the preparation of the financial statements, they are considered to be payable non-invoiced revenues from the sale of electricity to the ENERGY EXCHANGE GROUP (EnEx), as well as the revenues from electricity purchased by EnEx, which have not yet been invoiced.

In order to reduce its exposure to the changes in energy prices in the specific market, the Company uses derivative instruments. The product of the settlement of these derivatives is included in the income from the sale of electricity.

(ii) Dividends

Dividends are accounted for, when the right to collect them is finalized. It is possible that the financial benefits associated with the transaction will flow to the entity and the amount of revenue can be calculated reliably.

(iii) Interest

Revenues from interest are recognized on an accrual basis.

(iv) Income from rentals

It refers to income from contracts with customers and arises from implementation commitments that are fulfilled over time. Rental income (operating leases) is recognized using the straight-line method according to the terms of the lease.

4.14 Agreement acquisition cost

According to the IFRS 15, the costs for acquiring an agreement is the cost undertaken by an entity in order to acquire an agreement with a customer. To the extent the entity is expected to recover such costs, it can recognize an asset and amortize it according to the recovery rate of the benefits of the agreement with the customer. In any different case, these costs are entered as expenses in the fiscal year. In performance of the above, the Company capitalizes the agent's procurement cost, also known as "Agency costs". More specifically, the Company uses agents/intermediaries in order to promote sales. First-connection success fees are capitalized and amortized with regard to the annual customers-recycling rate. This sum is depicted in the "Other Long-term receivables" item in the Statement of Financial Position.

4.15 Derivative financial instruments (derivatives) and hedging accounting

In the context of risk management, the Company uses:

- derivative financial instruments to hedge the risk of change in electricity and natural gas prices (options, forward contracts for the sale of electricity)
- fixed for floating swap contract derivatives to hedge the risks associated with the future fluctuation of income variables.

These derivative financial instruments are initially recognized at their fair value at the date of the contract and are subsequently measured at their fair value. Changes in the fair value of financial derivative instruments are recognized at every reporting date either in the Statement of Comprehensive Income, depending on the extent, to which the derivative financial instrument meets the requirements of hedge accounting and, if so, according to the nature of the hedging object.

On the transaction date, the Company records the relationship between the hedging instrument and the hedging item, as well as the risk management objective and risk hedging transaction strategy. The Company also records both - when creating the hedging transaction and afterwards – the extent to which the instruments used in these changes are effective in offsetting fluctuations in the cash flows of hedging items.

Derivative financial products are measured at fair value at the reporting date and the changes are recognized in the income statement. The fair value of these derivatives is determined primarily on a market value and is confirmed by the counterparty credit institutions.

A hedging relation is suitable for the hedging accounting when the following criteria are met:

- the hedging relationship includes only eligible hedging instruments and eligible hedged items.
- at the inception of the hedging relationship there is a formal determination and documentation of the hedging relationship and the entity's risk management objective and its hedging strategy. The documentation includes determination of the hedging instrument, the hedged item, the nature of the hedged risk and the manner in which the entity will assess whether the hedging relationship meets the effectiveness requirements (including an analysis of the sources of inefficiency of the hedge and the determination of the hedging factor).
- the hedging relationship covers all the following efficiency requirements: (a) there is an financial relationship between the hedged item and the hedging instrument, (b) the effect of the credit risk does not override the changes in value arising from this financial relationship and (c) the hedging rate of the hedging relationship is the same resulting from the amount of hedged item actually hedged by the entity and the amount of the hedging instrument the entity actually uses to offset this amount of hedging item.

The component of changes in fair value that is attributable to effective risk hedging is recognized in equity.

Any gain or loss arising from changes in fair value attributable to non-effective risk hedging is recognized directly in the Statement of Comprehensive Income in the item "Net financial Income/ (Expenses)". Cumulative amounts in equity are recycled through the Statement of Comprehensive Income to the income statement, in the periods in which the hedged item affects the income statement (when the projected hedged transaction is taking place).

Hedge accountancy is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when the hedge no longer meets the hedge accountancy criteria.

The cumulative amount of gains or losses recognized directly in equity until that date remains in the reserves until the hedged item affects the Statement of Comprehensive Income. In the event that a hedged transaction is no longer expected to be realized, the net accumulated gains or losses recorded in the reserves are directly transferred to the Statement of Total Comprehensive Income.

4.16 Share capital, reserves and distribution of dividends

Common registered shares are recorded as equity. Costs directly attributable to a component of equity net of tax effect, are monitored as a deduction to the Balance of Retained Earnings in equity. Otherwise, this amount is recognized as an expense in the period in question.

In cases when the Company or its subsidiaries acquire part of the Company's share capital (treasury shares), the amount paid, including any expense, net of tax, is deducted from equity until the shares are cancelled or sold. The number of treasury shares held by the Company does not reduce the number of shares in circulation but affects the number of shares included in the calculation of earnings per share. Treasury shares held by the Company do not incorporate a right to receive a dividend.

In particular, the reserves are divided into:

Statutory reserve

In compliance with the Greek Commercial Law, companies shall transfer at least 5% of their annual net profits to a statutory reserve until such reserve equals 1/3 of the paid-up share capital. This reserve cannot be distributed during the Company's operations.

Other reserves

The category of other reserves comprises:

(1) Actuarial gains/(losses) from defined benefit pension schemes arising from (a) empirical adjustments (the effect of differences between previous actuarial assumptions and those eventually occurring) and (b) changes in actuarial assumptions.

(2) Changes in fair value of investments classified as equity investments.

(3) Reserves formed based on the expenses recognized by the Company and the Group from services acquired in exchange for shares (equity settled transactions) or stock options.

4.17 Government grants

Government grants are recognized at fair value, when there is reasonable assurance that the grant will be collected and the Company will comply with all relevant conditions.

Government grants related to the grants for tangible fixed assets are recognized, when there is reasonable assurance that the grant will be collected and all relevant conditions will be met. These grants are recorded as deferred income Account and are transferred to the income statement during the period based on the expected useful life of the asset, for which the grant was received.

Government grants, relating to expenses, are recorded in transit Accounts and recognized in the income statement over the period necessary to balance the expenses they are intended to compensate.

4.18 Employee benefits

Short-term benefits: Short-term employee benefits (except for termination of employment benefits) in cash and in kind are recognized as an expense when deemed accrued. Any unpaid amount is recorded as a liability, whereas in case the amount already paid exceeds the benefits' amount, the entity identifies the excessive amount as an asset (prepaid expense) only to the extent that the prepayment shall lead to a future payments' reduction or refund.

Retirement Benefits: Benefits following termination of employment include lump-sum severance grants, pensions and other benefits paid to employees after termination of employment in exchange for their service. The Group's liabilities for retirement benefits cover both defined contribution plans and defined benefit plans. The defined contribution plan's accrued cost is recognized as an expense in the period to which it relates. Pension plans adopted by the Group are partly financed through payments to insurance companies or state social security funds.

(a) Defined Contribution Plan

Defined contribution plans pertain to contribution payment to Social Security Organizations and therefore, the Group does not have any legal obligation in case the Fund is incapable of paying a pension to the insured person. The employer's obligation is limited to paying the employer's contributions to the Funds. The payable contribution by the Group in a defined contribution plan is identified as a liability after the deduction of the paid contribution, while accrued contributions are recognized as expenses in the income statement.

(b) Defined Benefit Plan (non-funded)

Under Laws 2112/20 & 4093/2012, the Company must pay compensation to its employees upon their dismissal or retirement. The amount of compensation paid depends on the years of service, the level of wages and the way of leaving service (dismissal or retirement). The entitlement to participate in

these plans is carried out through the distribution of benefits in the last 16 years until the date of retirement of employees following the scale of Law 4093/2012.

The liability recognized in the Statement of Financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserves from payments to an insurance company), the changes deriving from any actuarial profit or loss and the previous service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method. Regarding FY 2024, the selected interest rate follows the tendency of European Bonds of 10-year maturity as at December 31 2024, which is regarded as consistent with the provisions of IAS 19, i.e. is based on bonds corresponding to the currency and the estimated term relative to employee benefits as well as appropriate for long-term provisions.

A defined benefit plan establishes, based on various parameters, such as age, years of service and salary, the specific obligations for payable benefits. Provisions for the period are included in the relative staff costs in the accompanying separate and consolidated Income Statements and comprise the current and past service cost, the relative financial cost, the actuarial gains or losses and potentially arising additional charges. Regarding unrecognized actuarial gains or losses, the revised IAS 19 is applied, which includes a number of changes to accounting treatment of defined benefit plans, including as follows:

- i. recognition of actuarial gains/losses in other comprehensive income and their permanent exclusion from the Income Statement,
- ii. non-recognition of the expected returns on the plan investment in the Income Statement but recognition of the relative interest on net liability/(asset) of the benefits calculated based on the discount rate used to measure the defined benefit obligation,
- iii. recognition of past service cost in the Income Statement at the earliest between the plan modification date or when the relative restructuring or terminal provision are recognized,
- iv. other changes include new disclosures, such as quantitative sensitivity analysis.

5. INTANGIBLE ASSETS

The intangible assets of the Company and their movement for the periods 1 January to 31 December 2025 and 2024, presented in the attached financial statements, are analyzed as follows:

<u>Acquisition Value</u>	2025	2024
Balance 1st January	9,008	7,359
Additions	2,170	1,649
Transfers	65	0
Balance 31st December	11,243	9,008
<u>Accumulated amortization and impairments</u>		
Balance 1st January	(6,750)	(5,702)
Amortization	(1,261)	(1,048)
31st December	(8,011)	(6,750)
<u>Net book value</u>		

Balance 31st December**3,232****2,258**

Depreciation in the current financial year has been recognized in the Cost of Sales Account by € 800 thousand and in the Administrative and Disposal Expenses Account by € 461 thousand (€ 925 thousand and € 124 thousand respectively for the year 2024).

6. TANGIBLE ASSETS

The tangible assets of the Company and their movement for the periods January 1 to December 31, 2025 and 2024, in the attached financial statements, are analyzed as follows:

	Land-plots	Buildings	Machinery	Vehicles	Other	Fixed assets under construction	Total
Acquisition cost							
Balance 1st January 2025	2,385	35,491	319,328	32	3,426	4,478	365,140
Additions	0	36	1,594	43	244	66	1,983
Cost of goods sold/tangible assets write-off	0	0	0	0	0	(3)	(3)
Transfers	0	408	3,862	0	9	(4,344)	(65)
Balance 31st December 2025	2,385	35,935	324,784	75	3,679	197	367,055
Accumulated depreciation and impairments							
Balance 1st January 2025	0	(26,966)	(250,439)	(22)	(2,936)	0	(280,362)
Depreciation	0	(913)	(14,612)	(4)	(244)	0	(15,773)
Balance 31st December 2025	0	(27,879)	(265,051)	(26)	(3,180)	0	(296,136)
Net book value							
Balance 31st December 2025	2,385	8,056	59,733	49	499	197	70,919
Acquisition cost							
Balance 1st January 2024	2,385	35,417	323,211	22	3,238	76	364,349
Additions	0	74	369	10	188	4,402	5,043
Cost of goods sold/tangible assets write-off	0	0	(4,252)	0	0	0	(4,252)
Balance 31st December 2024	2,385	35,491	319,328	32	3,426	4,478	365,140

Accumulated depreciation and impairments

Balance 1st January 2024	0	(26,024)	(239,648)	(22)	(2,658)	0	(268,351)
Depreciation	0	(942)	(13,501)	0	(278)	0	(14,721)
Sales/Tangible assets write-off	0	0	2,710	0	0	0	2,710
Balance 31st December 2024	0	(26,966)	(250,439)	(22)	(2,936)	0	(280,362)
Net book value							
Balance 31st December 2024	2,385	8,525	68,889	10	490	4,478	84,778

Depreciation in the fiscal year 2025 correspond to € 15,773 thousand (€ 14,722 thousand in the year 2024) and has been recorded in the Statement of Comprehensive Income in the Cost of goods sold by € 15,663 thousand (€ 14,620 thousand in the year 2024) and in the Administration and Distribution Expenses by € 110 thousand (€ 102 thousand in the year 2024).

The Company, for the calculation of depreciation, examines the useful life and residual value of tangible assets at each reporting period, considering technological, institutional and economic developments, as well as experience from their exploitation.

