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EUROHOLD BULGARIA

consolidated
Annual Report





energy



insurance



financial-investment activities

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§ - ON THIS REPORT

Eurohold Bulgaria AD (Parent Company) prepares the annual consolidated report of Eurohold Group (the Group), including:

- Consolidated annual activity report presenting information that is material to all stakeholders regarding the activities of the Eurohold group during the reporting period, its future development, corporate governance, sustainable development, remuneration policy and the main risks and uncertainties to which the group is exposed; and
- Consolidated annual financial statement reflecting the results and financial position of the parent company and the subsidiaries included in the consolidation.

Any significant event for the Eurohold Group occurring between the end of the financial year and the date of approval of these annual reports by the Management Board is included and reflected in these consolidated annual reports.

» The annual consolidated financial statements

Basis for preparation

The consolidated annual financial statements of Eurohold Bulgaria AD have been prepared in accordance with IFRS Accounting Standards as adopted by the EU in accordance with Regulation (EC) 1606/2002 of the European Parliament and of the Council).

The annual consolidated financial statements of Eurohold Bulgaria AD give a true and fair view of the assets, liabilities, financial position and performance of the Eurohold Group.

» The consolidated annual activity report

Basis for preparation

- Article 100n of the Public Offering of Securities Act (POSA);
- Ordinance №2 of 09.11.2021 on the initial and subsequent disclosure of information in public offerings of securities and admission of securities to trading on a regulated market (last amended, issue 65 of 08.08.2025).
- Articles 44-47 of the Accountancy Act;
- Article 187d and Article 247 of the Commercial Act

Information contained in the corporate governance statement:

- Article 100n, paragraph 8 of the Public Offering of Securities Act (POSA);

Designations

Unless the context requires otherwise:

"Eurohold", "the Holding", "the Company", "the Company" shall mean Eurohold Bulgaria AD, and "Group" and "Eurohold Group" mean Eurohold Bulgaria AD together with its subsidiaries

Reporting period

The annual consolidated report covers the period January 1 - December 31, 2025.

Reporting currency

The currency in which the Company reports its activity is Bulgarian lev (BGN).

EUR 1 = BGN 1.95583

Translation

This consolidated annual report of Eurohold Group is available in Bulgarian and English. The Bulgarian version is the original. The English version is an unofficial translation. We have made every reasonable effort to avoid any inconsistency between the different language versions. However, if such discrepancies exist, the Bulgarian version will take precedence.

Further information about Eurohold Bulgaria can be found on our website www.eurohold.bg

A

CONSOLIDATED Annual Activity Report

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§ MESSAGE TO ALL SHAREHOLDERS AND STAKEHOLDERS.

*Address by Assen Hristov
Chairman of the Supervisory Board
Eurohold Bulgaria AD*

*Dear Shareholders and Partners,
Ladies and Gentlemen,*

For us, the direction has always been clearly defined – we are developing and investing in Central and Southeastern Europe and in markets that are about to cross the path of Bulgaria. Since our inclusion in the EU single market until now, we have shown how successfully a company can develop, even if it originates from one of the more modest economies in Eastern Europe.

Our listing on the Warsaw Stock Exchange, where Eurohold shares continue to be traded, is one of the most visible steps in this direction. Additionally, Eurohold and Euroins are already recognizable brands in most markets in Europe where we operate. I would like to specifically mention Ukraine, because for several years this has been perhaps our most challenging market. Despite all the difficulties, I find it right that we did not leave, but continued to work there. Special thanks go to the company's team in Ukraine, which continues to be in place and working.

No less challenging is the energy business, which is increasingly affected by political instability around the world. We are in a period of great energy transformation and I believe that the direction of Eurohold and Electrohold is right – production of clean energy through our partners through distribution to supplies and trading, entirely under our control. We are about to further develop the services we offer in the energy sector, because we believe that this is the key sector that will bring good results to our shareholders now and in the future.

Our insurance business continues to be an important part of the structure and to bring significant income to Eurohold. Our decision to develop new products and markets shows excellent results - insurance revenues have increased by over 15% over the past year, and gross profit from this area alone has increased by 30% compared to 2024.

Our plans for this and next year remain unwavering from our main goals: a strong market presence in all countries in which we operate, well-considered expansion into new markets and creating a profit to share with our shareholders and contribute to the entire economy.

We thank all shareholders and partners for your patience and trust!

Assen Christov,

Chairman of the Supervisory Board Eurohold Bulgaria AD

*Address by Kiril Boshov
Chairman of the Management Board
Eurohold Bulgaria AD*

*Dear Shareholders,
Ladies and Gentlemen,*

We have seen another year in which all of us, and probably you too, have worked in a rapidly changing and challenging environment. The world is going through major upheavals, from which companies and countries cannot remain on the sidelines. I am proud that in this challenging environment we manage to achieve strong results and reap the fruits of the decisions we made in previous years in response to the growing political and economic instability. With what we have achieved, we prove that we are making the most of the opportunities we have - over 11% growth in consolidated operating income, an increase in profit and in the assets we manage. Energy - the main direction of the group, went through another turbulent year, but the good results are a sign that the structure we have built is exactly the one that will bring benefits to our shareholders and partners.

Over the years, our activity has moved from a holding with diverse interests in different sectors to a financial group and subsequently we added energy as a strategic direction of Eurohold. The production and storage of green energy, as well as the distribution, supply and trading of electricity, for another year brings the majority of the Group's revenues, which in numbers are over 1.3 billion euros from the energy business alone, more than 12% growth compared to 2024.

In May last year, our subsidiary Eastern European Electric Company B.V., owner of Electrohold, successfully completed its first bond issue worth 500 million euros. The funds were used to repay a loan, which reduced our future expenses, as well as for corporate purposes, in short - various investments. The bonds were purchased by investors from 17 countries, mainly from Western Europe and the USA, and the successful placement reinforced Eurohold's image as a predictable, stable and profitable partner. For us, the success of this issue reflects our strategic vision and ambitions for a presence on the international capital markets.

Our insurance business is also performing very well, with over 15% increase in insurance revenues and a sharp improvement in profitability indicators, and I would especially like to note the excellent work of our colleagues at Euroins Insurance Group, who have been working for years to diversify products and markets, and the good results show that this was the right path. When talking about insurance and foreign markets, we cannot miss Greece and Poland - two of our most successful markets outside Bulgaria, where we have already gained a stable market share and the name Euroins is a recognizable brand.

Eurohold's direction has always been clear - creating a transparent, profitable holding company, with a well-diversified portfolio, which offers its clients added value and long-term partnership, and to shareholders - stability and good returns in the long term.

Our vision for the future is to continue to strengthen our positions in the energy sector, develop innovative financial and insurance products and expand our presence in international markets. We are convinced that through a consistent strategy, investments in modern technologies and the dedication of our employees, we will continue to create long-term value for all our shareholders.

Wishing you continued inspiration and success!

Kiril Boshov

Chairman of the Management Board Eurohold Bulgaria AD

1

Business overview and performance

1.1. OPERATIONAL AND FINANCIAL REVIEW

Business highlights



Eurohold Bulgaria AD

- ↳ leading independent business group operating in Central and Southeast Europe (CEE/SEE) with leading positions in the energy and insurance sectors
- ↳ core activities include creation, acquisition, and management of holdings, as well as financing of affiliated enterprises
- ↳ owner of a leading energy group in Bulgaria - the Electrohold Group
- ↳ owner of one of the largest insurance groups in CEE/SEE – Euroins Insurance Group
- ↳ experienced management team
- ↳ high level of corporate governance in line with best practices
- ↳ Public joint stock company within the meaning of the POSA.

the company's shares are registered for trading on:

- » Bulgarian Stock Exchange (BSE) - with stock exchange code EUBG
- » Warsaw Stock Exchange (GPW) - with stock exchange code EHG

BUSINESS OPERATIONS

2025

3
business
sectors

4
subsidiaries

2
energy
business
development
companies

19
operating
companies

10
countries in
Europe

9 400
shareholders

30
years
of history

BUSINESS ASSETS

EASTERN EUROPEAN ELECTRIC COMPANY II

Energy

Entity uniting the Group's energy companies

EUROINS INSURANCE GROUP

Insurance

Insurer from CEE and SEE with leading positions in Bulgaria

EURO-FINANCE

Investment intermediary and asset management

Market turnover leader on Bulgarian Stock Exchange,
member of the Deutsche Börse Group

Corporate profile

Eurohold Bulgaria is a holding company and one of the leading listed companies whose shares are traded on the Bulgarian Stock Exchange and the Warsaw Stock Exchange.

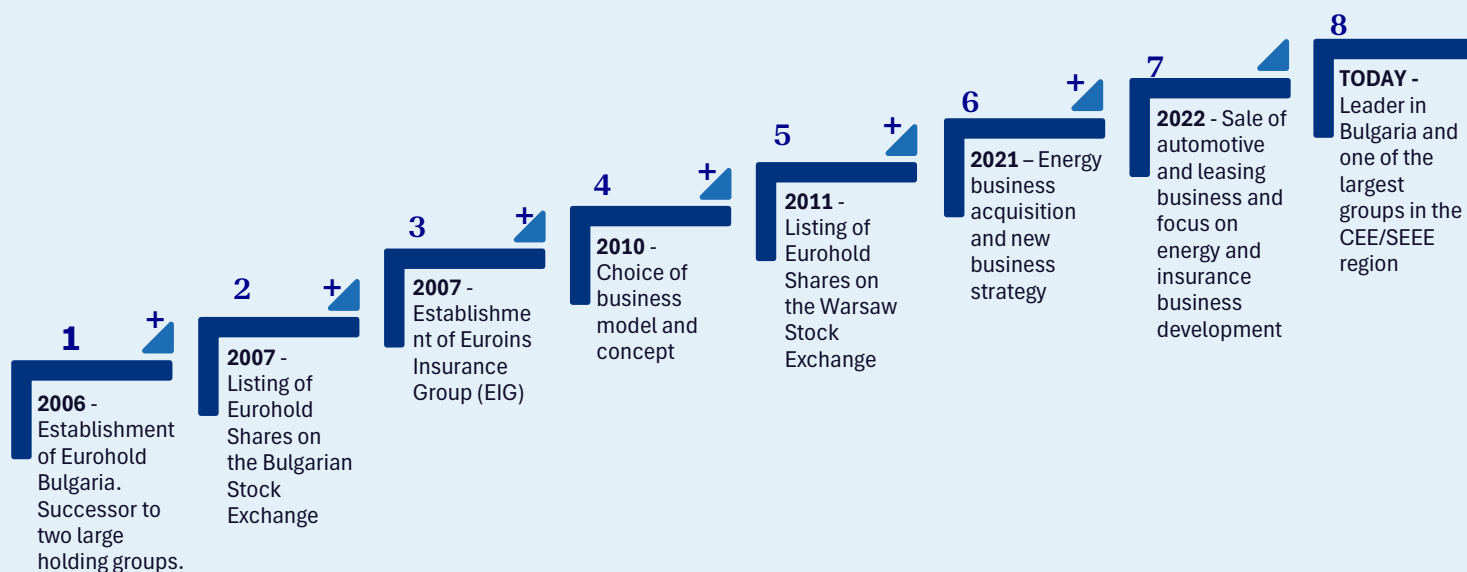
Founded more than 30 years ago, Eurohold Group has grown into an organization with a physical presence in 10 countries in Europe and a staff of over 4,500 full time employees.

Eurohold Bulgaria is a leading diversified group of companies operating in the fields of energy, insurance and financial services (investment intermediary and asset management). All companies in the group are subject to sector regulatory oversight. Eurohold Group provides the market with a full range of competitive products and services with significant future opportunities for rapid growth of the market shares of the companies in the Group, optimization of costs, strengthening of competitiveness and increase of consolidated profit.

The main driver for the development of the group is the highly professional management and leadership team with proven experience both in the holding company and in the business units of the group and with significant experience in acquiring companies and raising equity and debt capital on the international capital markets.

The management of the group is based on a high level of corporate governance in accordance with the best international practices and in compliance with the National Corporate Governance Code.

Key highlights in Eurohold’s development path



- 1 Eurohold Bulgaria AD (EUROHOLD BULGARIA AD) is a holding company established on 12 December 2006 in the Republic of Bulgaria through the merger of the public company Eurohold AD (1996) and the holding company Starcom Holding AD (1995).
- 2 Eurohold Bulgaria shares were listed for trading on the Bulgarian Stock Exchange
- 3 In 2007, Euroins Insurance Group (EIG) was established to consolidate the insurance operations of the Eurohold Group
- 4 In 2010, Eurohold restructured its investments, defining as strategic its investments in companies operating in the fields of insurance, leasing, automobiles, as well as investment intermediary and asset management.

Eurohold divested its investments in the fields of real estate and tourist property management, as well as in the industry flied
- 5 Eurohold Bulgaria shares were listed for trading on the Warsaw Stock Exchange
- + In the period from 2006 to 2021, Eurohold made numerous acquisitions and established subsidiaries in the fields of insurance, investment intermediary, financial and operational leasing, sale and after-sales service of automobiles and others.
- 6 After the acquisition of CEZ Group's assets in Bulgaria (now Electrohold Group) in 2021, Eurohold Bulgaria has strategically positioned its investments in the energy and insurance business
- 7 Automotive and leasing businesses were sold in order to focus on the development of the energy and insurance business
- 8 Today, Eurohold is a leading group in CEE/SEE with leadership positions in two strategic pillars – energy and insurance.
 - » Leading market positions in Bulgaria with a 40% market share in electricity distribution, more than 3 million residents in the territory of ERM West, over 2.2 million delivery points and approximately 30% of the delivered quantities per end customer from all networks at the national level
 - » Leading insurance business in Bulgaria and the CEE/SEE markets, serving over 4 million clients



Vision

Everyone has a past, we have a vision

Our vision is based on our rich history and experience of being leaders and innovators in all our business operations.

