

SOLTEC POWER HOLDINGS, S.A. (the "Company"), in accordance with the provisions of Article 17 of Regulation (EU) No. 596/2014 of April 16, 2014, on market abuse and Article 226 of Law 6/2023 of March 17, on Securities Markets and Investment Services, hereby communicates the following

## INSIDE INFORMATION

In relation to the inside information communication dated September 26, 2024 (registration number 2397), the Company informs that today it has published the financial report for the first half of the 2024 financial year, in accordance with the provisions of Article 100 of Law 6/2023, of March 17, on Securities Markets and Investment Services. The semi-annual report includes the summarized consolidated financial statements, the consolidated management report, and the limited review report issued by the statutory auditor (Ernst & Young, S.L.). It is available for consultation on both the CNMV website and the Company's corporate website.

As part of the preparation and publication of these financial statements, the Company wishes to highlight certain aspects regarding the following items:

a) Total assets: the total assets in the consolidated financial statements show a negative variation of €158.939 million compared to the figure as of December 31, 2023. The main differences are as follows:

- **Property, Plant, and Equipment (PPE):** This item decreased by €43.365 million, mainly due to the impairment of the Araxá and Pedranópolis operational projects in Brazil, amounting to €27.619 million. Additionally, a negative adjustment of €12.652 million was recorded due to foreign exchange translation differences resulting from fluctuations in the exchange rate between the Brazilian real and the euro. This impairment reflects the reduction in asset value following the update of cash flow projections and the cost overruns incurred during construction, which indicate that profitability expectations and investment recovery do not reach the initially estimated levels.
- **Deferred Tax Assets:** Due to the uncertainties surrounding business continuity stemming from the restructuring process of the industrial business syndicated loan, a write-off of €32.760 million in deferred tax assets was made (€35.074 million as of December 31, 2023, compared to €2.314 million as of June 30, 2024). However, the Company expects

these uncertainties to be resolved in the coming months, allowing for the reactivation of these assets.

- **Inventories:** It should be noted that the financial information as of December 31, 2023, has been restated, reducing the balance from €199.824 million to €159.364 million. This adjustment was made because certain inventory items were found to be overvalued at the year-end closing, as internal investigations revealed that they were not owned by the group. The corresponding adjustment has been made in the accounts payable balance. Additionally, inventory value decreased by €79.305 million between December 31, 2023, and June 30, 2024.

b) The consolidated net equity figure declined from €143.846 million as of December 31, 2023, to €11.590 million as of June 30, 2024. The main reasons for this decline are: (i) The recognition of negative translation differences amounting to €9.573 million due to the evolution of the exchange rate of the Brazilian real and the US dollar against the euro. (ii) The net loss recorded in the income statement for the period.

c) **Liabilities:** total liabilities decreased from €549.478 million as of December 31, 2023, to €522.795 million as of June 30, 2024. Notably, current liabilities increased by €42.032 million due to the reclassification of a short-term loan granted by Pino Investments to Soltec CAP S.L. in the amount of €71.468 million. This reclassification was made as a result of certain breaches, which the Company considers non-material. The Company is close to agreeing on a refinancing of this loan, which will restore approximately €71.437 million to long-term classification.

d) The Company's net result for the period worsened from a negative €14.414 million as of June 30, 2023, to a negative €125.933 million as of June 30, 2024. The key differences, some of which are non-cash impacts, are as follows:

- **Net revenue:** This item increased by €51.972 million compared to the figure as of June 30, 2023, mainly due to the deliveries of Bill & Hold transactions initially recorded in the last quarter of 2023.
- **Procurements:** Reduced results by €169.048 million, mainly due to increased subcontracting for service project execution and supply chain cost overruns.

- Disposal of Fixed Assets and Others: Decreased by €33.902 million, reaching a total of negative €36.882 million, mainly impacted by the impairment of the Araxá and Pedranópolis projects in Brazil, amounting to €27.619 million.
- Other Results: A negative result of €8.843 million, primarily due to penalties and the execution of guarantees, including a penalty for breach of the Power Purchase Agreement (PPA) in the Brazilian photovoltaic projects Graviolas, as well as the execution of a guarantee linked to the Colombian photovoltaic project Arrayanes.
- Financial Income and Expenses: Increased by €27.595 million due to higher financial costs related to project finance in Brazil and the loan with Pino Investments.
- Foreign Exchange Differences: A total negative impact of €5.259 million due to fluctuations in the Brazilian real and US dollar against the euro during the period.
- Corporate Income Tax: As of June 30, 2024, the Group wrote off deferred tax assets amounting to €38.678 million based on the best available estimate of its future results, as there is currently no certainty regarding the recoverability of these tax credits. Additionally, total unrecognized deferred tax assets amount to €46.300 million, of which €31.037 million corresponds to tax loss carryforwards, €3.004 million to R&D tax credits, and €12.258 million to deferred tax assets from temporary differences.

Today, Thursday, February 27, 2025, at 6:30 PM (CEST), the Company will hold a webcast with analysts and investors, where the financial results will be presented, and questions will be addressed.

[Webcast access](#)

In Molina de Segura (Murcia), on February 27, 2025.

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Mariano Berges del Estal  
CEO of Soltec