For these properties, no real encumbrances or liens were registered for the fiscal years 2025 and 2024.

7. RIGHT-OF-USE ASSETS

The right-of-use fixed assets and their movement for the periods 1 January to 31 December 2025 and 2024 presented in the attached financial statements are analyzed as follows:

	Fields-Plots	Buildings-Facilities	Vehicles	Other	Total
Acquisition cost					
Balance 1st January 2025	0	1,830	737	601	3,168
Additions for the period	0	1,168	426	214	1,808
Termination of contracts	0	(21)	(21)	0	(42)
Balance 31st December 2025	0	2,977	1,142	815	4,934
Accumulated depreciation and impairments					
Balance 1st January 2025	0	(916)	(211)	(587)	(1,714)
Depreciation	0	(810)	(272)	(20)	(1,102)
Termination of contracts	0	19	7	0	26
Balance 31st December 2025	0	(1,707)	(476)	(607)	(2,790)
Net book value					
Balance 31st December 2025	0	1,270	666	208	2,144
	Fields-Plots	Buildings-	Vehicles	Other	Total

	Facilities				
Acquisition cost					
Balance 1st January 2024	980	3,507	1,039	435	5,961
Additions for the period	0	387	344	166	897
Termination of contracts	(980)	(2,064)	(646)	0	(3,690)
Balance 31st December 2024	0	1,830	737	601	3,168
Accumulated depreciation and impairments					
Balance 1st January 2024	(126)	(2,192)	(688)	(408)	(3,415)
Depreciation	0	(490)	(72)	(179)	(741)
Termination of contracts	126	1,767	549	0	2,442
Balance 31st December 2024	0	(916)	(211)	(587)	(1,714)
Net book value					
Balance 31st December	0	914	526	14	1,454

Depreciation in the financial year 2025 corresponds to € 1,102 thousand (€ 741 thousand for 2024) and have been recorded in the Statement of Comprehensive Income by € 84 thousand (€ 225 thousand for 2024) in the Cost of goods sold and in the Administrative and Distribution Expenses by € 1,018 thousand (€ 516 thousand for 2024).

8. PARTICIPATIONS IN SUBSIDIARIES

Analysis of movements in investments in subsidiaries for the year 2025

The change in the book value of investments in subsidiaries presented in the attached financial statements is analyzed as follows:

	2025	2024
Balance 1st January	45,121	44,321
Additions	0	800
Sale	(500)	0
Balance 31st December	44,621	45,121

On March 10, 2025, the Company proceeded with the sale of 100% of the company "SUSTAINABLE ENERGY SOLUTIONS SINGLE MEMBER S.A." with the distinctive title "SUSTAINABLE ENERGY SOLUTIONS" to the company "GEK TERNA S.A.".

The additions of € 800 thousand made within the 2024, concern in particular:

- The increase of the Share Capital of the company under the name "FAETHON SH.P.K." by an amount of € 300 thousand euros.
- The establishment of a new company in Greece under the name "SUSTAINABLE ENERGY SOLUTIONS S.M.S.A." with 100% shareholder the company "HERON SOCIETE ANONYME ENERGY SERVICES

COMPANY," through the contribution of initial share capital amounting to € 500,000 and the issuance of 10,000 common registered shares, with a nominal value of fifty euros (€50) each, with the incorporation date set for November 6, 2024.

9. INVESTMENTS IN EQUITY SECURITIES

The investments in equity securities presented in the attached financial statements pertain to a participation of € 10,000 in the non-profit Hellenic Association of Independent Power Producers (HAIPP), which aims to collectively promote all issues related to the production and sale of electricity by independent producers. This company was established in March 2010 and the Company participates with a 16.67% share in its capital. Additionally, the Company holds participation in the non-profit Hellenic Association of Energy Suppliers (ESPEN) with a contribution amount of € 5 thousand.

10. OTHER LONG-TERM RECEIVABLES

The account "Other long-term receivables" as of 31.12.2025 and 31.12.2024 in the attached financial statements is analyzed as follows:

	31.12.2025	31.12.2024
Loans to subsidiaries, joint ventures and other related parties	0	22,500
Guarantees granted	199	152
Other long-term financial receivables	0	5,438
Agents' commission cost	33,376	34,363
Prepaid leases	66	76
Total	33,641	62,529

The Account "Loans to subsidiaries, joint ventures and other related parties" refers to the issuance of a Common Bond Loan to the parent company, totaling € 25,000 thousand, bearing an interest rate of 1.50% plus Euribor. On 09/09/2025, the above loan was fully and completely repaid.

The Account "Agents' commission cost" relates to the cost of commission of agents, also known as brokerage fees. The change of the account "Agents cost of commission" Account is analyzed as follows:

	2025	2024
Agents' commission cost		
Balance 1st January	34,363	24,219
Capitalized cost	24,108	18,914
Cost recognized as expenses (see Note 27)	(25,095)	(8,770)
Balance 31st December	33,376	34,363

11. INVENTORY

The Account "Inventory" on December 31st 2025 and on 31st December 2024 in the attached financial statements is analyzed as follows:

31.12.2025	31.12.2024
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Fixed assets spare parts	6,852	6,563
Consumables (mainly oil)	3,632	3,632
Merchandise	44	72
Inventory impairments	(1,448)	(1,448)
Total	9,080	8,819

The amount of € 3,632 thousand in "Consumables (mainly oil)" (€3,632 thousand for 2024) concerns an oil inventory storage in accordance with the amendment of RAE Decision No. 672/2022.

As of December 31, 2025 there was no need to create an additional provision for depreciated or slow-moving inventory. The existing provision was formed as a result of the merger of HERON II THERMOELECTRIC STATION VIOTIA S.A. absorbed by HERON SOCIETE ANONYME ENERGY SERVICES, which took place during fiscal year 2023.

The inventories are not burdened with liens.

12. TRADE RECEIVABLES

The "Trade receivables" of the Company on 31.12.2025 and on 31.12.2024, in the attached financial statements, are analyzed as follows:

	31.12.2025	31.12.2024
Customers – Public Entities (Operators)	1,204	4,591
Customers – Individuals and private companies	279,397	328,887
Post-dated check receivable	10,894	9,153
Provision for expected credit losses	(118,064)	(88,671)
Total	173,431	253,960

The above trade receivables also include receivables from related parties amounting to € 30,245 thousand (€ 34,342 thousand as of 31/12/2024).

The receivables, invoiced to public companies include receivables from the Independent Power Transmission Operator (IPTO) of a total value of € 401 thousand (€ 401 thousand as of 31/12/2024), from the Renewable Energy and Guarantees of Origin Administrator (DAPEEP, former LAGIE) of a total value of € 489 thousand (€ 477 thousand as of 31/12/2024), from the Hellenic Electricity Distribution Network Operator (HEDNO) of a total value of € 0 thousand (€ 2,896 thousand as of 31/12/2024), and receivables from other public entities of a total value of € 313 thousand (€ 816 thousand as of 31/12/2024). The other receivables concern private customers in the categories of low, medium and high voltage electricity as well as other services.

The Company holds the trade and other short-term receivables aiming at collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method. Trade and other receivables that are interest free are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts, whereas those with a significant financing component are initially recognized at their fair value.

Given the application of the simplified approach of the IFRS 9, the Company calculates the expected credit loss always at an amount that represents cash flows shortfalls throughout the lifetime of financial receivables, weighed against the risk of default. Consequently, trade receivables and other short-term receivables are classified either at stage 2 or at stage 3.

To measure the expected credit loss (ECL), trade and other short-term receivables have been grouped based on the credit characteristics and their ageing (days past due) on the reporting date. Measurement of ECL is based on specific credit risk metrics (i.e. Probability of Default-PD, Loss Given Default-LGD), which are calculated based on historical data, existing market conditions as well as forward looking estimates at the end of each reporting period.

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit worthiness and solvency and thus to define such customer's credit limits. Credit limits are reviewed on a periodical basis.

There has been no change in the assessment techniques or significant assumptions made for the ECL assessment during the current reporting period.

The following tables depict the credit risk profile of trade receivables and other short-term receivables based on the Company's provision matrix. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segment, the provision for expected credit loss is based on the days past due status and is not distinguished at a further level.

31 December 2025	Non-past due balance	0-180 days	181-365 days	365 days and more	Total
Expected credit loss rate	0.00%	15.27%	46.44%	80.10%	40.50%
Expected amount to be collected	70,391	79,520	22,241	119,343	291,495
Lifetime Expected credit loss	(1)	(12,144)	(10,329)	(95,592)	(118,064)
Total	70,392	67,376	11,912	23,751	173,431

31 December 2024	Non-past due balance	0-180 days	181-365 days	365 days and more	Total
Expected credit loss rate	4.58%	7.50%	22.97%	64.58%	17.19%
Expected amount to be collected	111,474	99,035	25,115	107,007	342,631
Lifetime Expected credit loss	(6,368)	(7,430)	(5,768)	(69,105)	(88,671)
Total	105,106	91,605	19,347	37,902	253,960

The Company applies the simplified approach of IFRS 9 in order to calculate the expected credit loss of trade and other short-term receivables, which it classifies either at Stage 2 or at Stage 3.

31.12.2025	
Stage 2	Stage 3

Expected credit loss percentage	13.71%	79.15%
Expected amount to be collected	172,152	119,343
Lifetime Expected credit loss	23,608	94,456

	31.12.2024	
	Stage 2	Stage 3
Expected credit loss percentage	16.68%	81.01%
Expected amount to be collected	279,525	63,106
Lifetime Expected credit loss	37,549	51,122

The movement of impairment of trade receivables in the fiscal year is analyzed as follows:

	2025	2024
Balance 1st January	88,671	72,207
Gain / (Loss) from trade receivables impairment (Note 29)	33,746	16,464
Credit loss provision recovery	(4,353)	0
Balance at 31st December	118,064	88,671

The Company, in order to safeguard its operations against contingent losses from trade receivables, receives prepayments from its customers. The amount of such prepayments in the year 2025 settled at € 19,500 thousand (€21,128 thousand in 2024 – see Note 19).

13. ASSETS FROM CONTRACTS WITH CUSTOMERS

The Company's "Assets from contracts with customers" as of 31.12.2025 and 31.12.2024, in the attached financial statements, are analyzed as follows:

	31.12.2025	31.12.2024
Non-invoiced receivables - Individuals and private companies	138,082	165,322
Non-invoiced receivables – State Owned Companies	59,074	60,743
Provision for expected credit losses	0	(9,088)
Total	197,156	216,977

The above trade receivables also include receivables from related parties amounting to € 4,467 thousand (€ 1,752 thousand as of 31/12/2024).

The receivables, non-invoiced to State-owned companies, include receivables from the Renewable Energy and Guarantees of Origin Administrator (DAPEEP, former LAGIE) with a total value of € 21,358 thousand (€ 17,728 thousand as of 31/12/2024), from the Hellenic Electricity Distribution Network Operator (HEDNO) with a total value of € 37,716 thousand (€ 43,015 thousand as of 31/12/2024), and receivables from other public sector bodies with a total value of € 761 thousand (€ 0 thousand as of

31/12/2024). The remaining non-invoiced receivables relate to private customers with regard to low, medium and high voltage electricity as well as other services.

The impairment movement of assets from contracts with customers for use is analyzed as follows:

	2025	2024
Balance 1st January	9,088	8,938
Gain / (Loss) from trade receivables impairment (Note 29)	0	150
Credit loss provision recovery	(9,088)	0
Balance at 31st December	0	9,088

14. OTHER RECEIVABLES

"Other receivables" on 31 December 2025 and 31 December 2024 in the attached financial statements are analyzed as follows:

	31.12.2025	31.12.2024
VAT to be refunded - offsetting	67,964	38,196
Prepaid expenses	5,481	5,192
Receivables from joint venture members, associates and other related parties	8,800	22,362
Short-term part of long-term loans granted	0	2,766
Receivables from Administrators	46,148	0
Advance payments from suppliers	10,310	11,874
Other receivables	520	527
Total	139,223	80,917

The "Receivables from Administrators" account recognizes receivables from final cash settlements by the Administrator for previous years. The account "Receivables from joint venture members, associates and other related parties" includes an outstanding short-term receivable from a related company arising from the sale of an Open Cycle Gas Turbine (OCGT) power plant with a nominal capacity of 147 MW. The Account "Short-term part of long-term loans granted" during the year 2024 referred to the short-term part of the Common Bond loan granted to the parent company, with a total amount of € 25,000 thousand, with an interest rate of 1.50% plus Euribor, which on 09/09/2025 was fully and completely repaid.