- » Our ambition is to be the partner of choice for our customers.
- » Our purpose, ambition and values reflect our strategy and underpin our focus on delivering our mission.

Mission

- » to maintain high financial stability of Eurohold Group;
- » to provide an adequate return to its shareholders;
- » to support the growth of our subsidiaries;
- » to stimulate innovation and increase the satisfaction of our customers;
- » to provide the necessary conditions for constant improvement of the competitiveness of our subsidiary companies;
- » maintain high trust in our relationships with our stakeholders: shareholders, employees, customers, suppliers, regulators and local communities.

Main objectives

- » to satisfy the needs of our customers by offering innovative and competitive products and services;
- » to organically expand the markets in which we operate and increase the market shares of each of our subsidiary companies;
- » to increase the volume of sales combined with high profitability;
- » to preserve the positive image of the company. Meeting the targets will lead to sustainable growth in our revenues and profits

Our values

Values

Reliability

Responsibility

Integrity

Ethics

Transparency

Corporate culture

Eurohold Group has a corporate culture based on mutual respect, individual and team trust, good communication, flexibility in relation to changing markets and competition, and meeting the needs of employees.

Teamwork is part of our culture that promotes inclusive teamwork, prioritizes an inclusive atmosphere where all departments and employees work together as a team.

Results orientation, promotes organizational processes and programs by capitalizing on understanding different types of needs and using different perspectives.

Our corporate culture predisposes us to provide a better understanding of the business needs of both our current and prospective clients, enabling us to take advantage of new business opportunities.

Group strategy

Our group strategy is based on the following principles:

- » Development and maintenance of leading positions in key markets in the region of Southeast Europe in the insurance, energy and investment business;
- » Focus on organic growth, complemented by acquisition of enterprises that meet Eurohold's criteria;
- » Promoting synergies in all business sectors by centralizing and optimizing operations, marketing and business processes;
- » Focus on risk management, guaranteed profitability and stable financial condition of each enterprise within the Eurohold Group;
- » Development, training and retention of highly qualified leaders, managers and employees by providing opportunities for professional growth;
- » Setting common goals in each business regarding the negotiation of better conditions for suppliers, advertising and participation in public tenders.

Our stakeholders

Our strategic objectives are aligned with the requirements of all our stakeholders.

Building strong relationships with our stakeholders helps us execute our strategy in line with our long-term values and manage our business in a sustainable manner. Our stakeholders are the people who work for us, our customers and suppliers, our shareholders and investors, our regulators and industry associations, and the people who live in the regions where we operate.

We strive to work to create value for our customers and shareholders. We are committed to doing business responsibly and thinking long-term. This is key to delivering on our strategy

Corporate responsibility and sustainability

For Eurohold, corporate sustainability means the ability to meet the expectations of all our stakeholders and fulfil our obligations, not only today, but also in the future.

Eurohold has imposed a group social responsibility policy in its economic structure. Eurohold Group is convinced of the importance and benefits of corporate responsibility, which is related to the protection of people, their well-being, environmental protection and impact on society.

Continuous efforts to improve the economic environment by promoting responsible behavior on the part of our employees, conducting an open dialogue with stakeholders and enhancing the positive impact of Eurohold Group companies on society are the essence of group corporate responsibility.

All companies of the holding structure support the implementation of the principles of corporate social responsibility and sustainability in their activities.

2025 Key Financial Data

Our group business in 2025 is focused on three business segments – energy, insurance and financial and investment activities. On pages 51 to 104 we provide an overview of our performance in 2025 at group level and for each of our continuing businesses.

In our business, we focus on delivering growth and long-term value for our shareholders. We aim to capture every opportunity in areas where we have significant capabilities and skills to create a sustainable business model and strengthen our market positions.

We continue to maintain a strong capital, financial and liquidity position and to diversify our business model.

Group financial results

(million BGN)	Δ	2025	2024
Revenue [!]	+11.1%	3 251	2 926
Gross profit	+10.8%	542	489
EBITDA	+23.5%	378	306
Net result from continuing operations	+221.2%	106	33

	Δ	31.12.2025	31.12.2024
Assets	+16.9%	3 221	2 756
Cash and cash equivalents	+46.1%	282	193
Financial assets	+67.0%	890	533
Equity	+45.6%	393	270
Total passive and subordinate long instruments	+13.8%	2 828	2 486
Insurance contracts liabilities	+11.4%	508	456
Bonds and loans	+7.9%	1 468	1 361

! see: 1.5 Review of group results, regarding: Consolidated results

1.2 Significant events in 2025

Main events, which occurred related to the activity of Eurohold Bulgaria

April 2025

- ✓ **On April 3, 2025**, Fitch Ratings has affirmed the long-term rating of Eurohold Bulgaria AD (Eurohold) at "B" with a stable outlook.

October 2025

- ✓ **On October 8, 2025**, – The Bulgarian Credit Rating Agency (BCRA) confirmed the ratings assigned to Eurohold Bulgaria AD as follows:
 - Long-term credit rating: BBB-; Outlook: Stable; Short-term credit rating: A-3
 - Issue rating BG2100013205: Long-term credit rating: BBB-; Outlook: Stable; Short-term credit rating: A-3;
 - Issue rating BG2100002224: Long-term credit rating: BBB-; Outlook: Stable; Short-term credit rating: A-3.

Important events have occurred for the subsidiaries

January 2025

- ✓ **On January 3, 2025**, Eastern European Electric Company II B.V. reduces its investment in the subsidiary Eastern European Electric Company III B.V. by reducing the premium reserve by EUR 250 thousand.
- ✓ **On January 3, 2025**, Eastern European Electric Company III B.V. reduces its investment in the subsidiary Eastern European Electric Company B.V. through a reduction in the premium reserve in the amount of EUR 300 thousand.
- ✓ **On January 16, 2025**, an entry was made in the Commercial Register of the simultaneous increase and decrease in the capital of Euroins Insurance Group AD.

The capital of EIG AD was reduced from BGN 576,242,734 to BGN 119,932,734 through the cancellation of 442,212,912 ordinary, registered, outstanding shares and 76,981,791 preferred, registered, outstanding shares with a par value of BGN 1 each.

At the same time, the capital was increased from BGN 119,932,734 to BGN 149,932,734 through the issuance of 30,000,000 shares, of which Eurohold Bulgaria AD subscribed and paid in December all 30,000,000 shares at an issue price of BGN 5.83 each or a total value of BGN 174,900 thousand.

After the entry, the capital of Euroins Insurance Group AD amounted to BGN 149,932,734, distributed into 149,932,734 ordinary, registered, outstanding shares with a par value of BGN 1 each. The percentage of participation of Eurohold Bulgaria AD increased from 90.01% to 92.08%.

February 2025

- ✓ **On February 21, 2025**, a subsequent capital increase of "IC Euroins" AD was entered in the Commercial Register with the issuance of 16,250,000 new shares with a nominal value of BGN 1 each and an issue price of BGN 4 of the same type and class as the existing issue of shares of the company - ordinary, registered, dematerialized, non-preferred shares with voting rights. The new shares from the capital increase were fully subscribed and paid for by the majority shareholder Euroins Insurance Group AD, the amount raised was BGN 65,000,000.

March 2025

- ✓ **March 2025**, Euroins Insurance Group AD increased the capital of JSC IC Euroins Ukraine through a cash contribution of 90,250 thousand hryvnias. The Ukrainian regulator approved the capital increase, issuing 4,512,500 shares each with a nominal value of 0.01 Ukrainian hryvnias and an issue value of 0.02 Ukrainian hryvnias.

April 2025

- ✓ **On April 30, 2025**, the management of Eastern European Electric Company B.V. approved the distribution of EUR 12,200,000 from its premium reserve in favor of the sole shareholder of Eastern European Electric Company III B.V. The payment was made on May 21, 2025.

May 2025

- ✓ **On May 15, 2025**, Eurohold Bulgaria AD's subsidiary Eastern European Electric Company B.V. (EEEC) and owner of the Electrohold Group announced the successful completion of its first issue of guaranteed secured bonds worth EUR 500 million.
The bonds are five-year, maturing on May 15, 2030, secured, issued in Reg S/144A format and bearing an annual coupon of 6.5%.
The bonds are listed on the Luxembourg Stock Exchange, Euro MTF market segment, under ISIN XS3073101712 for Regulation S (non-US) and under ISIN XS3073621552 for Rule 144A (US).
In the course of the financial transaction, EEEEC also received a debut credit rating from leading global rating agencies – Ba2 (stable outlook) from Moody's and BB (stable outlook) from Fitch.
EEEC's bonds were acquired by over 60 investors from 17 countries. The proceeds from the bond issue were used to repay in full an existing syndicated loan and related expenses, for general corporate purposes, as well as to make a dividend payment in connection with a partial early repayment of a loan of Eastern European Electric Company II B.V.
The successful implementation of this transaction is a reflection of the company's strategic vision and ambitions to expand its presence in the international debt capital markets.
- ✓ **On 28 May 2025**, Eastern European Electric Company B.V. (EEEC) entered into a credit agreement with a total limit of EUR 9,119,200 to refinance outstanding debt in connection with the hedging agreements. The credit bears interest at 6M EURIBOR + 2.4%/min. 2.4%, the term is 3 years and principal and interest payments are made every six months. The limit was fully used on 30.05.2025.

July 2025

- ✓ **On July 8, 2025**, a new subsidiary of Electrohold IPS EOOD was established – IPS Electric OOD. The amount of the capital of the newly established company is 5 thousand BGN and 60% of it is owned by Electrohold IPS EOOD. The remaining part of the capital is owned by a company unrelated to the Group. The main activity of IPS Electric OOD is: pre-project and design studies, design and engineering of energy infrastructure sites; construction, reconstruction and construction and repair activities of energy infrastructure sites; project management, technology and project management, technical control and implementation management of energy infrastructure sites, consulting activities.

October 2025

- ✓ **On October 1, 2025**, Euroins Insurance Group AD received the order from the European Court of Human Rights by which the court registers, respectively initiates proceedings, based on the complaint filed by Euroins Romania and Euroins Insurance Group AD regarding the deprivation of Euroins Romania of the right of access to fair trial following the actions of the Romanian courts in the insolvency proceedings.
By a decision dated 30 September 2025, published on 24 October 2025, the International Center for Settlement of Investment Disputes in Washington (ICSID) rejected the Romanian government's request to terminate the arbitration proceedings brought by Eurohold Bulgaria AD (Eurohold) and Euroins Insurance Group AD (EIG) due to the withdrawal of the license by the Romanian authorities and the resulting thereof insolvency proceedings against Euroins Romania. The claim has a legal basis - non-compliance with the bilateral Agreement for the Mutual Promotion and Protection of Investments between Bulgaria and Romania, signed back in 1994 and is worth over 500 million euros.
On 7 November 2025, Eurohold Bulgaria AD (Eurohold), Euroins Insurance Group AD (EIG) and Starcom Holding AD, together with its direct shareholders, filed a second claim with ICSID in relation to Euroins Romania's case

due to the Romanian state's failure to observe its obligations under Romania's "Investment Law" (GEO No. 92/1997; Law No. 241/1998). On 24 November, 2025, ICSID registered a second case with a claim value of over 575 million euros. With the two arbitration proceedings filed in Washington, the total amount of the claims against the Romanian state now exceeds EUR 1 billion.

- ✓ **On October 16, 2025**, Fitch Ratings upgraded its rating for Euroins Insurance Company AD (Euroins Bulgaria), the largest subsidiary of Euroins Insurance Group AD (EIG), from 'B+' to 'BB-' with a stable outlook.
- ✓ **New companies established at the energy group level**
In October 2025, two subsidiaries of Electrohold Sales EAD were registered: Energoto EOOD and Electoto EOOD. Both companies have a capital of 1 thousand BGN and are 100% owned by Electrohold Sales EAD. The newly established companies were established for the purpose of marketing, commercial representation and brokerage, as well as providing consulting services. The establishment of these companies aims to strengthen the market presence of Electrohold Sales EAD before the upcoming full liberalization of the electricity market.

Significant events after the end of the reporting period

January 2026

- ✓ **On 1 January 2026**, the Republic of Bulgaria adopted the euro. The date of adoption was set in the Council Decision on the adoption of the euro by Bulgaria, adopted by the EU Council for Economic and Financial Affairs (ECOFIN) on 8 July 2025. The official exchange rate at which Bulgaria joined the euro area is 1 euro = 1.95583 leva.
It is irrevocably fixed in the Council Regulation amending Regulation (EC) 2866/98 on the exchange rate of the euro for Bulgaria.
- ✓ **On 12 January 2026**, Eurohold Bulgaria AD acquired 2,963,355 shares of Euroins Insurance Group AD (EIG AD). As a result of the purchase, the shareholding of Eurohold Bulgaria AD in EIG AD amounts to 94.06% of the capital (141,027,728 shares).
- ✓ **On January 23, 2026**, - the Board of Directors of the Bulgarian Stock Exchange decided, as of January 26, 2026, that the shares of Eurohold Bulgaria AD (with BSE stock code: EUBG) will be traded on the "Premium" segment of the Bulgarian Stock Exchange (BSE). The investment intermediary Euro-Finance AD will be the market maker for the shares of Eurohold Bulgaria AD.
- ✓ **On March 11, 2026**, - at a meeting of the Board of Directors of Eurohold Bulgaria AD, a decision was made to convene a General Meeting of Shareholders, which will be held on April 23, 2026 with the following agenda: Dismissal of Assen Christov as a member of the Supervisory Board (SB) of Eurohold Bulgaria AD and election of a new member of the SB.
- ✓ **On April 28, 2026**, an extraordinary general meeting of Eurohold Bulgaria AD has been scheduled with the following agenda: authorization of the Management Board and the persons managing the Company to conclude financing transaction/transactions with a total value above the threshold under Art. 114, para. 1, item 2 in connection with Art. 114, para. 1, item 1, letter "b" of the Public Offering of Securities Act.
- ✓ **On March 31, 2026**, after review, Fitch Ratings affirmed the long-term credit rating at 'BB' with a stable outlook of Eastern European Electric Company B.V. and the long-term rating of Eurohold Bulgaria AD (Eurohold) at 'B' with a stable outlook.

There are no adjusting or other material non-adjusting events occurring after the end of the reporting period that would require additional disclosure or adjustments in the Annual Consolidated Financial Statements of Eurohold Bulgaria AD as of December 31, 2025.

The Management Board of Eurohold Bulgaria AD is not aware of any other significant or material events for the Company or the Eurohold Group that have occurred during the reporting period or after its closing date.

For more information on material events, please visit the "News" section of the Eurohold Bulgaria AD webs www.eurohold.bg.

1.3 Corporate Information

Parent Company Information

Name	„Eurohold Bulgaria“AD
Country of establishment	Republic of Bulgaria
Registration number	UIC 175187337
Identification number of the legal entity	LEI code 74780000J0W85Y204X80
Legislation	Bulgarian
Address of headquarters and for correspondence	Bulgaria, Sofia, 1592, Iskar district, 43 Christopher Columbus Blvd
Phone number	+359 2 9651 651; + 359 651 653
Email address	investors@eurohold.bg ; office@eurohold.bg
Website	www.eurohold.bg

Activity

Acquisition, management, evaluation and sale of investments in Bulgarian and foreign companies, acquisition, management and sale of bonds, acquisition, evaluation and sale of patents, assignment of licenses for the use of patents to companies in which the company participates, financing of companies, in which the company participates.

Main activity

The main activity of the holding company is performing financial and investment activities related to the acquisition, sale and management of participations and financing of related companies.

Research activity

"Eurohold Bulgaria" AD did not directly incur costs for research or development activities.

Statute

"Eurohold Bulgaria" AD is a public joint-stock company within the meaning of the Public Securities Act. The company's shares are listed for trading on the main market of:

- » Bulgarian Stock Exchange AD – Sofia with stock code EUBG
- » Warsaw Stock Exchange (GPW) - Poland with stock code EHG.

Branches and representative offices

"Eurohold Bulgaria" AD is located in the city of Sofia and does not have branches or representative offices in other settlements.

Collective bargaining

From the creation of Eurohold Bulgaria AD to the present moment, there has been no collective labour agreement and no trade union organizations of the employees.

Credit ratings assigned

 <p>EuroHold Issuer Default Rating "B" Outlook: stable</p>	 <p>EuroHold Long-term: BBB- Outlook: stable Short-term: A-3</p> <p>ISIN: BG2100013205; bonds issues ISIN: BG2100002224 Long-term: BBB- Outlook: stable Short-term: A-3</p>
 <p>Eastern European Electric Company B.V. Rating "BB" Outlook: stable</p>	 <p>Eastern European Electric Company B.V. Rating: Ba2 Outlook: stable</p>
 <p>Euroins Bulgaria Issuer Default Rating "BB-" Outlook: stable</p>	 <p>Euroins Bulgaria Long-term: BBB- Outlook: stable Short-term: A+</p>

More detailed information regarding the credit ratings awarded to Eurohold Bulgaria AD and its subsidiaries can be found on the websites of the relevant rating agencies, namely: www.fitchratings.com, www.moody.com and www.bcra.eu.

Capital and capital structure

Initial registered capital

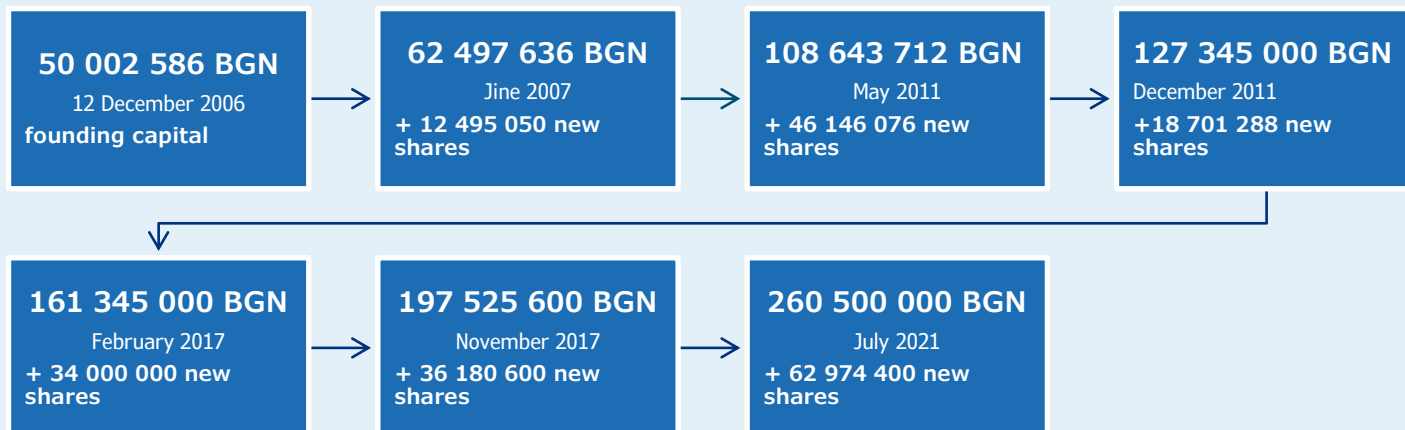
Eurohold Bulgaria AD is registered with an initial share capital of BGN 50 002 586, divided into 50 002 586 ordinary, non-privileged, registered, dematerialized shares, with the right to one vote in the General Meeting of Shareholders, the right to a dividend and a liquidation share, with a nominal value of BGN 1 each. Since the establishment of the Company, several increases in the Company's capital have been carried out by means of cash contributions.

Current capital

As of the date of preparation of this activity report, the capital of Eurohold Bulgaria AD is BGN 260 500 000, divided into 260 500 000 ordinary, non-privileged, registered, dematerialized shares, with the right to vote, the right to a dividend and a liquidation share, with a nominal value of BGN 1.00 each.

Changes in share capital

The chart below shows the history of all increases in share capital from the company's incorporation to date.



All increases in the share capital of Eurohold Bulgaria were made under the terms of a public offering of shares of the same type and class as the initially registered issue of shares, with a nominal value of 1.00 (one) leva each. The funds raised from all increases in the share capital of the Company were used to support the subsidiaries and to reduce the long-term indebtedness of the Company.

The subscribed authorized capital of Eurohold Bulgaria AD is fully subscribed, there is no authorized but unissued capital.

At this time, there is no other increase in the share capital of the Company that is in process or for which a decision has been made by the competent authority.

There are no persons who hold options on the capital of the Issuer or on the capital of other companies in the Eurohold Bulgaria AD Group, as well as to whom there is a commitment, conditional or unconditional, to issue such options in their favor.

In December 2024, Eurohold Bulgaria AD issued a total of 260,481,631 warrants in an initial public offering with ISIN code BG9200007243. The warrant issue has been traded on the Bulgarian Stock Exchange since December 17, 2024 with the assigned stock code EUBW.

The warrants entitle the warrant holders to exercise their right to subscribe for the respective number of shares (of the same type and class as the existing issue of shares of the company - dematerialized, registered, non-preferred, with the right to 1 (one) vote in the general meeting of shareholders of the company, with the right to dividend and the right to a liquidation share) - the underlying asset of the warrants at an issue value of 2.00 (two) BGN per share at a warrant/share conversion ratio of 1:1, which Eurohold Bulgaria AD will issue in future increase(s) of its capital, provided that the new shares are subscribed by the warrant holders.

Shares

All shares issued by the Company are in circulation, of the same class and fully paid up. All shares issued by the company are outstanding.

The entire capital of the Company has been paid in cash and the same has not been increased through contributions and no shares have been issued that do not represent capital.

All shares issued by Eurohold Bulgaria AD provide their holders with the right to vote in the General Meeting of the Company.

Stock trading

All shares of Eurohold Bulgaria AD are registered for trading on:

- » Main market of the Bulgarian Stock Exchange AD, Segment Shares Standard, stock code EUBG; and
- » Warsaw Stock Exchange (GPW) Poland with stock code EHG.

Number and nominal value of own shares acquired and transferred during the year

In 2025, the Company did not buy back its own shares, and no such were transferred, respectively, at the end of the period, Eurohold Bulgaria AD did not own any own shares.

Ownership of own shares and the part of the capital they represent

As of 31.12.2025, the Company has not repurchased, respectively, does not own, its own shares.

As of 31.12.2025, 77 227 voting shares of Eurohold Bulgaria AD are owned by companies in the Eurohold Group (as of 31.12.2023 – 77 227 voting shares), representing 0.03% of the Company's capital.

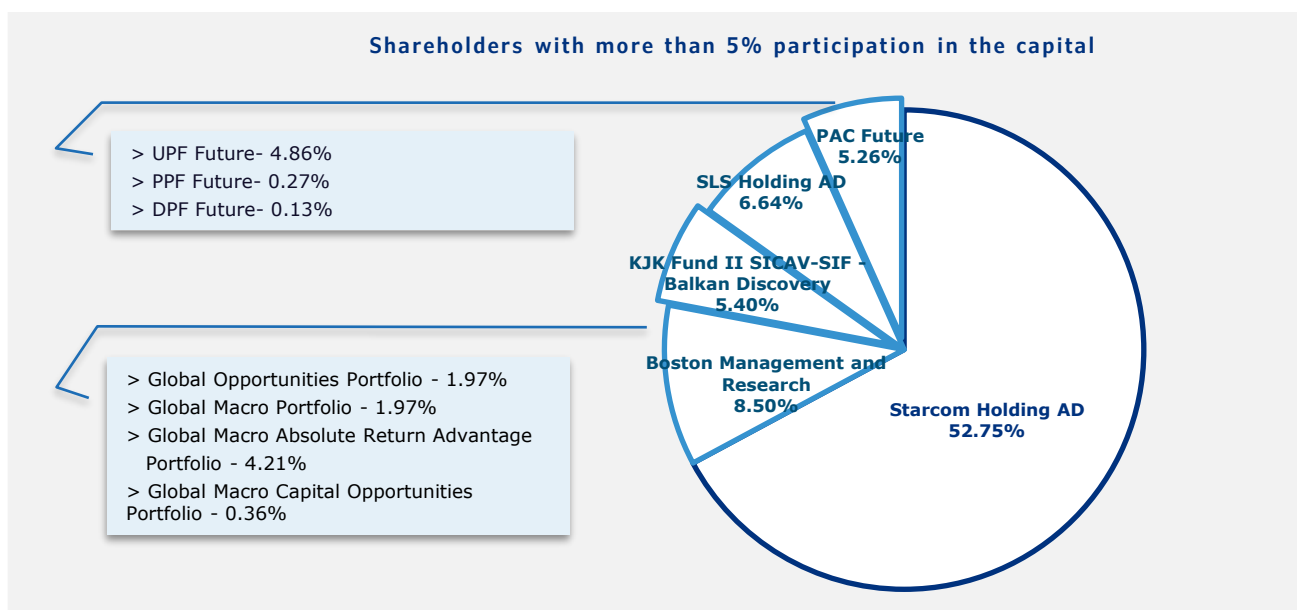
Conditions for increase of share capital

The body that is competent to take decisions in connection with the increase of the Company's capital is the General Meeting of Shareholders.

Eurohold Bulgaria AD, as a public company, increases its share capital under the conditions of an initial public offering of securities, by issuing a new issue of shares under the conditions of a public offering in accordance with the Law on Public Offering of Securities.

Share capital structure

As of 31.12.2025 and as of the date of preparation of this activity report, there are five legal entities that own directly 5 percent or more of the shares with the right to vote in the Company's general meeting. There are no separate shareholders who directly own more than 5 percent of the voting shares.



In 2025, there was no significant change in the shares of Eurohold Bulgaria AD held by shareholders with over 5% of shares.