15. CASH AND CASH EQUIVALENTS

The Cash and cash equivalents of the Company on December 31, 2025 and December 31, 2024 in the attached financial statements, are analyzed as follows:

	31.12.2025	31.12.2024
Cash at hand	11	9
Sight deposits	57,221	44,656

Total	57,232	44,665
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Cash and cash equivalents consist primarily of cash held by the Company in domestic systemic banks. There are no cash and cash equivalents in foreign currency.

16. PROVISION FOR STAFF INDEMNITIES

According to the Greek labor law, every employee is entitled to a lump-sum indemnity in case of dismissal or retirement. The amount of indemnity depends on the past service time and the salary of the employee on the day of his dismissal or retirement. Employees that resign or are justifiably discharged are not entitled to any indemnity. The indemnity payable in case of retirement in Greece is equal to 40% of the amount which would be payable upon dismissal without justifiable cause.

Estimates for staff retirement indemnities were determined through an actuarial study where the Projected Unit Credit Method was used. The tables below present the composition of the expenditure for the relevant provision recognized in the statement of comprehensive income of the year ended on December 31st 2025 and the movement of the relevant provisions account for staff retirement indemnities presented in the attached Statement of Financial Position of the year ended on December 31st, 2024.

The expense for staff retirement indemnities was recognized in the Income Statement and is analyzed as follows:

	31.12.2025	31.12.2024
Current service cost	55	44
Financial cost (Note 32)	5	4
Cost of terminal benefits	47	33
Recognition of actuarial (profit)/loss	14	4
Total	121	85

The movement of the relevant provision in the Statement of Financial Position is as follows:

	2025	2024
Balance 1st January	193	154
Provision recognized in the results for the year	107	81
Provision recognized in other comprehensive income	14	4
Benefits paid within the current year	(47)	(46)
Transfers	(15)	0
Balance 31st December	252	193

The main actuarial assumptions for the fiscal years 2025 and 2024 have as follows:

	2025	2024
Discount rate	2.80%	2.78%
Future wage increases	2.50%	2.50%

Inflation	2.00%	2.00%
Movement of salaried / wage-based workers (departure under their own will)	Table 1	Table 1
Mortality	EVK 2000	EVK 2000
Years of Service	Rate of Exit	
From 0 to 1 year	1.50%	
From 1 to 5 years	1.00%	
From 5 to 10 years	0.50%	
From 10 years and above	0.00%	

17. OTHER PROVISIONS

The Company has formed a provision for the dismantling expenses of the electricity power plant that are expected to occur after the termination of the plant's operation, based on its contractual obligation. The estimated provision is based on the expected cash flows required for fulfilling this obligation at the year end. This amount was then increased by the average estimated expected rate of inflation and discounted according to the necessary discount rate. This provision is increased from last year due to a one-year maturity and there was no change in the amount of the future flow.

The movement of the relevant other provisions in the Statement of Financial Position for the years 2025 and 2024 is as follows:

	2025	2024
Balance at 1st January	2,036	2,331
Interest from provisions recognized in the Net Results	177	163
Unused provisions recognized in results	0	(458)
Balance at 31st December	2,213	2,036

The Account "Unused provisions recognized in results" in the year 2024 referred to a decommissioning provision formed for a power generation unit, which was not utilized due to the sale of the unit during the 2024 financial year. Specifically, it related to the sale of a 147 MW Open Cycle Gas Turbine (OCGT) power plant.

18. SUPPLIERS

The account "Suppliers" is analyzed as follows on December 31st 2025 and on December 31st 2024, in the attached financial statements:

	31.12.2025	31.12.2024
Electricity and natural gas suppliers	25,814	63,917
Electricity production suppliers	7,506	9,572
Electricity local portfolio management suppliers	3,526	1,418
Other suppliers	7,882	7,060
Total	44,728	81,967

Suppliers mainly include liabilities to the Independent Power Transmission Operator (IPTO) of €10 thousand (€2,418 thousand in 2024), the Renewable Energy and Guarantees of Origin Administrator (DAPEEP, former LAGIE) of a total value of €10 thousand (€9,089 thousand in 2024) and the Energy Exchange Transactions Clearing Company Single Member S.A. (EnExClear) of a total value of €1,080 thousand (€5,770 thousand in 2024), also towards the Hellenic Electricity Distribution Network Operator (HEDNO) of approximately €15,806 thousand (€24,992 thousand in 2024) and to the Deposits and Loans Fund of €572 thousand (€327 thousand in 2024). Also, the item includes an amount of € 7,872 thousand that the Company owes to municipalities and which concerns municipal fees, with the corresponding liability of 2024 amounting to € 16,119 thousand.

19. ACCRUED AND OTHER LIABILITIES

The accrued and other liabilities (long-term and short-term) on December 31, 2025 and December 31, 2024 in the attached financial statements are analyzed as follows:

	31.12.2025	31.12.2024
Sundry Creditors	66,616	60,611
Customer Advances	19,500	21,128
Liabilities from taxes-duties	2,955	2,696
Insurance agencies	517	487
Other short-term liabilities	39,528	1,201
Advance payments received from sale of participations	25,100	0
Accrued Expenses	149,886	125,864
Total	304,102	211,987

"Sundry Creditors" include Municipal Duties of € 59,912 thousand (€ 53,411 thousand in 2024) and reciprocal charges paid to ERT of € 6,175 thousand (€ 6,713 thousand in 2024), which the Company collects from low, medium and high voltage customers and pays to Municipalities and ERT respectively. It also includes personnel salaries payable of € 529 thousand (€ 488 thousand in 2024).

The account "Customer Advances" includes guarantees received from retail customers of € 19,500 thousand (€ 21,128 thousand in 2024). The item "Other short-term liabilities" includes dividends payable to shareholders of € 38,500 thousand based on the Extraordinary General Meeting of Shareholders on 23/12/2025. The item "Advance payments received from the sale of participations" includes advances of € 25,100 thousand in relation to the sale of participations for which the approval of a "Transfer Agreement for Common Registered Unlisted Shares" was made according to the Extraordinary General Meeting of Shareholders on 23/12/2025.

The account "Accrued expenses" includes: accrued cost of Natural Gas of € 23,945 thousand (€ 24,734 thousand in 2024), charges from IPTO of € 38,695 thousand (€ 68,353 thousand in 2024), charges from DAPEEP of € 6,912 thousand (€ 3,381 thousand in 2024), charges from HEDNO of € 15,668 thousand (€ 14,381 thousand in 2024), charges from the Energy Exchange Transactions Clearing Company Single Member S.A. (EnExClear) of € 3,857 thousand (€ 6,206 thousand for 2024), charges from intermediaries of € 3,082 thousand (€ 3,495 thousand in 2024) and other accrued expenses of € 5,042 thousand (€ 5,227 thousand in 2024) as well as the accrued production cost relating to the accrued cost of CO2

emission rights which amounted to € 52,684 thousand during the financial year 2025 because they were not purchased on spot, as it was the case in the financial year 2024, when the accrued cost amounted to € 0 thousand.

20. LIABILITIES FROM LEASES

Liabilities from leases on December 31, 2025 and December 31, 2024 in the attached financial statements are analyzed as follows:

2025	Long-term part	Short-term part
Balance 1st January	542	732
Liabilities under new contracts	1,805	0
Transfer of short-term part of long-term liabilities	(122)	122
Outflows / (payments) for capital	(869)	0
Interest payments	76	0
Write-offs / Termination of leases	(15)	0
Balance 31st December	1,417	854

2024	Long-term part	Short-term part
Balance 1st January	1,923	828
Liabilities under new contracts	898	0
Transfer of short-term part of long-term liabilities	(634)	634
Outflows / (payments) for capital	(1,042)	0
Interest payments (Note 26)	79	0
Write-offs / Termination of leases	(682)	(730)
Balance 31st December	542	732

The repayment period of the liabilities from financial leases is analyzed in the following table:

	31.12.2025	31.12.2024
Up to 1 year	854	732
2-5 years	1,417	540
Over 5 years	0	2

21. LOAN LIABILITIES

LONG-TERM LOAN LIABILITIES

Long-term loans as of December 31, 2025 and December 31, 2024, in the attached financial statements, are analyzed as follows:

	31.12.2025	31.12.2024
Long-term loans	155,342	155,446
Minus: Long-term loan liabilities due within the next 12 months	(155,087)	0
Total	255	155,446

The following table presents the movement of long-term loans in the period:

	2025	2024
Balance 1st January	155,446	0
Outflows / (payments) for capital	0	105,446
Capital payment	(191)	
Loan Interest in the financial results (Note 31)	6,208	1,230
Payments of interest for the period	(5,941)	(1,230)
Transfer from short-term to long-term borrowings	0	50,000
Balance 31st December	155,342	155,446

In the third quarter of 2024, the Company entered into a Common Bond Loan agreement of € 100,000 thousand, with the right to repay the full amount at the loan's maturity date, which is in two years. On 19 December 2024, an amount of € 50,000 thousand from the Company's current account held with the same financial institution was converted into a Common Bond Loan of a total amount of € 55,000 thousand, with an additional € 5,000 thousand disbursed on that date. The full amount is repayable at the loan's maturity date, which is in two years.

As of 31.12.2025, the balance of the Common Bond Loan was transferred to the short-term liabilities in the account "Long-term loan liabilities due within the next 12 months" given the fact that it would expire in less than 12 months.

SHORT-TERM LOAN LIABILITIES

The following table presents the movement of short-term loans in the period:

	2025	2024
Balance 1st January	2,977	69,127
Outflows / (payments) for capital	(2,800)	(14,800)
Loan Interest in the financial results (Note 31)	92	4,198
Payments of interest	(269)	(5,548)
Transfer from / (to) other short-term liabilities	0	(50,000)
Balance 31st December	0	2,977

The account “Outflows/(payments)” of capital during the financial year 2025 mainly relates to the following:

- i. The capital repayments amounting to € 2,800 thousand in relation to the short-term loan that was granted as Credit by Optima Bank SA based on an open current account. The interest rate of the short-term loan is 3-month Euribor plus margin (3.5%) plus a Charge Factor (0.60%). This short-term loan had been fully repaid by 30/09/2025.

The account “Outflows/(payments)” of capital during the financial year 2024, mainly relates to the following:

- i. The capital repayments of € 2,800 thousand in relation to the short-term loan that was granted as Credit by Optima Bank SA based on an open current account. The interest rate of the short-term loan is 3-month Euribor plus margin (3.5%) plus a Charge Factor (0.60%).
- ii. Repayment of a loan that was granted by Pancrета Bank amounting to € 5,000 thousand on 20 December 2024, bearing interest on a quarterly basis at a Euribor rate equal to the interest period's duration, plus a margin of 4%.
- iii. Capital disbursement of € 43,000 thousand on 30 September 2024, relating to a short-term loan granted through a credit facility in an open current account. Following this disbursement, the total balance of the facility amounted to € 50,000 thousand. Subsequently, on 19 December 2024, an amount of € 50,000 thousand was converted from the open current account into a Common Bond Loan, (as described above in the section "LONG-TERM LOANS LIABILITIES").
- iv. Repayment of principal amounting to € 50,000 thousand on 27 September 2024, relating to a short-term loan obtained in fiscal year 2022, bearing interest on a semi-annual basis at a Euribor rate corresponding to the duration of the interest period, plus a margin of 2.40%, with the option to reduce the margin to 2.15%. In addition, expiration of a long-term Common Bond Loan of € 100,000 thousand at maturity (as noted above in the section "LONG-TERM LOANS LIABILITIES").

22. SHARE CAPITAL

The Share Capital of the Company amounts to eight million eight hundred and fifty-six thousand two hundred and two Euros and seventy-four cents (€ 8,856,202.74) and is divided into one hundred and eight thousand and forty-two (108,042) ordinary registered shares, with a nominal value of eighty-one Euro and ninety-seven cents (€ 81.97) each.