⇒ Shareholder structure as of 31.12.2025

Shareholders	number of voting shares	% of capital
Total shareholders legal entities, including:	256 976 296	98.65%
> Total shareholders over 5% (legal entities)	204 609 365	78.54%
> Other legal entities	52 366 931	20.10%
Total shareholders natural persons	3 523 704	1.35%
Total number of shares with voting rights	260 500 000	100.00%

⇒ Information about the warrant holders as of 31.12.2025

Warrant holders	number of warrants	% of all warrants issued*
Total warrant holders legal entities, including:	239 252 797	91.85%
> Total warrant holders over 5% (legal entities)	220 027 286	84.47%
▪ Starcom Holding AD	159 268 486	61.14%
▪ Starcom Finance EAD	27 206 000	10.44%
▪ SLS Holding AD	20 247 000	7.77%
▪ Asterion Bulgaria EAD	13 305 800	5.11%
> Other legal entities	19 225 511	7.38%
Total warrant holders' individuals	21 228 834	8.15%
Total number of voting warrants	260 481 631	100%

Majority shareholder

The majority shareholder in Eurohold Bulgaria is Starcom Holding AD, which as of 31.12.2025 holds 137 408 507 voting shares representing a controlling interest of 52.75% of the capital of Eurohold Bulgaria AD. Starcom Holding AD is a holding company registered in the Republic of Bulgaria, which carries out its activities in accordance with Bulgarian legislation.

Starcom Holding AD is a company registered in the Commercial Register, kept by the Registry Agency of the Republic of Bulgaria with UIC 121610851, with its registered office and registered address: Sofia, 43 Christopher Columbus Blvd. The company was established for an indefinite period. The registered capital of the company is BGN 73,500,000, distributed in:

- » 669,000 ordinary, registered, outstanding shares with voting rights and a nominal value of BGN 100 each;
- » 66,000 ordinary, registered, outstanding shares without voting rights and a nominal value of BGN 100 each.

The shares of Starcom Holding AD are not admitted to trading on a regulated market.

Starcom Holding AD has issued a corporate bond issue admitted to trading on a regulated market – the Bulgarian Stock Exchange AD.

The scope of activity of Starcom Holding AD is acquisition, management, evaluation and sale of participations in Bulgarian and foreign companies, acquisition, evaluation and sale of patents, transfer of licenses for the use of patents to companies in which the company participates, financing of companies in which the company participates.

Starcom Holding AD has a single-tier management system - Management board, consisting of three people - Assen Milkov Christov - Executive Director, Kiril Ivanov Boshov - Chairman of the Management board and Velislav Milkov Christov - member of the Management board. Starcom Holding AD is represented by Executive Director Assen Christov. As of 31.12.2025, Starcom Holding AD is represented by the Executive Director Assen Christov. On 27.03.2026, a new representative of the company was entered in the Commercial Register, and Milen Christov was entered in place of Assen Christov.

Starcom Holding AD as a majority shareholder in Eurohold Bulgaria AD does not have different voting rights in the general meeting of shareholders.

Eurohold Bulgaria AD is part of the economic group of its majority shareholder Starcom Holding AD. Eurohold Bulgaria AD is the main and most significant investment of Starcom Holding AD.

Control over Eurohold Bulgaria AD

➤ Direct control

Eurohold Bulgaria AD is not directly dependent on other entities within the framework of the group except for the majority owner of the capital "Starcom Holding" AD.

➤ Indirect control

Eurohold Bulgaria AD is indirectly dependent on natural persons: Assen Milkov Hristov, who exercises indirect control over the Company, as the person owns 46.42% of the capital and 51% of the voting rights in the capital of Starcom Holding AD.

1.4 Business operations

Main activity

Eurohold Bulgaria AD is a holding company, primarily engaged in activities related to the acquisition, sale and management of participations and financing of related companies.

The company does not carry out activities falling under a special permit regime, for which patents, licenses or other permits from regulatory authorities are required.

In order to optimize management, business processes and fixed costs, the Company has structured its businesses into sub-holding structures depending on the sector in which they operate.

Eurohold Bulgaria AD together with its subsidiaries and their operating companies forms an economic group - Eurohold Group.

Eurohold Bulgaria AD manages and supports the business of its economic group through its strategy, risk, financing of related companies, control, communication, legal advice, human resources, information systems and technologies and other functions.

Economic group

Eurohold's organizational structure is at three levels:

- ✓ parent company
- ✓ subsidiaries
- ✓ operating companies

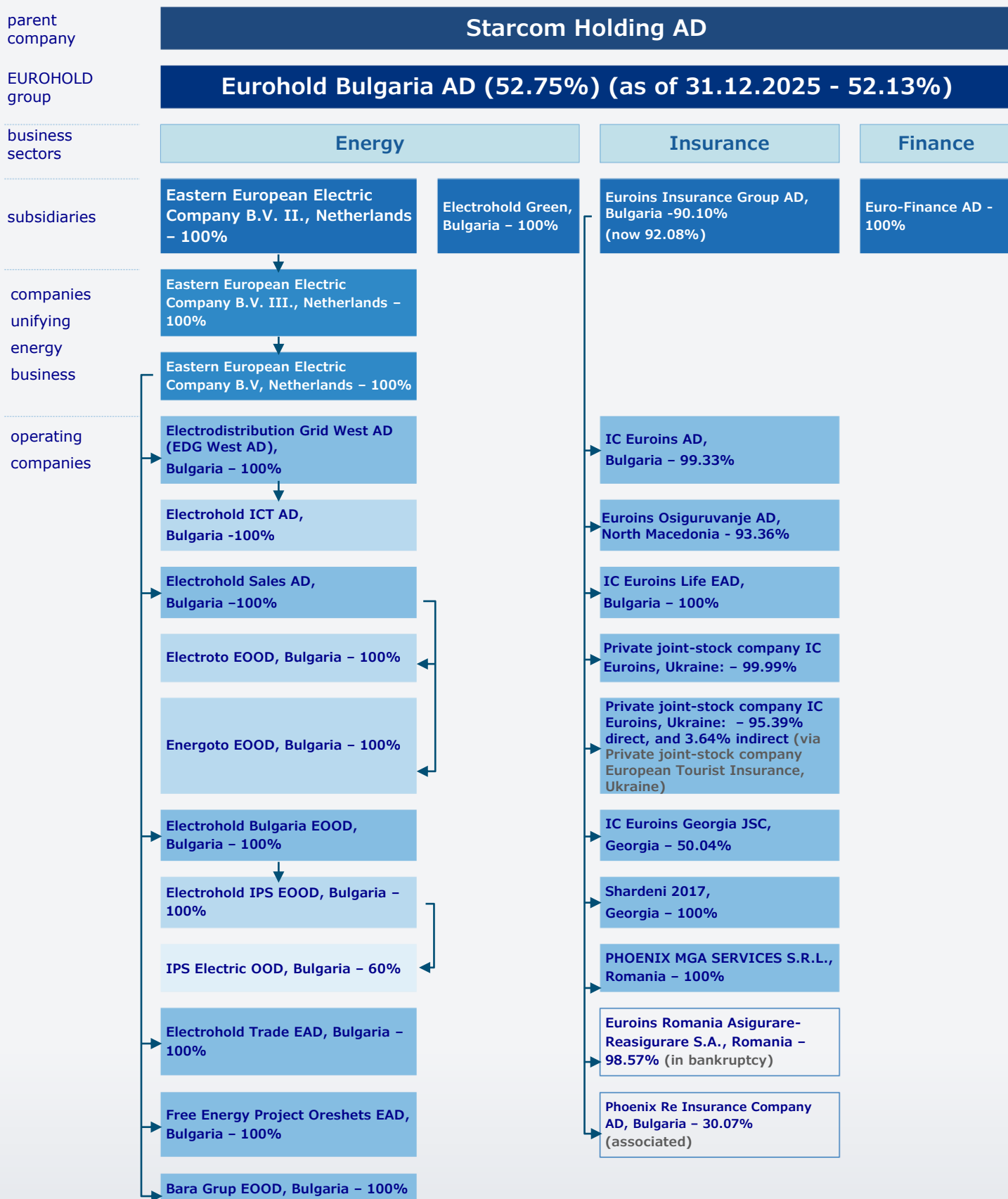
Each of the three structural levels has its specific functions, business activities and objectives.

Business activities in 2025

The subsidiaries are holding structures uniting the investments of Eurohold Bulgaria in the sectors:

- Energy;
- Insurance; and
- Finance (investment brokerage and asset management)

Organizational structure of the economic group Eurohold as of 31.12.2025



Eurohold Group at the end of 2025

As of 31.12.2025 and as of the date of this report, Eurohold Bulgaria AD has participations in 25 subsidiaries and 1 associated company.

direct participation	indirect participation
<ul style="list-style-type: none"> » 4 subsidiaries, incl. <ul style="list-style-type: none"> ✓ two sub-holding structures <ul style="list-style-type: none"> > energy > insurance ✓ two operating companies <ul style="list-style-type: none"> > financial and investment > energy (no activity) 	<ul style="list-style-type: none"> » 2 specially created companies for the development of the energy business » 19 operating companies <ul style="list-style-type: none"> > 11 energy companies > 8 insurance companies » 1 associated company (insurance) » 1 subsidiary - lost control (bankrupt since 09.6.2023) (insurance)

Changes have occurred in the Eurohold economic group

New activities in 2025
⇒ Established subsidiaries at the energy group level
» July 8, 2025 - IPS Electric OOD, a subsidiary of Electrohold IPS EOOD owning 60% of the capital of the newly established company
» October 24, 2025 - Energoto EOOD, sole owner of the capital Electrohold Sales EAD;
» October 22, 2025 - Electroto EOOD, sole owner of the capital Electrohold Sales EAD

Main Markets

Through its subsidiaries, Eurohold is positioned in the markets of Central, Eastern and Southeastern Europe.

- The energy business operates exclusively within the territory of Bulgaria;
- The insurance business has the broadest regional presence, with operations spanning Central, Eastern and Southeastern Europe (see: Regional breakdown by types of services/products);
- The investment and financial segment also provide investment intermediation services in Germany through Euro-Finance AD, as a member of the Frankfurt Stock Exchange – Xetra (Deutsche Börse).

Regional performance by market

largest share of all countries



Bulgaria has the largest share of all countries in which the Eurohold group operates, encompassing all types of services/products offered by operating companies from all business segments.

largest share in Bulgaria



The energy business has the largest share in Bulgaria, with the activities of Electrodistribution Grid West AD having the largest share.

The insurance business has the second largest share, with the activities of IC Euroins AD having the largest share.

widest regional representation



The insurance business has the widest regional distribution with operations in 2024 in 12 markets in Europe.

Bulgaria has the largest volume of business among insurance companies.

Map of Eurohold Group business operations



Types of services and products, regional presentation

Eurohold Bulgaria AD as a holding company does not develop independent production and/or commercial activities or activities related to the provision of services. The Company's operating income is related to operations of acquisition and management of subsidiaries, which is why it is classified as a financial sector.

Through its subsidiaries, Eurohold offers a full range of services and products in the insurance, energy, and financial and investment segments.

Regional presentation by types of services / products

Energy	
Services and products provided	Country
» Operation of the electricity distribution network as a set of medium, low and high voltage power lines and facilities used for transmission and distribution of electricity to end customers connected to the electricity distribution networks for a territory under a license	▪ Bulgaria
» Public electricity supply	▪ Bulgaria
» Electricity trade	▪ Bulgaria
» Trade in integrated systems in the field of information and communication technologies, as well as provision of information, communication and technological services	▪ Bulgaria
» Pre-project and design studies, design and engineering of energy infrastructure sites, implementation of construction and installation activities	▪ Bulgaria
» Business services, commercial consulting, purchase and sale of equipment and materials, marketing and advertising services	▪ Bulgaria
» Production and trade in energy from renewable sources	▪ Bulgaria

Insurance	
Services and products provided	Country
» General Insurance	▪ Bulgaria; ▪ North Macedonia; ▪ Ukraine; ▪ Georgia; ▪ Romania (not related to motor vehicle civil liability)
» Life Insurance	▪ Bulgaria
» Travel Insurance	▪ Ukraine
» Damage Settlement – Motor Claims (until 12.09.2024)	▪ Greece
» Insurance Services under the European Directive on the Right to Freedom to Provide Services within the European Union (the company "IC Euroins" AD operates in these markets)	▪ Italy; ▪ Greece (branch); ▪ Spain; ▪ Poland; ▪ Germany

Finance (investment brokerage and asset management)	
Services and products provided	Country
» Investment brokerage	▪ Bulgaria; ▪ Germany (as a member of the Frankfurt Stock Exchange – Deutsche Börse Xetra)
» Investment banking	▪ Bulgaria
» Asset management	▪ Bulgaria

1.5 Overview of group results

This section presents the results of the Eurohold Group's activities on key indicators for 2025 and the comparative period 2024.

The data is based on the audited annual consolidated financial statements of Eurohold Bulgaria AD for 2025, prepared in accordance with IFRS accounting standards as adopted by the EU.

Summary

In 2025, the Eurohold group continued its positive development and achieved strong and stable operating results.

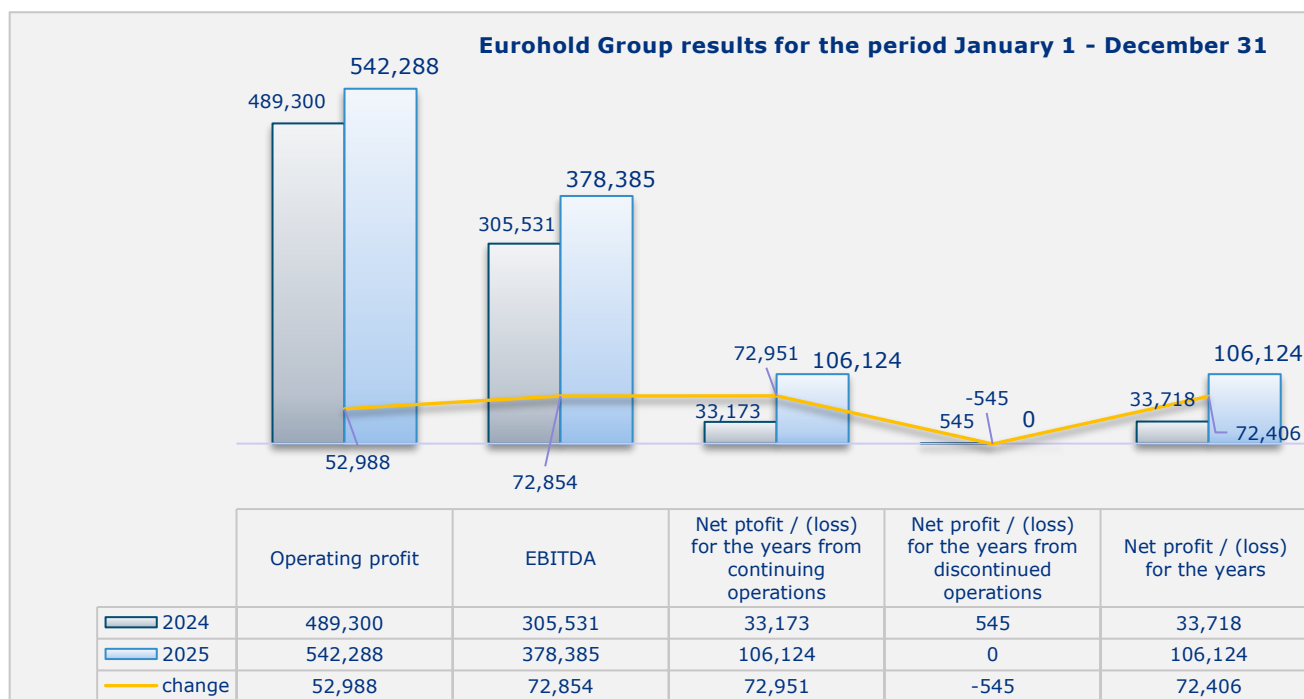
Thanks to improved efficiency and productivity in the energy and insurance businesses, the Group's operating revenues for 2025 increased by 11% to BGN 3.25 billion, with a reported gross profit of BGN 542 million and EBITDA of BGN 378 million, representing a growth of 24%.

No material impacts were identified in 2025 that could affect the Group's results and consolidated profit.

- ! Throughout this report, insurance income and expenses are presented on a gross basis by type, according to their nature, whereas in the Annual Consolidated Statement of Profit or Loss and Other Comprehensive Income for 2025 they are presented on a net basis.
See below: table – Consolidated Results.

Analysis of the group results

Group consolidated results



Eurohold Group reported a 10.8% increase in gross profit for 2025 (+BGN 53 million) compared to 2024, as well as a 23.8% increase in earnings before interest, depreciation and amortization (EBITDA) (+BGN 73 million).

In 2025, the companies within the Eurohold Group generated a 220% increase (+BGN 72.9 million) in net profit from continuing operations, reaching BGN 106.1 million (2024: BGN 33.7 million).

The Group's net consolidated profit for the reporting year 2025 amounts to BGN 106.1 million, of which BGN 102.9 million is attributable to the owners of the parent company, and BGN 3.2 million to non-controlling interests.

In the comparable period of 2024, the Group reported a profit from continuing operations of BGN 33.2 million and a profit from discontinued operations of BGN 0.5 million, resulting in a total profit of BGN 33.7 million. Net profit attributable to the owners of the parent company amounted to BGN 33.8 million, while the non-controlling interest recorded a loss of BGN 0.1 million.

⇒ Consolidated results

Total Group operating revenues for 2025 amount to BGN 3.25 billion, representing an increase of 11.1% compared to the consolidated revenues for 2024, which stood at BGN 2.93 billion.

The Group's operating expenses directly reflect changes in the business volume of the companies included in Eurohold's consolidated financial statements.

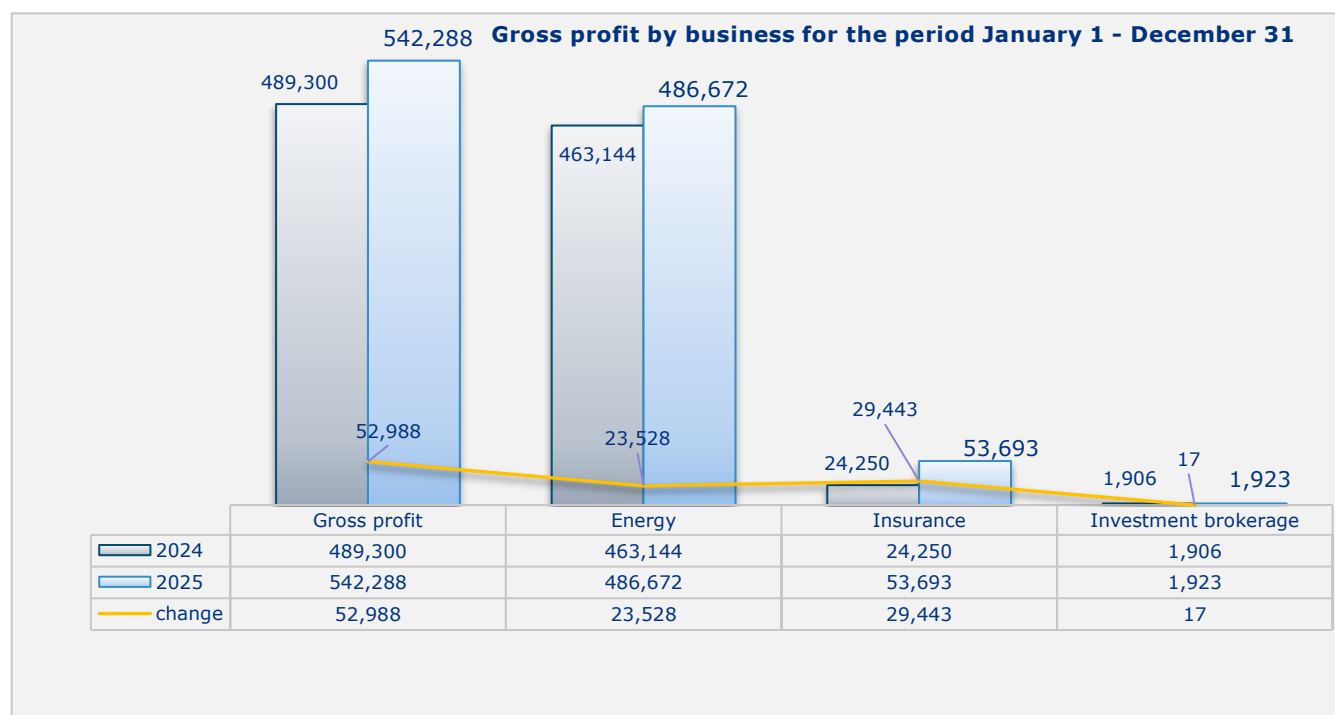
Reported operating expenses amounting to BGN 2.71 billion mark an increase of 11.2% compared to the previous period.

As a result of its operating activities, the Group's gross profit for 2025 grew by 10.8%, reaching BGN 542.3 million.

Consolidated results	change	2025	2024
	B %	BGN thousand	BGN thousand
Revenue			
Revenue from energy operations	+12.4%	2 571 393	2 287 499
Revenue from insurance operations, including:	+6.6%	677 443	635 798
- insurance revenue	+15.1%	605 865	526 592
- commissions received under inward reinsurance	-71.1%	6 676	23 096
- claims incurred and changes in the liability for reported claims, recovered from reinsurers	-34.5%	39 371	60 139
- financial and investment income from insurance operations	-1.7%	25 531	25 971
Revenue from financial and investment activities	-5.7%	2 168	2 299
Total operating revenue	+11.1%	3 251 004	2 925 596
Expenses			
Expenses for energy operations	+14.3%	(2 084 721)	(1 824 355)
Expenses for insurance operations	+2.0%	(623 750)	(611 548)
- insurance expenses	+4.6%	(512 909)	(490 481)
- insurance revenue ceded to reinsurers	-18.1%	(88 943)	(108 568)
- financial and investment expenses from insurance operations	+75.2%	(21 898)	(12 499)
Expenses for financial and investment activities	-37.7%	(245)	(393)
Total operating expenses	+11.2%	(2 708 716)	(2 436 296)
Gross profit	+10.8%	542 288	489 300
Other operating income	+40.5%	172 002	122 441
- energy business	-26.1%	32 237	43 649
- insurance business	+29.8%	13 850	10 670
- financial and investment activity	-90.9%	30	328
- parent company	+85.7%	125 885	67 794
Profit (loss) from financial instruments, net	-48.5%	6 253	12 137
- gains from operations with financial instruments	-16.2%	20 904	24 931
- losses from operations with financial instruments	+14.5%	(14 651)	(12 794)
Dividend income	-5.9%	111	118
Administrative expenses	+6.2%	(272 025)	(256 129)
- material expenses	-13.2%	(13 376)	(15 409)
- expenses for external services	+2.2%	(73 499)	(71 894)
- employee remuneration expenses	+8.8%	(171 343)	(157 417)
- other expenses	+21.0%	(13 807)	(11 409)
Impairment losses on financial assets, net	+14.1%	(2 438)	(2 136)
Other operating expenses	+12.6%	(67 806)	(60 200)
- energy business	-63.7%	(1 110)	(3 062)
- insurance business	+40.6%	(20 579)	(14 638)
- parent company	+8.5%	(46 117)	(42 500)
EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization)	+23.8%	378 385	305 531
Depreciation expenses	+6.9%	(125 257)	(117 206)
EBIT (Earnings Before Interest and Taxes)	+34.4%	253 128	188 325
Financial income (interest income)	+208.9%	14 662	4 746
- energy business	+98.4%	7 345	3 702
- financial and investment activities	-10.8%	725	813
- parent company	+2754%	6 592	231
Financial expenses,	-1.9%	(138 093)	(140 827)

including interest expenses on loans	+7.4%	-130 611	-121 620
- energy business	+15.0%	(111 477)	(96 933)
- interest income from cash flow hedging	-1304%	(17 672)	1 468
- insurance business	-36.3%	(4 349)	(6 823)
- financial and investment activities	+9.0%	(182)	(167)
- parent company	-17.5%	(14 603)	(17 697)
including interest expenses on lease contracts	+93.8%	(2 500)	(1 290)
including other financial expenses	-72.2%	(4 982)	(17 917)
Profit/ Loss from foreign exchange rate changes, net	+152.9%	397	(751)
Share of profit from investment accounted for using the equity method	-95.6%	111	2 515
EBT (Earnings Before Taxes)	+141.1%	130 205	54 008
Income tax expenses	+15.6%	(24 081)	(20 835)
Net profit/(loss) for the year from continuing operations	+219.9%	106 124	33 173
Net profit for the year from discontinued operations	-100%	-	545
Net profit for the year	+214.7%	106 124	33 718

⇒ Gross profit by business activities



- The energy group's activity has the most significant share in the total gross profit, growing by 5.1% in 2025. However, the insurance activity reported the largest growth for the period, with gross profit increasing by 121.4%.

⇒ Administration expenses

Administration expenses (BGN thousand)	Energy		Insurance		Finance-investment activity		Parent company	
	2025	2024	2025	2024	2025	2024	2025	2024
Cost of materials	(13 276)	(15 281)	(28)	(47)	(54)	(64)	(18)	(17)
Expenses for external services	(63 372)	(60 600)	(4 412)	(5 779)	(1 010)	(917)	(4 705)	(4 598)
Remuneration expenses	(164 709)	(150 895)	(3 774)	(4 059)	(1 550)	(1 365)	(1 310)	(1 098)
Other expenses	(12 368)	(10 329)	(746)	(434)	(308)	(329)	(385)	(317)
Total administrative expenses by business segments	(253 725)	(237 105)	(8 960)	(10 319)	(2 922)	(2 675)	(6 418)	(6 030)

- ▶ External services expenses: The remuneration paid to the audit firm Grant Thornton, including other companies within the Grant Thornton audit network, amounted to BGN 1 914 thousand in 2025 (2024: BGN 2 330 thousand). This amount includes expenses for independent financial audit services of BGN 1 699 thousand, services under the Insurance Code of BGN 44 thousand, and other permitted services of BGN 171 thousand related to consolidation procedures and reporting. After the reporting period and up to the date of this consolidated financial statement, additional permitted agreed-upon procedures services amounting to BGN 10 thousand were provided by a company within the Grant Thornton network. No tax or other advisory services were provided.