The Share Capital belongs to 86.18% of the company GEK TERNA S.A. (93,112 shares) which is listed on the Athens Stock Exchange and by 13.82% in the company TERNA TOURIST TECHNICAL AND MARITIME SOCIÉTÉ ANONYME (14,930 shares), which is a fully owned by 100% subsidiary of the company GEK TERNA S.A.

23. RESERVES

The Company's reserves at the end of the financial year are analyzed to a statutory reserve of amount of € 2,244 thousand (€ 2,244 thousand in year 2024) and a reserve from actuarial cases of € (8) thousand (€ 3 thousand, which is the revised amount for the financial year 2024).

	Ordinary Re- serve	Reserves of actuarial income / losses from defined benefit plans	Total
1st January 2025	2,244	3	2,247
Aggregate total income	0	(11)	(11)
31st December 2025	2,244	(8)	2,236

	Ordinary Re- serve	Reserves of actuarial income / losses from defined benefit plans	Total
1st January 2024	2,244	8	2,252
Aggregate total income	0	(5)	(5)
31st December 2024	2,244	3	2,247

The formation of statutory reserve is being determined by the Law 4548/2018 and is obligatory up to the level of one third (1/3) of the paid-up share capital. The purpose of this reserve is to offset future losses.

The formation of such reserves is recognized by a decision of the ordinary general meeting based on annual profits after taxes at a rate of 5%.

24. INCOME TAX

With the enactment of Law 4799/2021 which amended paragraph 1 of article 58 of Law 4172/2013, the tax rate imposed on the income of legal entities in Greece for the year 2025 was set at 22%, which is the same as the previous year 2024.

The effective tax rate is different from the nominal rate. Several factors affect the calculation of the effective tax rate, the most important of which being the non-tax deductibility of certain expenses, the differences in depreciation rates arising between the useful life of fixed assets and the rates defined by Law 4172/2013 and the ability of companies to form tax-free discounts and reserves.

(a) Income tax expense

The income tax in the statement of comprehensive income is analyzed as follows:

	31,12,2025	31,12,2024
Current income Tax	0	13,047
Tax adjustments of previous years	(2,534)	(217)
Deferred tax expense/(income)	3,180	4,998
Total expense / (income) from income tax	645	17,828

The reconciliation of the actual income tax for the year and the accounting profit multiplied by the applicable tax rate is presented below.

2025	2024
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Earnings/(loss) before taxes	5,200	81,656
Nominal Tax Rate	22%	22%
Income Tax Expense / (Income) based on applicable nominal tax rate	1,144	17,964
<i>Adjustments attributed to:</i>		
Tax adjustments of previous years	(2,534)	39
Write-off/(Offset) of tax losses	2,616	
Effect of net temporary taxable differences for which no Deferred tax is recognized	(581)	(450)
Effect of permanent tax differences	0	275
Actual tax expenditure	645	17,828
Effective tax rate	12%	22%

Tax return statement is submitted annually. The Company has been audited by the tax authorities until the year 2019. Due to POL (Joint Ministerial Decision) 1154/2017, POL 1191/2017, POL 1192/2017, POL 1194/2017 and POL 1208/2017, the Governor of the Independent Public Revenue Authority issued directions on the uniform application of what was accepted from the decisions of the Council of the State (CoS) 1738/2017, CoS 2932/2017, CoS 2934/2017 and CoS 2935/2017, as well as the no. 268/2017 Opinion of the State's Legal Council. From the aforementioned decisions a five-year limitation period on the basis of the general rule – is provided for, for the fiscal years from 2012 and onwards, as well as for the fiscal years that the Code of Tax Procedure – CTP (from 2014 onwards), except for the specific exceptions specified in the relevant provisions of CTP.

Consequently, and in accordance with the provisions of POL 1192/2017, the right of the State to charge a tax up to and including the fiscal year 2019 is time-barred unless the specific provisions on 10-year, 15-year and 20-year lapse periods apply.

The Company has received a tax audit order for the financial year 2020 which concerns the Company HERON II VIOTIAS S.A. The company HERON II VIOTIAS S.A. was previously absorbed by HERON ENERGY S.A. according to the decision of GEMI 3174416/21-12-2023. The tax audit is in progress.

(b) Deferred tax

Deferred income tax is calculated using all temporary tax differences between the book value and the tax value of assets and liabilities. Deferred income tax is calculated by using the expected applicable tax rate at the time the tax asset/liability will mature.

	31.12.2025	31.12.2024
Net deferred tax asset/(liability)	(24,493)	(21,317)
	2025	2024
Balance 1st January	(21,317)	(16,316)
(Expense) / Income recognized in the net earnings	(3,179)	(5,000)
(Expense) / Income recognized in other comprehensive income	3	(1)
Balance 31st December	(24,493)	(21,317)

The deferred tax assets and liabilities for the fiscal years 2025 and 2024 are analyzed as follows:

	01.01.2025	Net profit (Debit) / Credit	Other compre- hensive income (Debit) / Credit	31.12.2025
Deferred tax asset				
Tangible and intangible assets	(17,365)	2,745	0	(14,620)
Assets / liabilities from contracts with customers	(24,538)	5,760	0	(18,778)
Provision for staff indemnities	43	10	3	56
Derivatives	(2,468)	(82)	0	(2,550)
Trade receivables	14,266	(4,678)	0	9,588
Other provisions (accrued income/expenses, impairment of receivables)	8,475	(7,002)	0	1,473
Leases	(49)	68	0	19
Other	318	0	0	318
Net deferred tax asset/(liability)	(21,317)	(3,179)	3	(24,493)

	01.01.2024	Net profit (Debit) / Credit	Other compre- hensive income (Debit) / Credit	31.12.2024
Deferred tax asset				
Tangible and intangible assets	(20,038)	2,673	0	(17,365)
Assets / liabilities from contracts with customers	(11,327)	(13,211)	0	(24,538)
Provision for staff indemnities	35	9	(1)	43
Derivatives	(3,046)	579	0	(2,468)
Trade receivables	9,674	4,592	0	14,266
Other provisions (accrued income/expenses, impairment of receivables)	8,031	444	0	8,475
Leases	37	(86)	0	(49)
Other	318	0	0	318
Net deferred tax asset/(liability)	(16,316)	(5,000)	(1)	(21,317)

25. ASSETS AND LIABILITIES FROM DERIVATIVES

Information on the Company's derivatives on 31.12.2025 and 31.12.2024 is presented below:

	31.12.2025	31.12.2024
Receivables from derivatives		
- <i>Hedging against fair value change</i>		
Fixed for floating swap contracts for sale of electricity to TERNAL ENERGY (Note 25.1)	2,710	3,268

Fixed for floating swap contracts for sale of electricity to third parties (Note 25.1)	15,591	11,716
Electricity forward contracts (Note 25.2)	16,374	17,075
Natural gas forward contracts (Note 25.2)	0	569
Total Assets from Derivatives	34,675	32,628
- Long-term receivables from derivatives	15,032	12,041
- Short-term receivables from derivatives	19,643	20,587
Liabilities from derivatives	31.12.2025	31.12.2024
- Hedging against fair value change		
Fixed for floating swap contracts for sale of electricity to TERNAL ENERGY (Note 25.1)	3,002	400
Fixed for floating swap contracts for sale of electricity to third parties (Note 25.1)	12,152	10,349
Electricity forward contracts (Note 25.2)	1,339	10,660
Natural gas forward contracts (Note 25.2)	6,590	0
Total Assets from Derivatives	23,082	21,409
- Long-term receivables from derivatives	13,920	16,494
- Short-term receivables from derivatives	9,162	4,915

All the above financial instruments are measured at their fair value.

More specifically within the financial year 2025, from the above derivatives a total loss of € 374 thousand (31.12.2024: total loss € 2,630 thousand) was recognized in the Statement of Comprehensive Income due to changes in fair value, which is included in "Net financial income/(expenses)" as analyzed in Note 32 in the line "Valuation result from derivatives". Furthermore, the profit/cost from servicing producers of amount (cost) of € 6,725 thousand is recorded in the Income Statement in Turnover/Cost of sales (31.12.2024: cost € 10,059 thousand).

More analytically:

25.1 Fixed for floating swap contract HERON EN. A. Plan with TERNAL ENERGY and to third parties / conclusion of long-term power purchase agreements (PPA) with RES producers

On 25.01.2021, the Company, in collaboration with TERNAL ENERGY S.A. introduced in the Greek market the plan "HERON EN. A", an integral part of which is the agreement with TERNAL ENERGY S.A. to sell the production of Renewable Energy Sources (RES) to HERON ENERGY for 25 years. In addition, on 20/09/2021, HERON ENERGY S.A. started to implement the first RES-generated electricity long-term

sale with final consumers, which it continued into the 2023 financial year and in this context, it concluded with TERNAL ENERGY the "HERON EN. A BUSINESS", through which, TERNAL ENERGY S.A. has agreed upon the sale of RES output to HERON ENERGY S.A. for 20 years. Based on the above agreements, the Company will be paying fixed cash flows in the context of the EN. A plan to TERNAL ENERGY S.A., while it will be receiving floating cash flows (Proxy Market Revenues) from TERNAL ENERGY S.A. (fixed for floating swap contract).

Respectively, in the context of the Plans "HERON EN. A" and "HERON EN. A BUSINESS", the Company receives from the contracted energy consumers fixed cash flows, while it pays to them the floating cash flows (Proxy Market Revenues) it receives under the respective agreements with TERNAL ENERGY SA. The Company offers its customers who are under contract in the above programs a fixed energy cost in the form of discounts in their final bill (fixed for floating swap contract). The term of the plan "HERON EN. A" between the Company and the final consumers is set at 20 years, with the Company's option to further extend them, while for "HERON EN. A BUSINESS" plan the relevant agreements between the Company and large energy consumers based on the typical form of virtual power purchase agreements, VPPA) have a suggestive term of 7 years.

At the same time, within the financial year of 2025, the Company continued the commercial liquidation of the first long-term power purchase agreements (PPA) with third-party renewable energy producers that it had entered into previous years. The Company also successfully pursued the conclusion of new long-term PPAs under favorable terms throughout 2025. In total, these agreements relate to energy generated by photovoltaic and wind power plants that are either already in operation or are expected to gradually reach full commercial operation in the immediate following years. In the case of newly developed RES plants, the PPA agreements have been instrumental in securing their financing. For the Company, these agreements consolidate its leading role in the new era of PPAs in the Greek market and ensure the supply of green energy, as well as the related Guarantees, with a projected fixed cost over a long time horizon of up to 12 years. The agreements will form the basis for offering relevant green programs and long-term VPPA to end consumers in the coming years.

In the same context of providing energy cost stabilization solutions to its customers, within the fiscal year 2025, the Company was among the few suppliers offering short-term (up to 2-year) electricity sales contracts with financial settlement to industrial and commercial customers, responding to the opportunity given by the relevant modification of the market regulatory framework. This initiative benefited customers by helping to reduce their energy costs.

During the year 2025, from the above-mentioned derivatives, a total fair value loss of € 1,088 thousand (loss € 577 thousand in 2024) was recognized in Statement of Comprehensive Income from changes in fair value, which is included in "Net financial income/(expenses)".

25.2 Forward contracts for the purchase and sale of natural gas and electricity for commercial purposes

Forward contracts for the purchase and sale of gas and electricity

In the context of its operation in the financial year 2025, the Company has entered into forward contracts for the sale and purchase of natural gas and electricity either for hedging risks from differences in prices in the market or for gaining profit. More specifically, the majority of the relevant contracts concerns hedging risk from differences in price of natural gas and of electricity so as to minimize the relevant financial risk that relates to the purchase cost of natural gas and electricity for the purposes of the procurement and availability of such commodities to final customers. These transactions support either the direct offer of a fixed natural gas and electricity price to final customers who distinctively wish to be protected against the fluctuations of the wholesale market and undertake respective commitments for remaining in relevant fixed price contracts or these transactions take place so as to

stabilize and potentially reduce the average wholesale cost for the purchase of energy of the overall supply portfolio, supporting the creation of relevant competitive products for final consumers. To a lesser extent, the conclusion of forward contracts for the purchase and sale of electricity and natural gas supports the activity of electricity trading, allowing the stabilization of the cost of purchasing or selling energy, when the Company wishes to submit competitive offers to sell or buy energy respectively.