⇒ Depreciation and tax expenses

Expenses of business activities (BGN thousand)	Energy		Insurance		Finance-investment activity		Parent company	
	2025	2024	2025	2024	2025	2024	2025	2024
Depreciation expenses, including:	(119 519)	(111 586)	(5 175)	(5 113)	(363)	(306)	(200)	(201)
- On right-of-use assets	(7 879)	(6 843)	(3 543)	(3 719)	(253)	(241)	(176)	(176)
Tax expenses, including:	(18 162)	(20 165)	(5 811)	(485)	(108)	(185)	-	-
- Global minimum tax*	(4 817)	(4 866)	(1 326)	(45)	(29)	(52)	-	-

* The Group is subject to Additional National Tax pursuant to Art. 260я25 of the Corporate Income Tax Act. The additional tax relates to the Group's operations in Bulgaria, where the statutory corporate tax rate is 10%.

During the period, the Group has recognized a current tax expense of BGN 6 172 thousand related to the additional tax (2024: 4 963).

The assessment has been made based on the current available information regarding the operations of the companies in the Starcom Holding AD group and the applicable effective tax rates. Since the effective rate of the companies in Bulgaria is below 15% and they do not fall within the scope of the transitional reliefs, they have accrued additional tax under the Second Pillar.

The Group continues to monitor the development of Pillar II legislation in the various countries where it operates to assess its potential future impact on its consolidated operating results, financial position and cash flows.

Results by type of activity based on non-consolidated data (before intragroup eliminations)

Revenues and results of business activities

Revenues from business activities			
Business activities	change %	2025 BGN thousand	2024 BGN thousand
Energy	+12.6%	2 576 696	2 287 618
Insurance, incl. insurance income	+6.9%	690 686	645 831
	+15.2%	616 496	535 306
Financial and investment activity	-7.2%	2 798	3 016
Revenues from the activity	+11.4%	3 270 180	2 936 465
<i>Intragroup eliminations</i>	+76.4%	-19 176	-10 869
Consolidated revenues from business activities	+11.1%	3 251 004	2 925 596

Gross profit by business activities			
Business activities	change %	2025 BGN thousand	2024 BGN thousand
Energy	+6.2%	491 975	463 263
Insurance	+80.0%	61 704	34 283
Financial and investment activity	-2.7%	2 553	2 623
Gross profit	+11.2%	556 232	500 169
<i>Intragroup eliminations</i>	+28.3%	-13 944	-10 869
Consolidated gross profit from operating activities	+10.8%	542 288	489 300

Earnings before interest, depreciation and taxes (EBITDA)			
Business activities	change %	2025 BGN thousand	2024 BGN thousand
Energy	-9.1%	264 418	290 842
Insurance	-14.0%	45 944	53 434
Financial and investment activity	-41.1%	723	1 227
EBITDA from subsidiaries	-10.0%	311 085	345 503
The parent company	+220.5%	74 040	23 104
EBITDA before eliminations	+4.5%	385 125	368 607
<i>Intragroup eliminations</i>	-76.8%	-6 740	-29 015
Consolidated earnings before interest, depreciation and taxes (EBITDA)	+11.4%	378 385	339 592

Financial result			
Business activities	change %	2025 BGN thousand	2024 BGN thousand
Energy	-40.3%	45 238	75 732
Insurance, incl.	-7.5%	34 954	37 790
Financial and investment activity	-44.9%	962	1 747
Financial result of subsidiaries	-29.6%	81 154	115 269
The parent company	25 650%	52 530	204
Financial result before eliminations	15.8%	133 684	115 473
<i>Intragroup eliminations</i>	-87.3%	-3 479	-27 404
Financial result from continuing operations	47.8%	130 205	88 069
Tax expenses	+15.6%	-24 081	-20 835
<i>Net gain from discontinued operations</i>	-100%	-	545
Consolidated net result for the period	56.6%	106 124	67 779

Consolidated assets and liabilities of business activities as of December 31

Consolidated assets and liabilities of business activities			
Business activities	change %	31.12.2025 BGN thousand	31.12.2024 BGN thousand
Assets			
Energy	+9.6%	2 324 602	2 120 358
Insurance	+13.4%	1 001 167	882 707
Financial and investment activity	+2.6%	30 673	29 900
The parent company	+8.7%	896 164	824 519
Total Assets before eliminations	+10.2%	4 252 606	3 857 484
<i>Intra-group eliminations</i>	-6.4%	-1 031 547	-1 101 536
Consolidated Assets	+16.9%	3 221 059	2 755 948
Liabilities			
Energy	+14.2%	1 817 360	1 591 622
Insurance	+16.7%	644 469	552 461
Financial and investment activity	+23.7%	7 732	6 250
The parent company	+4.0%	494 482	475 367
Total Liabilities before eliminations	+12.9%	2 964 043	2 625 700
<i>Intra-group eliminations</i>	-3.3%	-135 562	-140 118
Consolidated Liabilities	+13.8%	2 828 481	2 485 582

Financial position

Assets

As of the end of 2025, the consolidated assets of the Eurohold Group increased by 16.9% year-on-year, reaching BGN 3.22 billion.

Consolidated Assets	change	31.12.2025	31.12.2024
	B %	BGN thousand	BGN thousand
ASSETS			
Cash and cash equivalents	+45.8%	281 795	193 288
- energy business	+33.6%	224 612	168 090
- insurance business	+154.4%	53 058	20 854
- financial and investment activity	-5.1%	4 015	4 231
- parent company	-2.7%	110	113
Term deposits in banks – insurance business	+20.0%	39 442	32 879
Assets under purchased reinsurance contracts	-26.8%	141 961	194 016
Assets under issued reinsurance contracts	+2965%	1 594	52
Assets under insurance contracts	+28.7%	444	345
Trade and other receivables	-2.1%	573 571	585 812
➤ Non-current receivables	+91.0%	14 305	7 488
➤ Current accounts receivable	-14.9%	385 688	453 352
➤ Other current receivables	+38.9%	173 578	124 972
Financial actives	+67.0%	890 342	533 034
Inventories	+19.1%	43 062	36 144
- energy business	+19.1%	43 062	36 144
- insurance business	-2.8%	104	107
Property, plant and equipment	+7.4%	1 027 277	956 269
- energy business	+7.8%	1 012 778	939 333
- insurance business	-14.8%	13 025	15 292
- financial and investment intermediary	+2.0%	812	796
- parent company	-21.9%	662	848
Intangible assets	-2.4%	86 882	89 049
- energy business	-2.8%	82 051	84 455
- insurance business	+5.3%	4 614	4 381
- financial and investment intermediary	+1.9%	217	213
Investment, accounting under the equity method - Insurance business	+1.0%	11 100	10 989
Reputation	-	116 883	116 883
Deferred Tax Assets	-6.7%	6 706	7 188
Total Assets	+16.9%	3 221 059	2 755 948

⇒ Insurance and reinsurance contract assets

Insurance and reinsurance contract assets	Δ	31.12.2025	31.12.2024
	%	BGN thousand	BGN thousand
Contractual service margin asset on reinsurance contracts held	-17.26%	23 880	28 862
Claims asset on reinsurance contracts held	-30.05%	107 562	153 772
Other assets on reinsurance contracts held	-7.58%	10 519	11 382
Total assets on reinsurance contracts held	-26.83%	141 961	194 016
Assets on reinsurance contracts issued	+2965%	1 594	52
Assets on insurance contracts issued	+28.70%	444	345
Total assets on insurance and reinsurance contracts	-25.93%	143 999	194 413

At the end of 2025, assets under insurance and reinsurance contracts recorded a decrease of 25.9% or a total decrease of BGN 50.4 million.

⇒ Receivables by sector

Receivables	Energy		Insurance		Financial and investment activity		Parent company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
<i>BGN thousand</i>								
Non-current trade receivables	-	-	14 285	7 466	20	22	-	-
Current trade receivables, including:	532 527	534 144	25 977	43 524	-	1	762	655
▪ Receivables from customers and suppliers	218 500	263 061	3 833	18 920	-	1	517	1 063
- (Depreciation)	(69 679)	(69 956)	(554)	-	-	-	(513)	(529)
▪ Contract assets	150 514	81 662	-	-	-	-	-	-
- (Depreciation)	(245)	(300)	-	-	-	-	-	-
▪ Advances granted	81 232	158 802	1 435	628	-	-	762	-
- (Depreciation)	-	-	-	-	-	-	(114)	-
▪ Other receivables	122 144	103 857	24 276	29 415	-	-	-	-
- (Depreciation)	(11 250)	(11 994)	(3 851)	(5 557)	-	-	-	-
▪ Prepaid expenses	8 937	6 107	324	47	-	-	110	109
▪ Litigation and claims	42 402	42 007	-	-	-	-	-	-
- (Depreciation)	(40 056)	(39 267)	-	-	-	-	-	-
▪ Tax recovery	30 028	165	514	71	-	-	-	12
Total after depreciation	532 527	534 144	40 262	50 990	20	23	762	655

- ▶ **Other receivables:** The most significant other receivables in the energy business comprise compensation from the Electricity System Security Fund for the provision of universal electricity supply to household customers, amounting to BGN 58 million (31.12.2024: BGN 36 million), as well as guarantees provided in the amount of BGN 33 million (31.12.2024: BGN 56 million).

- ▶ **Tax receivables:** The amount in the energy business mainly represents declared value added tax recoverable, which is subject to offset or refund in subsequent tax periods, in accordance with applicable legislation.

↳ Financial assets

Financial actives	Energy		Insurance		Finance-investment activity		Parent company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
<i>BGN thousand</i>								
Government securities	-	-	13 870	9 935	904	970	-	-
Corporate bonds ¹	-	-	240 505	71 120	1 534	1 888	1 045	2 848
Capital investment ²	45 051	13 532	281 308	282 534	10 594	8 945	9	19
- (Impairment)	-	-	-	-	-	-	(9)	(9)
Other financial assets	178 341	81 731	4 621	18 543	6 613	8 278	108 483	34 165
- (Impairment)	(975)	-	(753)	(1 306)	(82)	(91)	(717)	(68)
Total	222 417	95 263	539 551	380 826	19 563	19 990	108 811	36 955

¹ reported at fair value through profit or loss

² reported at depreciable value

⇒ Investment accounted for using the equity method

The investment of the insurance business represents an associate participation in " IC Phoenix Re" (formerly named " IC EIG Re" AD.) headquartered in Sofia, Bulgaria. The registered capital amounts to BGN 12 500 thousand. The company is licensed to carry out insurance activities in the field of general insurance under License No. 100/20.11.2000 issued by the National Insurance Council and is a member of the Association of Bulgarian Insurers and the National Bureau of Bulgarian Motor Insurers.

At the end of 2023, the Group transferred 59.94% of its control over " IC Phoenix Re" to third parties in accordance with IFRS 10 Consolidated Financial Statements and reclassified its participation in the company from a subsidiary to an associate.

For more information, see Note 29 of the Annual Consolidated Financial statements for 2025.

⇒ Joint operations

The Group, through its subsidiary Electrohold IPS and the unrelated entity "Mig-23" EOOD, are involved in a joint operation under a contract dated 4 November 2024. The subject of the activity is the design, supply and implementation of an external electronic system for real-time monitoring and compensation of flight delays, assigned by the General Directorate "Air Traffic Management" of the Civil Aviation Administration of Bulgaria.

The contractual agreement and its annexes provide the parties with rights to the assets and obligations for the liabilities of the agreement. Accordingly, the joint arrangement is classified as a joint operation in accordance with IFRS 11 "Joint Arrangements".

Decisions regarding significant activities require the unanimous consent of the parties exercising joint control, as provided for in the contractual agreement.

The Group recognizes its share of the joint operation as follows:

- o Assets, including its share of jointly owned assets.
- o Liabilities, including its share of jointly assumed liabilities.
- o Revenue from the sale of its share of the production of the joint operation.
- o Expenses, including its share of jointly incurred expenses.

The share of revenue from participation in a joint operation for 2025 is BGN 339 thousand.

Upon expiry of the performance guarantee provided, the Group will be entitled to recognize its share of the profit from the joint operation.

⇒ Reputation

The management of the Group has made the necessary procedures to carry out an impairment test of the recognized reputation upon the acquisition of the subsidiaries, for which purpose external appraisers have been hired. Appraisals are made according to generally recognized international appraisal standards. In the test, it is assumed that each individual company appears as a "cash flow generating entity" (CFO). Financial budgets as well as other medium and long-term plans and intentions for the development and restructuring of the activities within the Group were used as a basis for cash flow forecasts (before taxes). The recoverable amount of each object generating cash flows is determined on a "value in use" basis. The key assumptions used in the calculations are determined specifically for each reputable company treated as a separate unit generating cash flows and according to its specific activity, business environment and risks.

The result of the test shows that the recoverable amount of the positive reputation exceeds the carrying amount and there are no indications of impairment of the reputation.

The reputation was formed by the following companies:

- > Euroins Insurance Group AD – BGN 111 763 thousand
- > Euro-Finance AD – BGN 2 620 000 thousand
- > Electrohold Trade EAD – BGN 2 500 000 thousand

The result of the test shows that the recoverable amount exceeds the carrying amount of goodwill and there are no indications of impairment.