Within the financial year 2025, from the above-mentioned derivatives, a total valuation loss of € 816 thousand (loss € 168 thousand in the year 2024) was recognized in the results of the financial year from changes in fair value, which is included in the item "Net financial income/(expenses)".

Future contract of electric energy VPPA

Regarding the Virtual Power Purchase Agreement (VPPA) that the Company signed in 2023 with the associated company (joint venture) Thermoelectric Komotini S.A., with a maximum contract duration of 10 years the following are noted: This contract is considered a financial instrument, similar to a contract for differences (CFD), as it has been agreed to exchange the difference of cash flows on a fixed energy price and correspondingly variable energy prices. For this derivative from its initial measurement at fair value, a capital gain amount of € 9,897 thousand was recognized in 2023 in the item "Net financial income/expenses)" as it is analyzed in note 32 in the section "(C) Results from derivatives valuation on the line". The above net financial claim for the year 2025 amounted to € 10,290 thousand and a total valuation gain of € 2,278 thousand (€ 8,011 thousand in the year 2024) was recognized. To calculate the present value of the virtual Power Purchase Agreement (VPPA), the discounted cash flow (DCF) method was chosen.

26. REVENUE

The turnover of the Company for the years 2025 and 2024, in the attached financial statements, is analyzed as follows:

Analysis per category	01.01- 31.12.2025	01.01- 31.12.2024
Revenue from electricity trade	1,113,845	1,195,373
Revenue from electricity production	270,956	278,957
Revenue from natural gas	127,932	74,741
Other Income	5,837	7,825
Total	1,518,569	1,556,895
Breakdown per customer category	01.01- 31.12.2025	01.01- 31.12.2024
Public entities	404,285	399,969
External customers	996,360	1,096,033
Affiliated companies	117,924	60,893
Total	1,518,569	1,556,895

The Company's Turnover for the current financial year showed a negligible decrease of 2.5% (38,326) compared to the previous period. The above change was mainly due to the decrease in the energy trading sector, amounting to € 81,528 thousand, which was mainly related to the lower consumption of private customers and affiliated companies, and also due to the parallel increase in the natural gas sector of € 53,191 due to quantities. It is noted that the prices during the year 2025 did not change significantly compared to the previous year. In addition, the Company's portfolio remained stable without any particular fluctuations.

27. COST OF GOODS SOLD, ADMINISTRATIVE AND DISTRIBUTION EXPENSES

The cost of goods sold for the years 2025 and 2024, in the attached financial statements, is analyzed as follows:

Cost of goods sold	01.01- 31.12.2025	01.01- 31.12.2024
Cost of Services and Purchase of Electricity	1,057,693	1,143,575
Electricity trade cost	36,646	15,347
Diesel/Natural gas	243,008	200,416
Cost of CO2 emission rights	51,956	47,283
Capitalized agents' costs	28,242	11,397
Depreciation	16,547	15,769
Fees and expenses of third parties	9,291	8,480
Personnel cost	7,909	7,164
Repairs and maintenance	3,300	2,983
Taxes - Duties	684	5,007
Other expenses	571	1,598
Total	1,455,847	1,459,019

In the "Cost of Services and Purchase of Electricity" amounted to € 1,057,693 thousand, mostly included charges from IPTO for the amount of € 41,725 thousand (2024: € 42,244 thousand), from DAPEEP for the amount of € 49,687 thousand (2024: € 53,042 thousand), and from EnEx for the amount of € 762,397 thousand (2024: € 799,879 thousand). Finally, it includes charges from HEDNO (Hellenic Electricity Distribution Network Operator – DEDDIE) for the amount of € 179,497 thousand (2024: € 223,238 thousand).

In "Taxes-duties" item, during the fiscal year 2024, an amount of € 4,511 thousand concerns a special contribution in favor of the Energy Transition Fund for the months January and February 2024, as well as August 2024. For the fiscal year 2025, this special contribution was not paid, in accordance with article 62 of Law 4986/2022 (Government Gazette 204A/28.10.2022), which is imposed on each distributed unit of electricity production with fuel natural gas.

The administration and distribution expenses for the years 2025 and 2024, in the attached financial statements, are analyzed as follows:

Administrative and Distribution Expenses

	01.01- 31.12.2025	01.01- 31.12.2024
Professional fees	10,586	7,940
Personnel cost	5,962	6,448
Taxes – duties	107	63
Promotion and advertising expenses	8,128	8,823
Telecom expenses	1,028	1,012
Depreciation	1,589	741
Auditors' fees	142	120
Other expenses	5,447	4,147
	32,989	29,294

28. PERSONNEL COST

The expenses for personnel on December 31st, 2025, are analyzed as follows:

	01.01- 31.12.2025	01.01- 31.12.2024
Personnel salaries and benefits	11,564	11,448
Social security fund contributions	2,220	2,088
Provision for staff indemnities	87	77
Total Expenses	13,871	13,612

Total Personnel Cost for the year 2025, amounted to € 13,871 thousand (€ 13,612 thousand in 2024) and is recorded in the Financial Statements by the amount of € 7,909 thousand (€ 7,164 thousand for the year 2024) in the Cost of goods sold and by the amount of € 5,962 thousand (€ 6,448 thousand in the year 2024) in the Administrative and Distribution Expenses (see Note 27).

29. AUDITORS' FEES

	01.01- 31.12.2025	01.01- 31.12.2024
Total Auditors fees	142	120

The above fees concern the regular audit, tax audit and other permissible non-audit related services allowed by the auditing company Grant Thornton Audit Tax Advisory Services.

For the fiscal year that ended on December 31, 2025, the fees relating to permissible non-audit services provided by the audit firm responsible for auditing the Company's financial statements amounted to € 7 thousand (2024: € 23 thousand).

30. OTHER INCOME/(EXPENSES)

The Other Income/(Expenses) on 31st December 2025 presented in the attached Financial Statements are analyzed as follows:

	01.01- 31.12.2025	01.01- 31.12.2024
<u>Other Income:</u>		
Default interest for delayed customer payments	3,083	3,807
Income from leases	376	283
Gains from derecognition of right-of-use assets	0	164
Gains from the disposal of mechanical, technical installations and other equipment	0	28,764
Income from unused other provisions	0	458
Other revenues	3,655	3,855
Recovery of impairment of receivables (Note 12)	13,442	0
	20,556	37,331
	01.01- 31.12.2025	01.01- 31.12.2024
<u>Other Expenses:</u>		
Taxes - duties	(122)	(11)
Provision for doubtful receivables (Note 12)	(33,748)	(16,792)
Loss from write-off of right-of-use assets	(7)	0
Other expenses	(2,484)	(1,352)
	(36,361)	(18,154)
Total Income /(Expenses)	(15,805)	19,177

During the year 2024, the Account "Gains from disposal of machinery, technical installations and other equipment" related to the profit from the sale of a 147 MW Open Cycle Gas Turbine (OCGT) power plant to an associate company within the GEK TERNA Group, which took place in the first half of 2024. The Account "Income from unused other provisions" refer to the reversal of the provision previously established for the decommissioning of machinery and equipment as a result of the aforementioned sale.

The "Other Income" account primarily relates to the commission from Municipal Duties (2%) amounting to € 2,273 thousand (€ 1,933 thousand in 2024) and grants from European programs amounting to € 204 thousand (€ 405 thousand in 2024).

31. GAINS/(LOSSES) FROM PARTICIPATIONS AND OTHER EQUITY INSTRUMENTS

The gains/(losses) from participations and other equity instruments, for the years 2025 and 2024, in the attached financial statements, are analyzed as follows:

During the financial year 2025, the Company did not receive any type of dividend from subsidiaries. The above was in contrast to the previous year during which the Company had received a dividend from its subsidiary, Optimus Energy S.A.. Therefore, the Account "Dividends from subsidiaries" settled for the year 2025 at € 0 thousand (2024: € 5,110 thousand).

32. FINANCIAL INCOME/(EXPENSES)

The financial income/(expenses) for the years 2025 and 2024, in the attached financial statements, are analyzed as follows:

	01.01- 31.12.2025	01.01- 31.12.2024
<u>(A) Financial Income:</u>		
Deposit interest	29	7
Loan interest	698	265
	727	272
<u>(B) Financial Expenses:</u>		
Interest on short-term loan financing	(92)	(4,197)
Interest on long-term loan financing	(6,028)	(1,230)
Financial costs from lease contracts	(76)	(79)
Commissions and other financial expenses	(2,126)	(2,163)
Default interest for delayed customer payments	(1,331)	(1,024)
Discounting expense relating to provision for dismantlement of machinery equipment	(177)	(163)
	(9,830)	(8,856)
<u>(C) Results from derivatives' valuation:</u>		
Profit/(losses) from valuation of derivatives at fair value	374	(2,630)
	374	(2,630)
Net financial income / (expenses) (A) + (B) + (C)	(8,729)	(11,214)

The change in the Company's net financial income/(expenses) is mainly due to the change in valuation of derivatives by an amount of € 374 thousand compared to the financial year 2024 which amounted to a loss of € (2,630) thousand.

33. TRANSACTIONS WITH RELATED PARTIES

The Company's Transactions as well as Balances with Related Parties for the financial years 2025 and 2024 are analyzed as follows:

2025	Sales	Purchases	Debit balance	Credit balance
Affiliated Company of GEK TERNA Group (trading of electricity and natural gas)	117,515	18,374	3,992	2,620
Affiliated Company of GEK TERNA Group (Borrowing)	698	0	0	0
Affiliated Company of GEK TERNA Group (Hedging of risk)	428	0	0	0
Affiliated Company of GEK TERNA Group (other services)	114	1,055	37,961	68,642
Total	118,756	19,429	41,954	71,262

2024	Sales	Purchases	Debit balance	Credit balance
Affiliated Company of GEK TERNA Group (trading of electricity and natural gas)	64,084	21,740	33,805	764
Affiliated Company of GEK TERNA Group (Borrowing)	265	0	25,265	0
Affiliated Company of GEK TERNA Group (Hedging of risk)	4,217	0	0	0
Affiliated Company of GEK TERNA Group (other services)	34,469	9,467	28,172	6,755
Total	103,035	31,207	87,242	7,519

Remuneration paid to the members of the Board of Directors and top executives of the Company:

The remuneration paid to the members of the Board of Directors and top executives of the Company which were recognized on December 31st 2025, in relation to the previous period, have as follows:

	01.01- 31.12.2025	01.01- 31.12.2024
Fees for services received	3,993	2,909

34. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities are exposed to various risks and uncertainties, as the recurrence of macroeconomic uncertainty, the market risk, credit risk and liquidity risk, wind and weather conditions, the uncertainty of the results in relation to the effect of extraordinary natural events, which may have prolonged and unpredictable duration.

1. Financial Risks

The Company's activities expose it to various financial risks, such as market risk (including foreign exchange risk, interest rate risk and price volatility risk), credit risk and liquidity risk.

To address financial risks and limit their negative impact on the Company's financial results, the Company has a management program that aims to limit the negative effects on its financial results that may arise from the inability to forecast financial markets and fluctuations in cost and sales variables that affect financial results.

The financial products used by the Company mostly comprise bank deposits, long-term loans, derivatives for hedging interest rate risk, trade debtors and creditors, other accounts receivable and payable. The impact of major risks and uncertainties to which the Company's activities are exposed is analyzed below.

Credit risk

Credit risk entails the possibility that a counterparty will cause financial loss to the Company due to the breach of the counterparty's contractual obligations.

The Company continuously monitors its receivables, either separately or per group and encompasses all the arising information into the credit audit. When deemed necessary, external reports or analyses related to effective or potential clients are used.

The Company is not exposed to significant credit risk arising from trade receivables for its activities, except in the trading of electricity and natural gas. This is attributed, on the one hand, to the Company's policy, which is focused on cooperation with reliable clients and, on the other hand, to the nature of the Company's operations.

In particular, total receivables, whether related to the narrow or the broader public sector, or private sector clients with significant financial position in Greece and abroad, are under special monitoring and the Management constantly assesses the reliability of its customers, their financial sizes regardless of whether they are a broader public or private entity, for potential implications, in order to take the necessary measures to minimize any adverse effects for the Company.

The Company is exposed to credit risk from end consumers from the sale of electricity and natural gas. Controls to ensure the collectability of receivables are continuously monitored. Where required, adequate reserves are created through provisions to minimize potential adverse effects. In addition to the aforementioned measures, to further ensure collectability, monthly "advance" bills are issued for the estimated consumption per month, so that when the settlement bill is issued in the fourth month of consumption, there is no large balance to be settled. It should be noted that, at the beginning of the cooperation with customers, they are required to pay an amount equal to the indicative consumption cost for one month as a guarantee.

In addition to the above, the Company has entered into a credit risk insurance contract with the insurance company Allianz. The agreement secures credit limits granted to B2B customers. In the event of failure of the specific customers to repay their obligations, the corresponding outstanding amounts are covered by the insurance company, thus limiting the relevant credit risk.

The credit risk regarding cash and cash available and other receivables is considered limited, given that the counterparties are reliable Banks with high quality capital structure, the Greek State or companies of the broader public sector and strong Groups of companies.

The Management assumes that all the financial assets, with the exception of those for which necessary impairment is calculated, are of high credit quality.

31.12.2025
31.12.2024

Other long-term receivables – Guarantees granted (Note 10)	199	152
Trade receivables (Note 12)	173,431	253,960
Assets from contracts with customers	197,156	216,977
Other receivables (Note 13)	56,978	12,401
Cash and cash equivalents	57,232	44,665
Total	484,996	528,156

Foreign exchange risk

Foreign exchange risk arises when the fair value or future cash flows of a financial instrument are subject to fluctuations due to changes in exchange rates. This type of risk may arise, for the Company, from foreign exchange differences at the valuation and conversion into the Company's currency (Euro) of financial assets, mainly financial receivables and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Company's entities. The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as net investments in foreign operations.

The Company operates mainly in Greece and is therefore not exposed to a high foreign exchange risk that may arise from Euro exchange rate with other currencies. To manage this risk category, the Company's financial management department uses the financial instruments and offset the Company's exposure to foreign exchange risk on the basis of specific policies, whenever it is necessary.

Regarding the Company's transactions with foreign companies, these are usually carried out with European Groups, where the settlement currency is the euro. To reduce this risk, the Company utilizes the locally produced cash available in local currency to pay the expenses incurred, minimizing the creation of foreign exchange risk.

Interest rate risk

Interest rate risk is the probability that the fair value of a financial instrument's future cash flows will fluctuate due to changes in market interest rates.

The Company's policy is to minimize exposure to interest rate risk with respect to long-term financing. Under this policy, long-term loans are denominated in euros, with a fixed spread and a floating base rate linked to Euribor. In order to further contain the interest rate risk associated with long-term financing and to limit the associated volatility of financial expenses, the Company applies specific policies such as the use of interest rate swaps. The Company's long-term loans mature within the year, with a provision for renewal for another year based on a contractual agreement.

Market risk analysis

During its activity in the Energy Market, the Company supplies all categories of customers with electricity. Customers are divided into two major categories, B2C customers and B2B customers. The first category (B2C) concerns customers of Low Voltage (Household consumers, medium-sized Companies), who receive a standardized offer for programs that are already posted on the Company's site, while the second (B2B) concerns customers of all Voltages [Low (store chains), Medium and High], who receive a specialized financial offer, which is based on the analysis of the energy characteristics of the specific facilities.

Regarding B2C customers, they may choose either fixed-rate tariffs for a defined period (e.g., six (6), twelve (12), or eighteen (18) months), or variable-rate tariffs. For customers opting for fixed-rate tariffs, in order to ensure the desired profit margin regardless of fluctuations in the Electricity Market, the Company undertakes risk hedging actions through various instruments (such as long-duration futures contracts, etc.).

Furthermore, with regard to variable-rate tariffs, the applicable charge fluctuates depending on the consumption period, as it reflects wholesale market prices and the individual cost components incurred by the Supplier in its operations within the Electricity Market, plus a reasonable profit margin. In conclusion, in the case of B2C customers, the Company follows strategies that allow it to avoid exposure to potential risks arising from unforeseen fluctuations in energy costs.

With reference to B2B customers, all of the Company's B2B customers have chosen to continue to be billed through a variable pricing formula, which captures the individual costs borne by the Supplier during its activity in the Electricity Market plus a reasonable profit margin, as this option does not incorporate any risk for the Supplier, which it would be translated to the Customer in increased charges for its compensation. Therefore, not even in the B2B customer category does the company present any risk.

In addition, the Company supplies natural gas to all categories of customers, industrial (B2B), commercial (B2C) and residential (B2C). For industrial (B2B) natural gas customers, the Company offers both variable and fixed price tariffs. Variable price tariffs are based on the Company's natural gas supply costs plus a reasonable profit margin, thus mitigating any risk from natural gas price fluctuations. Fixed price tariffs are covered by appropriate hedging activities conducted by the Company and are offered following an agreement with the end B2B customer. Consequently, there is no risk from price fluctuations in this tariff category either. For commercial and residential customers, the Company offers variable tariffs based on the monthly variable price of natural gas that is supplied to the Company, therefore reflecting the cost of supply, plus a reasonable profit margin. Therefore, in this tariff category as well, the Company is not exposed to any risk from natural gas price fluctuations.

Liquidity risk analysis

The Company manages its liquidity needs by carefully monitoring the financial liabilities as well as the payments made daily. Liquidity needs are monitored in various time zones, on a daily and weekly basis, as well as in a rolling period of 30 days. Liquidity needs for the next 6 months and the following year are determined on a monthly basis.

The Company maintains sufficient cash reserves in banks to cover liquidity needs for a period of up to 30 days.

	0 to 12 months	1 th - 5 th year	After the 5 th year
Long-term loans	155,087	255	0
Short-term loans	0	0	0
Lease liabilities	854	1,417	0
Suppliers	44,728	0	0
Accrued and other liabilities	216,502	0	0
Total	417,171	1,672	0

The respective maturity of the financial liabilities on December 31st, 2024 is analyzed as follows:

	0 to 12 months	1 th - 5 th year	After the 5 th year
Long-term loans	363	155,083	0
Short-term loans	2,977	0	0
Lease liabilities	731	540	1
Suppliers	81,967	0	0
Accrued and other liabilities	186,475	0	0
Total	272,513	155,623	1

35. PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES PER CATEGORY

Financial assets and financial liabilities on the date of the Financial Statements can be classified as follows:

	31.12.2025	31.12.2024
<u>Non-current Assets</u>		
Other financial receivables at amortized cost	199	152
Total	199	152
<u>Current Assets</u>		
Trade receivables at amortized cost	173,431	253,960
Assets from contracts with customers at amortized cost	197,156	216,977
Other financial receivables at amortized cost	56,978	12,401
Bank deposits	57,232	44,665
Total	484,797	528,004
<u>Non-current liabilities</u>		
Long-term Loans	255	155,446
Liabilities from leases at amortized cost	1,417	542
Total	1,672	155,988
<u>Current Liabilities</u>		
Suppliers at amortized cost	44,728	81,967
Long-term loan liabilities payable within the next 12 months	155,087	0
Accrued and other liabilities at amortized cost	216,502	186,475
Short-term loans at amortized cost	0	2,977
Liabilities from leases at amortized cost	854	732
Total	417,171	272,151
Financial liabilities at amortized cost	418,843	428,139

36. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The objectives of the Company in relation to capital management are the following:

- to ensure its ability to continue its operation (going-concern) and
- to ensure a satisfactory return for its shareholders, by pricing products and services proportionally to the risk level undertaken.

The Company specifies the level of capital proportionally to the risk of activities, monitors developments in the economic environment and their effect on risk characteristics and manages capital structure, the issuance of new shares or the capital repayment to the shareholders, the adjustment of dividends payable and/or the sale of individual assets or groups of assets.

37. EXISTING ENCUMBRANCES AND OTHER LIENS

Contingent liabilities for letter of guarantees assuring the good performance and operation of the Company amount to € 66,415 thousand (€60,373 thousand in 2024). There are no liens or other encumbrances written on the Company's assets.

38. COMMITMENTS AND CONTINGENT LIABILITIES

1. Tax unaudited years

For the unaudited tax years, it is possible that additional taxes and surcharges can be imposed at the time when they are examined and finalized. The Company makes an annual estimate of the contingent liabilities that are expected to arise from the tax audit of past years, making relevant provisions were deemed necessary. The Management considers that in addition to the provisions made, any tax amounts that may arise will not have a material impact on equity, results and cash flows of the Company.

Pursuant to the relevant tax provisions of: a) paragraph 1 of article 84 of Law 2238/1994 (unaudited income tax cases), b) paragraph 1 of article 57 of Law 2859/2000 (unaudited VAT cases) and c) par. 5 of article 9 of Law 2523/1997 (imposition of fines for income tax cases), the State's right to impose the respective taxation for the years up to and including 2019 has time elapsed until 31.12.2025, with the reservation of special or exceptional provisions that may provide for a longer lapse period and under the conditions specified by such provisions.

In addition to the above, in the absence of a statute of limitations in the Code of Laws on Stamp Duties, the relevant claim of the State for imposition of stamp duties is subject to the twenty-year statute of limitations in accordance with the article 249 of the Civil Code for cases created up to the fiscal year 2013. From 1.1.2014 and after the entry into force of Law 4174/2013, the statute of limitations for the imposition of stamp duty is limited to 5 years, given that the procedures for imposing and collecting the stamp duty are now part of the provisions of Tax Procedures Code.

Tax Certificate - Tax Compliance Report

For the years 2011, 2012 and 2013 the Company has been subject to the special tax audit by the Certified Public Accountants provided by the provisions of Article 82 par. 5 of Law 2238/1994 (Circ. No. 1159/26/7/2011) while for the years 2014 to 2025 they have been subject to the said tax audit by the Certified Public Accountants provided for by the provisions of Article 65A par. 1 of law 4174/2014 (Circ. No. 1124/22/6/2015).

The optional tax audits for the fiscal years 2021, 2022, 2023 and 2024 have not been completed due to an outstanding matter concerning a specific tax issue. The audit for the fiscal year 2025 is currently

in progress and the respective tax certificates are expected to be issued after the publication of the financial statements for the year 2025.

The Company's tax liabilities for these years have not become final and therefore it is possible that additional charges may arise, when the relevant audits are carried out by the Tax authorities.

The Management estimates that the taxes that may arise from an audit of the Company by the tax authorities will not have a material effect on the financial statements.

It should be noted that, according to the issues mentioned in the Circ. No. 1192/2017, the right of the State for a tax charge up to and including the year 2018 has lapsed unless the specific provisions on 10-year, 15-year and 20-year limitation periods apply.

2. Litigations

In the context of the performance of its operations, the Company may have to face possible litigations initiated by third parties. According to the Management and the Director of the Legal Department of the Company, any such claims are not expected to materially affect the operation and the financial position of the Company on December 31st 2025.

Litigation with the Independent Power Transmission Operator (IPTO)

The Company had filed on 23/11/2016 a lawsuit against Independent Power Transmission Operator S.A. (hereinafter "IPTO") at the Multimember Court of First Instance of Athens (hereinafter "MMCFI Athens"), requesting the payment of unpaid or late payment invoices (as per principal amount) as well as default interest of the above-mentioned invoices, which IPTO owed to the Company on the basis of IPTO obligations arising from Code of Management of the Power Transmission System (System Management Code of SMC). These invoices were issued from October 2011 to May 2015.

The amounts claimed had as follows: € 7,851,652.64 for principal and € 1,634,691.37 (if the SMC applies) or €1,826,483 (where the Civil Code applies) or 1,647,888 (if the provisions of commercial transactions apply) for default interest and €1,215,461 as compensation for material damage incurred to the Company according to the lawsuit.

The decision No 1121/2018 of the MMCFI which was issued on 23/3/2018 and presented to the Company on 29/5/2018 dismissed the Company's lawsuit.

The Company filed on 28/6/2018 the Appeal against the above-mentioned Decision.

The Company's appeal was heard on 10/10/2019. The Decision 2799/2020 of the Athens Court dismissed the Company's Appeal.

On 30.07.2020 the Company filed an appeal against IPTO before the Supreme Court as well as against the decision No. 2799/2020 of the Three-Member Court of Appeal of Athens.

Pursuant to the above Judgement No 2799/2020, the Company's appeal for the elimination of the Judgement No 1121/2018 was dismissed.