⇒ Intangible assets

Information on the main intangible resources and an explanation of how the business model of the enterprise depends on them, as well as how these resources are a source of value creation for the enterprise (according to Art. 39, para. 2 of the Accountancy Act)

The group's intangible assets amount to BGN 86 882 thousand and represent:

- > **Software products amounting to BGN 11 156 thousand;**
- > **Property rights amounting to BGN 36 539 thousand;**
- > **Other – BGN 39 187 thousand.**

Regarding the activities of Eurohold Bulgaria AD (parent company)

According to the business model when carrying out its independent activities, Eurohold Bulgaria AD does not carry out commercial and/or production activities. The main activities of the company cover the provision of administrative services related to the acquisition, management and financing of subsidiaries and include mainly those in management, finance and accounting, financing negotiations, legal matters, investor relations.

The intangible resources within the meaning of the Accountancy Act, Art. 39, para. 2, which the Company uses in its activities are limited to administrative systems and software. Eurohold Bulgaria AD is not dependent on patents, licenses and other permits for the implementation of its activities. As a public company whose securities are admitted to trading on a regulated market, it is a supervised entity of the Financial Supervision Commission - the financial regulator in Bulgaria.

Given its primary holding activity, the most important resources of Eurohold Bulgaria AD related to its business model and sources of value creation are the investments in its subsidiaries.

Regarding the activities of subsidiaries

The business model of the subsidiaries is related to commercial activity in the provision of services the companies do not carry out production activities. Also, the companies do not carry out research and development activities.

For the most part, the activities of the subsidiaries are regulated and dependent on licenses and permits for carrying out activities.

The main intangible assets in the group, with a total value of 89,049 thousand BGN, on which the activities of the subsidiaries depend, are:

> **Program products including:**

- specially developed software products (software systems) in accordance with the business activities and regulations of the companies in the areas of:
 - financial and accounting, including maintaining various registers;
 - management – for managing the main business processes, risks, IT, distribution, supplies, human resources, etc.

> **Ownership rights including:**

- trademarks registered in the country and abroad;
- usage rights

> **Other**

The main intangible assets owned by companies in the Electrohold Group include the following:

⇒ **Intangible assets held by EDG West EAD:**

1. Software products for core operations:

- **GIS** – A system for graphical visualization and integration of characteristics and geographic location of assets in the distribution network – cable lines (underground, overhead), transformer stations, and other facilities.
- **My Avis** – Automates the following key business processes:
 - > Meter readings management – via mobile terminals (manual data entry, meter reading via communication protocol); Work order management;
 - > Data collection and transfer with handheld terminals (GPS coordinates and geodata of measurement points, photo documentation);
 - > Subsequent processing of reports and technical personnel routes;
 - > Reports for the purposes of MUD (Measurement and Data Management).
- **CONVERGE** – Automates commercial metering processes by:
 - > Remote control of readings for large customers every 15 minutes (profile metering) and by registers (5 days per month);
 - > Remote programming and control of electricity meters;
 - > Maintaining an archival database and reports for MUD purposes.
- **Technical information system:**
 - > A system registering outages in the company's distribution network, containing information about network assets – substations, feeders, transformer stations, linked to the call registry of the company's customer service center. It marks planned and unplanned switching related to maintenance and repairs.
- **Specialized AMP software licenses:**
 - > Server and network infrastructure, licenses for operating systems and databases, installation, configuration, and maintenance of environments for information systems functioning for remote commercial metering at low voltage (by registers and profiles).

- **Integrated ADMC information system license:**
 - > An integrated information system platform for monitoring, analysis, control, optimization, and planning of activities related to the company's electricity distribution network, integrated with other systems containing network data.

2. Usage rights:

- **Connection rights to the electricity transmission network:**
 - > Paid usage rights for connection points of the distribution grid to the ESO transmission network.
- **Land/terrain/servitude usage rights:**
 - > Rights and servitudes for the use of land through which the distribution network passes, where the land is not owned by the company.
 - > In exceptional cases, the company may also use energy assets and facilities owned by third parties for an agreed term.

⇒ Intangible assets held by Electrohold ICT EAD:

- **Microsoft licenses for Microsoft Office 365 and Microsoft Teams.**
- **ESRI license** – geographic information system for graphical visualization of technical facilities and integration of spatial data.
- **SAP licenses** – access to systems automating processes in finance, logistics, document flow, and resource management.
- **MKK license** – access to information service providing technical solutions for "Print Processing System" and "Scan Processing Center."
- **Archiving systems** – access to an archive of electronic invoices.
- **DocuWare** – access to specialized software/system for electronic administrative services (document flow registration, task control, etc.).
- **SW Xenergie** – system for analyzing electricity consumption and making forecasts; comprehensive information system for electricity traders.
- **CRM** – customer relationship management system based on Salesforce.
- **Axence nVision license** – software tool for IT infrastructure monitoring and management.
- **Check Point Next Gen Threat Prevention and SandBlast license** – comprehensive cyber threat protection including traffic control, intrusion detection and blocking, application access control, malicious website blocking, and remote antivirus protection.
- **Database management** – Oracle and SQL licenses.
- **CISData license** – high-end Windows server operating system license supporting a large number of ICT services.
- **Rmt Desktop license** – allows remote connection to a terminal system.

⇒ Fair value assessment of intangible assets during business combination – for companies in the Electrohold Group

According to IFRS 3 Business Combinations, the parent company assesses the fair value of identifiable assets and liabilities of acquired companies at acquisition date. In the intangible assets category, fair values are recognized for: licenses for electricity distribution, public energy supply, last-resort supplier; customer relationships in the commercial license segment; and contracts for the sale of energy produced from renewable sources at preferential prices. Recognition of these assets under international accounting standards is only permitted during a business combination. Additionally, existing intangible assets of the companies are revalued based on their fair values.

As of 31.12.2025, the consolidated intangible financial assets of the energy group include a financial effect from the above valuations amounting to BGN 71 million. This amount represents the excess value of intangible assets in the Group's consolidated financial statements compared to their recognition in the individual financial statements of the subsidiaries.

⇒ Off-balance sheet assets

Eurohold Bulgaria AD, including its subsidiaries, do not have assets that are reported off-balance sheet.

↳ Equity and liabilities

Equity and liabilities	Δ B%	31.12.2025 BGN thousand	31.12.2024 BGN thousand
EQUITY			
Share capital	-	260 500	260 500
Repurchased own shares	-	-77	-77
Premium reserves	-	144 030	144 030
Other capital components	-	130 241	130 241
General Reserves	-	7 641	7 641
Cash flow hedge reserve	-100%	-	(18 025)
Revaluation and other reserves	-37.5%	(8 340)	(13 3335)
Accumulated loss	-10.9%	(277 527)	(311 361)
Current Profit	+204.3%	102 943	33 834
Equity belonging to the owners of the Parent Company	+54.0%	359 411	233 448
Non-controlling interest	-10.2%	33 167	36 918
Total Equity	+45.2%	392 578	270 366
Subordinated debt instruments	+224.4%	82 433	25 408
- Insurance business -	+228.0%	82 000	25 000
- Parent company -	+6.1%	433	408
LIABILITIES			
Loans from banks and non-bank financial institutions	-81.0%	213 159	1 122 654
- Energy business	-82.9%	188 544	1 099 561
- Insurance business	-4.7%	205	215
- Parent company	+6.7%	24 410	22 878
Obligations under bond loans	+425.8%	1 254 407	238 567
Commercial and other liabilities	+28.6%	751 562	584 296
- Non-current trade and other liabilities	+58.4%	127 085	80 254
- Obligations under leasing contracts	-8.8%	61 433	67 363
- Employee retirement benefit obligations	+42.7%	330 984	231 911
- Current other liabilities	+14.3%	203 586	178 150
- Lease liabilities	+6.9%	28 474	26 648
Derivative financial instruments	-100%	-	18 025
Insurance contracts liabilities	+10.4%	507 648	459 922
Reinsurance contracts liabilities	-73.5%	5 250	19 810
Deferred tax liabilities	-17.0%	14 022	16 900
Total liabilities	+11.6%	2 746 048	2 460 174
Total liabilities and subordinated debt instruments	+13.8%	2 828 481	2 485 582
TOTAL EQUITY AND LIABILITIES	+16.9%	3 221 059	2 755 948

Equity

The Group's equity amounted to BGN 392.6 million, reporting a significant growth of 45.2% compared to December 31, 2024. Including the equity belonging to the owners of the parent company, amounted to BGN 359.4 million (+54.0%), while the equity belonging to the non-controlling interest amounted to BGN 33.2 million (-10.2%).

For comparison, at the end of 2024, the equity belonging to the owners of the parent company amounted to BGN 233.4 million, and the equity belonging to the non-controlling interest amounted to BGN 36.9 million, or a total equity of BGN 270.4 million.

> Share capital

The share capital of Eurohold Bulgaria (the parent company) as of 31 December 2025 shows no change compared to 1 January 2025 and amounts to BGN 260.5 million.

Shareholding structure as of 31 December 2025

Shareholders	Number of voting shares	% of the capital
Total legal entity shareholders, including:	256 976 296	98.65%
>Total shareholders over 5% (legal entities)	204 609 365	78.54%
>Other legal entities	52 366 931	20.10%
Total individual shareholders	3 523 704	1.35%
Total number of voting shares	260 500 000	100.00%

> Warrants

In December 2024, the initial public offering of a warrant issue by Eurohold Bulgaria AD with ISIN code BG9200007243 was successfully completed. Investors in Eurohold subscribed and paid for a total of 260 481 631 warrants (with an issue price of BGN 0.50 each) between November 25 and December 10, 2024, resulting in proceeds of BGN 130 240 815.50. Other equity components represent a premium reserve arising from the issuance of securities.

The warrant issue has been traded on the Bulgarian Stock Exchange since December 17, 2024, under the trading code EUBW. The warrants entitle their holders to exercise, within a 10-year period, the right to subscribe to the corresponding number of shares (of the same type and class as the existing share issue of the company — dematerialized, registered, non-preferred shares, with one vote per share at the company's general meeting, dividend rights, and liquidation rights) — the underlying asset of the warrants — at an issue price of BGN 2.00 per share with a warrant-to-share conversion ratio of 1:1. Eurohold Bulgaria AD will issue these shares upon future capital increases, subject to the new shares being subscribed by the warrant holders.

Information about the warrant holders as of 31.12.2025

Warrant holders	Number of warrants	% of total issued warrants*
Total warrant holders - legal entities, including:	239 252 797	91.85%
>Total shareholders over 5% (legal entities)	220 027 286	79.33%
▪ Starkom Holding AD	159 268 486	61.14%
▪ SLS Holding AD	20 247 000	7.77%
▪ S Finance EAD	27 206 000	10.44%
▪ Asterion Bulgaria EAD	13 305 800	5.11%
>Other legal entities	19 225 511	7.38%
Total warrant holders - individuals	21 228 834	8.15%
Total number of warrants with voting rights	260 481 631	100%

* As of 31.12.2025, no warrants have been exercised.

> Treasury shares (repurchased shares)

As of 31.12.2025, 77 227 voting shares of Eurohold Bulgaria AD are held by companies within the Eurohold Group (as of 31.12.2024 – 77 227 voting shares).

⇒ Earnings per share

Earnings per share	2025	2024
	BGN thousand	BGN thousand
Weighted average number of shares (quantity)	260 422 773	260 422 773
Net profit for the year (thousand BGN)	106 124	33 718
Net profit for the year from continuing operations (thousand BGN)	106 124	33 178
Net profit for the year from discontinued operations (thousand BGN)	-	545
Earnings per share (BGN)	0.408	0.129
Earnings per share from continuing operations (BGN)	0.408	0.127
Earnings per share from discontinued operations (BGN)	-	0.002

↳ Subordinated debt instruments

In support of equity, the Group holds subordinated debt instruments in the amount of BGN 82.4 million (31.12.2024: BGN 25.4 million) held by insurance business companies and the parent company. During the reporting period, the total amount of subordinated debt instruments increased by a total of BGN 57.0 million after new debt was agreed by the insurance group.

At the end of 2025, the subordinated debt is distributed as follows:

- > Insurance business – BGN 82 million (2024: BGN 25,000 million);
- > Parent company – BGN 433 thousand (2024: BGN 408 thousand).

For more information on subordinated debt instruments - see Note 31 to the annual consolidated financial statements for 2025.

↳ Liabilities

The consolidated liabilities (excluding subordinated debt) of the Eurohold Group amount to BGN 2.83 billion, reflecting an increase of 13.8% (or BGN 342.9 million) compared to the end of 2024, when their value was BGN 2.49 billion.

The majority of the liabilities consist of borrowings from banks, non-bank financial institutions, and bond loans. The total amount of borrowings stands at BGN 1.48 billion compared to BGN 1.36 billion as of December 31, 2024.