The above Appeal of the Company was heard on 21.02.2022 before the A1 Department of the Supreme Court and the Decision No. 1589/2022 of the Supreme Court was issued with a ruling "Rejected", which, however, has not yet been notified to the Company.

39. EVENTS AFTER THE REPORTING DATE OF THE STATEMENT OF FINANCIAL POSITION

From 01.01.2026 until the date of approval of the attached financial statements, the following significant events occurred:

- On February 17, 2026, the Company proceeded with the sale of its equity participation in the Companies TERNA ENERGY TRADING LTD, FAETHON SH.P.K. and FIER HELIOS SH.P.K. to the company SUSTAINABLE ENERGY SOLUTIONS SINGLE MEMBER S.A..
- On May 12, 2026, the Company proceeded with the purchase of a 100% equity participation in the Albanian company NRG POWER SH.P.K. from SUSTAINABLE ENERGY SOLUTIONS SINGLE MEMBER S.A., subject to the condition of article 4 of the sale & purchase agreement.
- On May 15, 2026, the Company proceeded with the sale of the electro mobility sector as well as the photovoltaic system it held at the location "Thesis Haraidini", Thiva, Greece. The first sector was sold to the Group Company SENS Pulse SINGLE MEMBER S.A. and the second sector to the Group Company SUSTAINABLE ENERGY SOLUTIONS SINGLE-MEMBER S.A..
- On May 27, 2026, the Company as the Transferor proceeded to the signing of the Agreement for the Transfer of Common Registered Unlisted Shares issued by the societe anonyme company under the name "Optimus Energy Societe Anonyme" (hereinafter referred to as "Optimus"), with the subject of the sale consisting of twelve thousand three hundred forty-four (12,344) common registered shares, with a nominal value of ten (10) euros per share, corresponding to fifty-one percent (51%) of the share capital of Optimus to the societe anonyme company of the Group "SUSTAINABLE ENERGY SOLUTIONS SINGLE MEMBER S.A." as the Acquirer and Optimus as the Third Party entering into this contractual agreement (hereinafter referred to as the "Agreement"). It is noted that the Company signed the above Agreement dated 27/05/2026 following: a) the decision of its General Meeting dated 23/12/2025, which decided to grant permission for the conclusion of the Agreement, b) the Announcement of its Board of Directors dated 24/12/2025 about the granting of the aforementioned permission by its General Meeting, in accordance with articles 99 & 1 and 100 of Law 4548/2018, which was registered in the General Commercial Registry (G.E.M.HI.) on 13/01/2026 with KAK 5886601, and c) the decision of its General Meeting dated 25/05/2026, according to which the approval of the General Meeting of the Company was granted in accordance with article 19 of Law 4548/2018 for the conclusion of the Agreement.

Apart from the above, no other significant events have occurred up to the date of this report.

40. **ANNEX I – SEGREGATED FINANCIAL STATEMENTS OF THE INTEGRATED COMPANY OF PRODUCTION AND SUPPLY OF ELECTRICITY**

HERON ENERGY SOCIÉTÉ ANONYME SEGREGATED BALANCE SHEET OF THE FULLY INTEGRATED COMPANY 31/12/2025					
(Amounts in € thousand)	ENERGY GENERA- TION	ENERGY SUPPLY	NATURAL GAS SUPPLY	OTHER	COM- PANY TOTAL
ASSETS					
Non-Current Assets	60,872	102,674	2,815	3,245	169,606
Tangible Assets	69,852	1,033	10	25	70,920
Intangible Assets	409	2,310	246	267	3,232
Right-of use assets	363	1,466	92	224	2,145
Receivables from derivatives	-	15,032	-	-	15,032
Participations in subsidiaries	7,993	29,674	2,023	4,931	44,621
Investment in equity interests	3	10	1	2	15
Other Long-term Receivables	110	33,514	5	13	33,641
Deferred tax assets	(17,856)	19,635	438	(2,217)	-
Current Assets	90,370	470,106	34,509	23,368	618,353
Inventory	9,034	46	-	-	9,080
Trade and Other Receivables	2,459	460,589	31,506	15,255	509,810
Income tax receivables	123	18,590	1,127	2,749	22,589
Short-term part of receivables from derivatives	-	(360)	(4,851)	24,855	19,643
Cash and Cash Equivalents	78,754	(8,759)	6,728	(19,491)	57,232
TOTAL ASSETS	151,242	572,780	37,324	26,612	787,959
EQUITY					
Share Capital	2,170	4,983	992	712	8,856

HERON SOCIÉTÉ ANONYME ENERGY SERVICES

Annual Financial Report for the fiscal year from January 1st to December 31st 2025

(Amounts in Euro thousand, unless stated otherwise)


Share premium-based difference paid-up	4,183	15,529	1,058	2,580	23,350
Reserves	2,243	(7)	-	-	2,236
Retained earnings	273,286	(100,733)	9,201	9,001	190,755
Total equity	281,882	(80,229)	11,252	12,292	225,197
Capital Contribution per Business Unit	(226,308)	229,330	10,291	(13,313)	-
LIABILITIES					
Non-current Liabilities	8,062	36,720	1,177	2,872	48,829
Liabilities from leases	243	963	61	150	1,417
Provision for staff retirement indemnities	52	181	4	14	252
Deferred Tax Liabilities	4,390	16,285	1,111	2,707	24,493
Liabilities from Derivatives	-	13,920	-	-	13,920
Other provisions	2,213	-	-	-	2,213
Long-term liabilities from contracts with customers	1,163	5,116	-	-	6,279
Long-term loans	-	255	-	-	255
Current Liabilities	87,606	386,959	14,605	24,761	513,933
Suppliers and Other Liabilities	87,482	229,197	12,705	19,445	348,830
Short-term part of liabilities from derivatives	-	2,054	1,869	5,239	9,162
Short-term part of liabilities from leases	124	621	31	77	854
Provisions	-	-	-	-	-
Short-term loans	-	-	-	-	-
Long-term loans payable in the following financial year	-	155,087	-	-	155,087
Income tax payable	-	-	-	-	-
Total Liabilities	95,668	423,679	15,782	27,633	562,762
TOTAL EQUITY & LIABILITIES	151,242	572,780	37,324	26,612	787,959

HERON ENERGY SOCIETE ANONYME					
SEGREGATED BALANCE SHEET OF THE FULLY INTEGRATED COMPANY					
31/12/2024					
(Amounts in € thousand)	ENERGY GENERA- TION	ENERGY SUPPLY	NATURAL GAS SUPPLY	OTHER	COM- PANY TOTAL
ASSETS					
Non-Current Assets	79,872	125,134	2,394	795	208,196
Tangible Assets	83,739	1,014	9	15	84,777
Intangible Assets	95	1,746	385	32	2,258
Right-of use assets	248	1,076	48	84	1,455
Receivables from derivatives	0	11,604	-	437	12,041
Participations in subsidiaries	8,093	32,726	1,572	2,730	45,121
Investment in equity interests	3	11	1	1	15
Other Long-term Receivables	5,550	56,971	3	5	62,529
Deferred tax assets	(17,855)	19,986	377	(2,508)	-
Current Assets	106,846	491,596	41,097	5,885	645,424
Inventory	8,747	71	-	1	8,819
Trade and Other Receivables	24,376	466,145	20,605	40,729	551,855
Income tax receivables	(549)	17,973	758	1,317	19,499
Short-term part of receivables from derivatives	282	20,752	222	(668)	20,587
Cash and Cash Equivalents	73,991	(13,344)	19,512	(35,494)	44,665
TOTAL ASSETS	186,719	616,730	43,492	6,680	853,621
EQUITY					
Share Capital	2,171	5,371	924	390	8,856
Share premium-based difference paid-up	4,188	16,936	813	1,413	23,350

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(Amounts in Euro thousand, unless stated otherwise)


Reserves	2,243	3	0	0	2,247
Retained earnings	250,883	18,272	23,850	21,777	314,781
Total equity	259,486	40,582	25,587	23,579	349,234
Capital Contribution per Business Unit	(113,081)	136,612	3,475	(27,006)	-
LIABILITIES					
Non-current Liabilities	6,609	192,592	765	1,842	201,808
Liabilities from leases	97	393	19	33	542
Provision for staff retirement indemnities	52	132	3	6	193
Deferred Tax Liabilities	3,823	15,461	743	1,290	21,317
Liabilities from Derivatives	-	15,980	-	514	16,494
Other provisions	2,036	-	-	-	2,036
Long-term liabilities from contracts with customers	600	5,180	-	-	5,780
Long-term loans	-	155,446	-	-	155,446
Current Liabilities	33,705	246,944	13,664	8,265	302,578
Suppliers and Other Liabilities	33,592	239,305	13,644	7,414	293,954
Short-term part of liabilities from derivatives	9	4,090	-	816	4,915
Short-term part of liabilities from leases	104	572	20	35	732
Provisions	-	-	-	-	-
Short-term loans	-	2,977	-	-	2,977
Long-term loans payable in the following financial year	-	-	-	-	-
Income tax payable	-	-	-	-	-
Total Liabilities	40,314	439,536	14,429	10,107	504,386
TOTAL EQUITY & LIABILITIES	186,719	616,730	43,492	6,680	853,621

HERON ENERGY SOCIETE ANONYME					
SEGREGATED INCOME STATEMENT OF THE FULLY INTEGRATED COMPANY					
31/12/2025					
(Amounts in € thousand)	ENERGY GENERA- TION	ENERGY SUPPLY	NATURAL GAS SUPPLY	OTHER	COMPANY TOTAL
SALES					
Electric Energy Sales - Production	270,956	-	-	-	270,956
Electric Energy Sales – Supply	-	955,251	-	981	956,232
Natural Gas Sales	-	-	68,836	59,096	127,932
Revenue from Utilities	-	54,008	-	-	54,008
Revenue from Utilities Charges	-	-	-	-	-
Consideration	-	-	-	-	-
Revenue from Import of Electric Energy	-	-	-	16,789	16,789
Export of Electric Energy	-	-	-	81,687	81,687
Derivatives	-	99	-	3,362	3,461
Other Revenue	1,056	542	-	5,906	7,505
Total Sales	272,012	1,009,900	68,836	167,821	1,518,569
EXPENSES & PURCHASES					
Natural Gas Cost	(134,258)	-	(60,995)	(44,614)	(239,867)
Expenses from Purchases of Electric Energy - Production	442	-	-	-	442
Electric Energy Supply	(2)	(739,872)	-	(10)	(739,883)
Electric Energy Imports	-	-	-	(25,658)	(25,658)
Natural Gas Imports	(5,984)	-	(368)	(17,005)	(23,357)
Expenses from Exports of Electric Energy	-	-	-	(81,131)	(81,131)
Derivatives	2	(4,725)	(1,153)	(2,143)	(8,019)
Performance of Utility Charges	-	(57,586)	-	-	(57,586)
Performance of System Usage Charges	-	(32,461)	-	-	(32,461)
Performance of Network Usage Charges	-	(78,241)	-	-	(78,241)
Performance of Special Duty of Greenhouse Gas Emissions Reduction (ETMEAP) Charges	-	(50,249)	-	-	(50,249)

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Emission rights – Purchase of CO2 Rights	(51,955)	(1)	-	-	(51,956)
Consumption of Inventory	(1,359)	(198)	-	(2)	(1,558)
Personnel Fees & Expenses	(3,388)	(7,725)	(534)	(2,453)	(14,100)
Third Party Fees	(6,420)	(34,823)	(5,131)	(1,735)	(48,110)
Repairs & Maintenance	(1,338)	(26)	(1)	(3)	(1,369)
Other Expenses / (Income)	(5,772)	(5,558)	(374)	(1,393)	(13,098)
GAINS/LOSSES FROM DERIVATIVES VALUATION	(273)	(13,587)	(6,942)	21,176	374
INCOME FROM PARTICIPATIONS AND OTHER INVESTMENTS	-	-	-	-	-
Depreciation	(15,826)	(1,837)	(297)	(176)	(18,136)
Provision of Bad Receivables	-	(20,353)	47	-	(20,305)
Financial Expenses	(375)	(9,238)	(109)	(108)	(9,830)
Financial Income	1	725	-	1	727
Total Expenses & Purchases	(226,505)	(1,055,754)	(75,857)	(155,254)	(1,513,369)
PROFIT (LOSSES) BEFORE TAXES	45,507	45,853	7,020	12,567	5,200

HERON ENERGY SOCIETE ANONYME SEGREGATED INCOME STATEMENT OF THE FULLY INTEGRATED COMPANY 31/12/2024					
(Amounts in € thousand)	ENERGY GENERA- TION	ENERGY SUPPLY	NATURAL GAS SUPPLY	OTHER	COMPANY TOTAL
SALES					
Electric Energy Sales - Production	278,889	69	-	-	278,957
Electric Energy Sales – Supply	-	1,071,239	-	-	1,071,239
Natural Gas Sales	-	1	54,240	20,500	74,741
Revenue from Utilities	-	54,941	-	-	54,941
Revenue from Utilities Charges	-	-	-	-	-
Consideration	-	-	-	-	-
Revenue from Import of Electric Energy	-	769	-	14,412	15,181
Export of Electric Energy	-	(846)	-	52,790	51,944
Derivatives	138	1,532	-	5,133	6,803
Other Revenue					
	213	1,529	0	1,348	3,090

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Total Sales	279,239	1,129,233	54,240	94,183	1,556,895
EXPENSES & PURCHASES					
Natural Gas Cost	(132,806)	-	(44,864)	(17,950)	(195,621)
Expenses from Purchases of Electric Energy - Production	1	-	-	-	1
Electric Energy Supply	(51)	(849,675)	-	(814)	(850,540)
Electric Energy Imports	0	(785)	-	(15,338)	(16,123)
Natural Gas Imports	(2,554)	-	(2,241)	-	(4,795)
Expenses from Exports of Electric Energy	-	-	-	(52,726)	(52,726)
Derivatives	(10,106)	(623)	(652)	(5,481)	(16,862)
Performance of Utility Charges	(2)	(58,559)	-	-	(58,561)
Performance of System Usage Charges	-	(31,492)	-	-	(31,492)
Performance of Network Usage Charges	-	(78,494)	-	-	(78,494)
Performance of Special Duty of Greenhouse Gas Emissions Reduction (ETMEAP) Charges	-	(54,563)	-	-	(54,563)
Emission rights – Purchase of CO2 Rights	(47,283)	-	-	-	(47,283)
Consumption of Inventory	(850)	(89)	-	(5)	(944)
Personnel Fees & Expenses	(3,178)	(8,411)	(448)	(1,752)	(13,789)
Third Party Fees	(4,858)	(18,065)	(3,427)	(844)	(27,195)
Repairs & Maintenance	(1,422)	(79)	(3)	(6)	(1,510)
Other Expenses / (Income)	19,049	(3,693)	(368)	(326)	14,661
GAINS/LOSSES FROM DERIVATIVES VALUATION	273	(2,445)	1,103	(1,561)	(2,630)
INCOME FROM PARTICIPATIONS AND OTHER INVESTMENTS	917	3,707	178	309	5,110
Depreciation	(14,577)	(1,605)	(278)	(51)	(16,510)
Provision of Bad Receivables	-	(17,772)	980	-	(16,792)
Financial Expenses	(363)	(8,332)	(71)	(90)	(8,856)
Financial Income	1	270	-	-	272
Total Expenses & Purchases	(197,809)	(1,130,703)	(50,092)	(96,635)	(1,475,239)
PROFIT (LOSSES) BEFORE TAXES	81,430	(1,470)	4,148	(2,452)	81,656

A. Introduction

According to the provisions of Directive 2009/72/EC No 31 and of article 141 of Law 4001/2011, as currently in force, Integrated Electricity Companies:

- i. Shall keep segregated Accounts for each of the activities of Generation, Transmission, Distribution, Supply to eligible customers and Supply to non-eligible customers and the provision of services of general interest, precisely as they would be required to do if these activities were carried out by different undertakings, with a view to avoiding discrimination, cross-subsidization and distortion of competition. These Accounts, Balance Sheet and Profit and Loss Statement must clarify the income derived from ownership of the transmission system (ESMIE) and distribution system (EDDIE).
- ii. These undertakings shall keep consolidated Accounts for other, non-electricity activities.
- iii. Integrated undertakings shall clarify the rules for allocating assets and liabilities and income and expenditure used to prepare the segregated Accounts mentioned in the previous paragraph.

RAAEY approves the principles and rules of allocation, which apply to these companies, as well as the amendment thereof, in order to ensure non-discrimination, cross-subsidization and distortion of competition.

Based on the above, the Company HERON ENERGY SERVICES SINGLE NUMBER S.A. (hereinafter the "Company" or "HERON") must keep segregated Accounts for each of its electricity-related activities, Production and Supply.

By virtue of decision no. 14288/21-12-2023 of the GCR Service with Registration Code Number 3947441, and in accordance with the provisions of Law 4601/2019, Law 4548/2018, and Law 2166/1993, the merger of HERON ENERGY S.A. and HERON II VIOTIA S.A., with the absorption of the latter by the former, was approved.

B. Rules and Principles for the Allocation of Assets - Liabilities, Expenses – Income**1. General Principles and Methodology**

The Company prepares, submits for audit and publishes according to the IFRS¹ annual financial statements in accordance with the relevant provisions of C.L. 4548/2018 and Laws 3229/2004 and 3301/2004. The Company, being an integrated company took into account the provisions of Law 4001/2011 as amended and the Directive 2009/72/EC, no. 31 on the separation of the accounts of Integrated Electricity Companies and maintains segregated Accounts, Balance Sheet and Income Statement, for the activity of Generation and Supply (Trading) in the Electricity Market in Select Customers and for the activity of Supply of Utilities Services. The remaining Company activities, besides electricity, are kept in consolidated Accounts (Others).

At the end of the financial year, the Company prepares and publishes in conformity with the IFRS, its segregated Balance Sheet and Income Statement per activity (as per the Annexes). The sum of the segregated accounts are equal and in agreement with the Balance Sheet and Income Statement of the Company that have been prepared under the IFRS as adopted by the European Union, with the exemption of Income Tax, since the segregated Financial Statements are presented in the pretax stage. The above statements are contained in the notes of the annual financial statements of the Company, which are approved and signed according to the law and include a certificate by the auditors, where reference

¹ International Financial Reporting Standards

is made to the rules which are approved by RAE, as mentioned in Article 141, paragraph 4 of Law 4001/2011.

2. Methods and Rules of Allocation

Methods and accounting rules applied by the Company are dictated by the general accounting principles and the IFRS, which the Company must mandatorily comply with. The reporting of segregated Accounts and the preparation of segregated financial statements (income statement and balance sheet) per activity, is supported by the Company's Internal Planning System (SAP) which it operates. More specifically, the mandatory recording of all accounting entries per Business Area (in SAP) is applied, and the Business Areas defined are:

(a) Business Area / Activities

- Electricity generation
- Electricity supply
- Natural Gas supply
- Other activities apart from electricity (Other).

(b) Business Area not activities

- Management

In each system entry of a document or transaction, as well as in any other entry, the amounts are characterized by “business area” and then the corresponding Accounts of Expenditure - Income, Assets - Liabilities are automatically updated. The program has a security key based on which no entry is allowed without the above classification.

The annual segregated Financial Statements of each activity includes the Company's transactions with third parties.

In particular, each activity includes the following:

a. Electricity generation

This activity includes Income, Expenditure and Assets and Liabilities, which are derived solely from the operation of the power plant. Specifically, income from the operation of the Plant in Thebes, VIOTIA, with a nominal power capacity of 441.76 MW, with combustible natural gas, as they are cleared and priced by the Energy Exchange, the Independent Power Transmission Operator S.A. (IPTO) and DAPEEP (the body responsible for representing in the Electricity Market the RES and CHP Plants of the Inter-connected System and Network). Also, it includes expenses relating to the above income, and mainly the following: purchase of natural gas, purchase of diesel, pollutant markets, third party and personnel fees and expenses, maintenance and operational costs, usage of spare parts, other production expenses and depreciation, as well as financial costs.

b. Supply of electricity

This activity includes Income, Expenditure and Assets and Liabilities, which derive from the wholesale and retail sales of electricity. More specifically, purchases concern the procurement of Electricity from the Energy Exchange and domestic and foreign companies, the rights to import and export Electricity and other services rendered from ADMIE and, the network usage from Hellenic Electricity Distribution

Network Operator S.A. (HEDNO). Expenses mainly relate to personnel fees and costs, third party fees, financial and miscellaneous expenses.

c. Natural Gas Supply

The purchases relate to the supply of natural gas from domestic companies. The expenses concern personnel costs, remuneration and benefits to third parties as well as other financial, other expenses and depreciation.

d. Activities other than electricity

These activities include income from related activities. Expenses include fees, expenditure, depreciation, financial and extraordinary results which relate to the other activities of the Company besides the Electricity Generation and Supply, as these are mentioned above.

3. Segregated Income Statement (Expenses and Income)

3.1. Direct Income and Expenses

Tax documents and transactions which solely relate to one of the Company's activities or separately mention amounts per activity, immediately update upon entry the segregated Accounts of each Activity/Business Area (a).

3.2. Indirect Income and Expenses

Tax documents and transactions that do not separately set out the activity to which they relate, update upon entry the Business Area (b), "Management" Account.

At the end of each month, the balance of the Business Area (b), "Management" Account is allocated on a cost-plus basis to each of Activity/Business Area (a) with allocation key being the participation percentage of each of them to the total income of the Company during the relevant financial year.

Following, the Company prepares the annual income statement for each financial year per activity.

4. Segregated Balance Sheet (Assets – Liabilities)

The entries updating the Assets and Liabilities Accounts, such as fixed assets, reserves, customers, other receivables, suppliers, liabilities and loans, are allocated to the respective activity. At the end of each financial year, the Equity total is allocated based on the difference of Assets and Liabilities of each activity, which is designated as "capital allocation to business units".

Based on the above "capital allocation", as well as the general accounting principles, the following Assets and Liabilities are also allocated by each Activity:

- i. Cash and cash equivalents,
- ii. Financial products
- iii. Tax assets and liabilities
- iv. Provisions

v. Deferred tax

C. Verification of Regulatory Information

RAEY may proceed into extraordinary inspections in order to ascertain the implementation by the Integrated Company "HERON SOCIÉTÉ ANONYME ENERGY SERVICES" and/or auditors engaged by it, of the provisions of Article 141 of Law 4001/2011 regarding the obligation to maintain distinct Balance Sheet and Income Statement Accounts for each activity and the proper application of the Rules and Principles for the Allocation of Assets and Liabilities, Income and Expenses for the preparation of these segregated Accounts.

To this end, RAEY has access to the Accounts of the Integrated Enterprise, as well as the right to request from the auditors of this undertaking to provide additional explanations or clarifications on their reports, as well as additional financial information regarding issues contained in these reports. For this purpose, the Company shall endeavor to legally ensure that possibility, so as RAEY, may perform these tasks in relation to the above obligations arising hereunder.

The Rules and Principles for the Allocation of Assets and Liabilities, Income and Expenses that apply to the preparation of the segregated Accounts of each of the Company's business activities are fixed and may be amended upon RAEY, approval upon a justified request from the Company.

D. Publication of Segregated Financial Statements

The Company communicates to RAEY, within fifteen (15) business days from the approval of the financial statements from the General Meeting of its Shareholders, the Annual Financial Statements which include the segregated Financial Statements along with the Auditor's Certificate and all explanatory notes as well as the auditor's report which relate to the application of the Rules and Principles for the Allocation of Assets and Liabilities, Income and Expenses.

E. Annexes

The Annexes of the Rules and Principles for the Allocation of Assets and Liabilities, Expenses and Income for the Preparation of Segregated Annual Accounts of the Activities of the Integrated Undertaking "HERON SOCIÉTÉ ANONYME ENERGY SERVICES" constitute an integral part therewith and are amended via the same process.

CHAIRMAN OF THE BoD

CHIEF EXECUTIVE OFFICER

GEORGIOS KOUVARIS

LOUKAS DIMITRIOU

HERON SOCIÉTÉ ANONYME ENERGY SERVICES

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(Amounts in Euro thousand, unless stated otherwise)



CHIEF FINANCIAL OFFICER

HEAD OF THE ACCOUNTING DEPARTMENT

ATHANASIOS PAVLIDIS

AVRAAM VASILEIADIS