Obligations for loans from banks and non-bank institutions, and bond issues:	31.12.2025 thousand BGN	Δ %	31.12.2024 thousand BGN
To banks and non-bank financial institutions, including:	213 159	-81.0%	1 122 654
- non-current liabilities	177 057	-82.9%	1 033 421
- current liabilities	36 102	-59.5%	89 233
On bond loans, including:	1 254 407	+425.8%	238 567
- non-current liabilities	1 089 225	+359.6%	236 998
- current liabilities	165 182	+10428%	1 569
Total debt obligations, including:	1 467 566	+7.8%	1 361 221
- total non-current liabilities	1 266 282	-0.3%	1 270 419
- total current liabilities	201 284	+121.7%	90 802

Obligations for loans from banks and non-banking institutions, and bond issues by business sector:	31.12.2025 thousand BGN	Δ %	31.12.2024 thousand BGN
To banks and non-bank financial institutions, including:	213 159	-81.0%	1 122 654
- Energy:	188 544	-82.9%	1 099 561
>non-current liabilities	172 844	-83.2%	1 027 095
>current liabilities	15 700	-78.3%	72 466
- Insurance	205	-4.7%	215
>non-current liabilities	-	-100%	7
>current liabilities	205	-1.4%	208
- Parent company	24 410	+6.7%	22 878
>non-current liabilities	4 213	-33.3%	6 319
>current liabilities	20 197	+22.0%	16 559
On bond loans:	1 254 407	+425.8%	238 567
- Energy	1 002 010	+100%	-
>non-current liabilities	961 782	+100%	-
>current liabilities	40 228	+100%	-
- Parent company, including:	252 397	+5.8%	238 567
>non-current liabilities	127 443	-46.2%	236 998
>current liabilities	124 954	+7864%	1 569

For more information on bank and bond loan obligations - see:

- > Notes 33, 33.1,33.2,33.3, 34, and 34.1 to the annual consolidated financial statements for 2025.
- > section 1.10.2. Information according to Annex 2 of Ordinance No. 2

⇒ Liabilities under insurance contracts

Liabilities under insurance contracts	Δ	2025	2024
	%	thousand BGN	thousand BGN
Liabilities under issued insurance contracts, including:	+10.63%	505 428	456 853
<i>Liability for reported claims</i>	-4.46%	351 630	368 043
<i>Liability for remaining coverage</i>	+73.18%	153 798	88 810
Other liabilities under issued insurance contracts	-27.66%	2 220	3 069
Total liabilities under issued insurance contracts	+10.38%	507 648	459 922
Liabilities under purchased reinsurance contracts	-69.08%	5 250	16 979

Other liabilities under purchased reinsurance contracts	-100%	-	2 831
Total liabilities under purchased reinsurance contracts	-73.50%	5 250	19 810
Total liabilities under insurance contracts	+6.91%	512 898	479 732

⇒ Derivative financial instruments

The Group (in particular Eastern European Electric Company B.V.) has entered into hedging agreements to reduce the risk of an increase in EURIBOR, which could lead to an increase in interest costs on a syndicated loan from 03.06.2024. Sixty percent of the principal amount of the loan is hedged. The Group has agreed to pay a fixed interest rate and receive a floating interest rate for a portion of the syndicated loan.

Interest rate swaps are designated as cash flow hedges that meet the eligibility criteria under IFRS 9 Financial Instruments. Its value in the statement of financial position represents the fair value of the hedge.

Following the issuance of the fixed rate bonds, the hedging agreements were terminated in May 2025. At the time of termination, the Group (in particular EEEEC B.V.) paid the fair value ("mark-to-market") of the swaps in the amount of BGN 17,836 thousand.

For more information, see Notes 38: Derivative Financial Instruments in the Annual Consolidated Financial Report.

↳ Acquisitions and sale of companies in the economic group

⇒ Acquisitions

In 2025, the Group did not acquire any new companies.

There are three newly established companies in the energy group that did not have significant activity during the reporting period.

⇒ Redundancies and discontinued operations in 2025

In 2025, there were no discontinued operations or disposals of subsidiaries in the Group.

Cash flows

The consolidated statement of cash flows is composed of sections and articles in which cash flows are reflected according to the activity from which they originated, being combined into operating, investing and financing activities.

Cash flows	Δ	2025	2024
	%	thousand BGN	thousand BGN
- Net cash flows from operating activities	+223.6%	414 012	127 941
- Net cash flows from investing activities	+17.9%	(366 110)	(310 613)
- Net cash flows from financing activities	-72.8%	40 605	149 181
Net change in cash and cash equivalents	-364.3%	88 507	(33 491)
- Cash and cash equivalents at the beginning of the year	-14.8%	193 288	226 779
Cash and cash equivalents at the end of the period	+46,8%	281 795	193 288

Eurohold Group's cash and cash equivalents as of December 31, 2025 amounted to BGN 281.8 million, an increase of 46.8% (2024: BGN 193.3 million)

During the considered periods, the companies of the Group generate sufficient and positive cash flow to carry out normal operations.

Financial ratios

EUROHOLD GROUP FINANCIAL INDICATORS

thousand BGN

N:	Indicators:	2025	2024	2025/2024	
				value	%
Consolidated income statement					
1	Financial result before taxes from continuing operations	130 205	54 008	76 197	141.08%
2	Financial result after taxes from continuing activities	106 124	33 173	72 951	219.91%
3	Revenue from operating activities	3 251 004	2 796 096	454 908	16.27%
4	Operating expenses	2 353 061	2 925 596	-572 535	-19.57%
Consolidated statement of financial position					
5	Total equity	392 578	233 448	159 130	68.17%
6	Liabilities and subordinated debt instruments	2 828 481	2 460 174	368 307	14.9%
7	Total assets	3 221 059	2 755 948	465 111	16.88%
8	Current liabilities	750 030	515 193	234 837	45.58%
9	Current accounts receivable	559 266	578 324	-19 058	-3.30%
10	Financial actives	890 342	533 034	357 308	67.03%
11	Cash and cash equivalents	281 795	193 288	88 507	45.79%
Information about the shares					
12	Share capital (issued) (BGN)	260 500 000	260 500 000	0	0,00%
13	Weighted average number of shares for the period (number)	260 422 773	260 422 773	0	0,00%
14	Earnings / per share (BGN)	0.408	0.129	0.279	216.28%
15	Earnings /(loss) per share from continuing operations (BGN)	0.408	0.127	0.281	221.26%
RATIOS					
Profitability:					
16	Gross return on equity ratio (1/5)	0.3317	0.2313	0.1003	43.36%
17	Net return on equity ratio (2/5)	0.2703	0.1421	0.1282	90.24%
18	Gross profitability ratio of liabilities (1/6)	0.0460	0.0220	0.0241	109.69%
19	Net profitability ratio of liabilities (2/6)	0.0375	0.0135	0.0240	178.25%
20	Gross return on assets ratio (1/7)	0.0404	0.0196	0.0208	106.27%
21	Net return on assets ratio (2/7)	0.0329	0.0120	0.0120	173.72%
Effectiveness:					
22	Cost effectiveness ratio (4/3)	0.7238	1.0463	-0.3225	-30.82%
23	Revenue efficiency ratio (3/4)	1.3816	0.9557	0.4259	44.56%
Liquidity:					
24	Quick liquidity ratio (9+10+11)/8	2.3084	2.5353	-0.2239	-8.84%
25	Immediate liquidity ratio (10+11)/8	1.5628	1.4098	0.1530	10.85%
26	Absolute Liquidity Ratio (11/8)	0.3757	0.3752	0.005	0.14%
Financial autonomy:					
27	Financial autonomy ratio (5/6)	0.1388	0.0949	0.0439	46.27%
28	Leverage ratio (6/5)	7.2049	10.5384	-3.3335	-31.63%

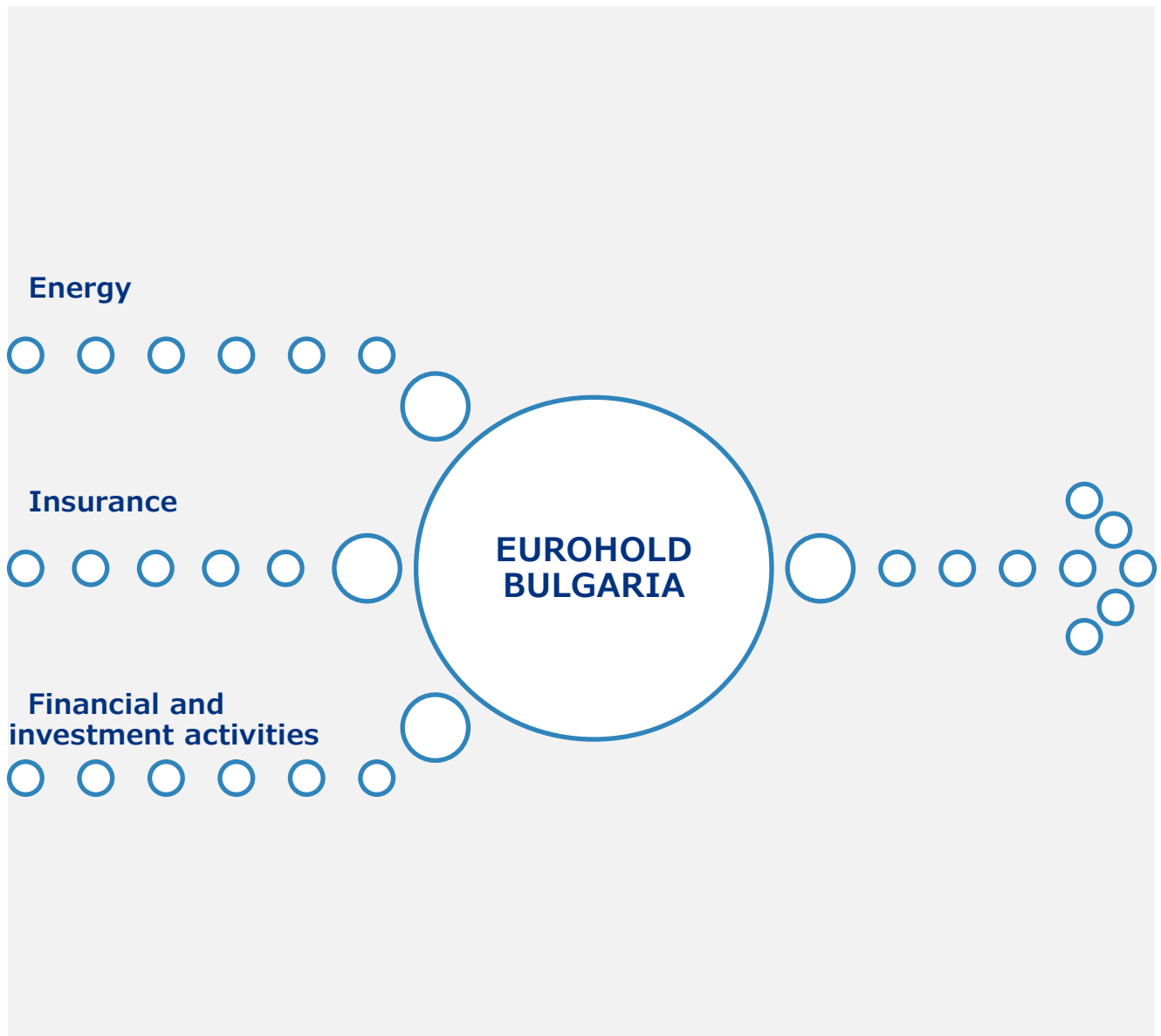
Dividend policy

The company's dividend distribution policy complies with the requirements of the applicable national legislation and the Articles of Association of Eurohold Bulgaria AD (Article 64 of the Articles), which do not contain any restrictions regarding dividend distribution to any of the shareholders. Eurohold Bulgaria maintains a dividend distribution policy whereby dividends were distributed from the company's profits for the period from 2015 to 2019 inclusive. From 2020 to 2025, the company has not distributed any dividends.

- ✓ In 2015, a dividend of 582,714 BGN was distributed.
- ✓ In 2016, a dividend of 365,680 BGN was distributed.
- ✓ In 2017, a dividend of 1,613,450 BGN was distributed.
- ✓ In 2018, a dividend of 1,800,000 BGN was distributed.
- ✓ In 2019, a dividend of 2,469,070 BGN was distributed.
- ✓ In 2020, Eurohold Bulgaria did not distribute a dividend
- ✓ In 2021, Eurohold Bulgaria did not distribute a dividend
- ✓ In 2022, Eurohold Bulgaria did not distribute a dividend
- ✓ In 2023, Eurohold Bulgaria did not distribute a dividend
- ✓ In 2024, Eurohold Bulgaria did not distribute a dividend
- ✓ In 2025, Eurohold Bulgaria did not distribute a dividend

When deciding to distribute a dividend, a balance is maintained between the benefits of shareholders and the company.

1.6. PERFORMANCE AND BUSINESS DEVELOPMENT OF SUBSIDIARIES





ENERGY

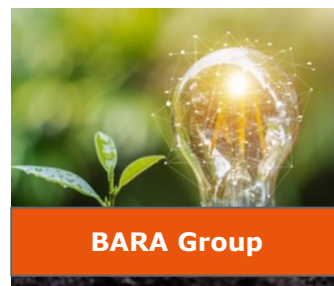
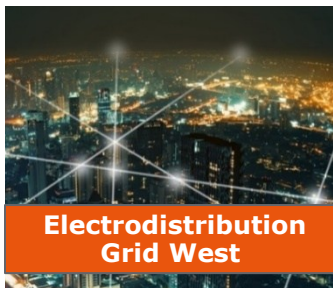


Your trusted partner





Electrohold





The mission of the Electrohold group is to be a dynamically developing company that provides:

- creates energy for everyone,
- delivers energy everywhere,
- digitalize your network,
- invest sustainably,
- and works to improve the quality of life

Main values of the Electrohold companies



Goals of the Electrohold Group:

- increasing customer satisfaction and building trust
- widespread adoption of e-services
- network modernisation and digitalisation
- a strategy to innovate in step with changes in the sector
- sustainable development and investment
- leader of the Bulgarian market



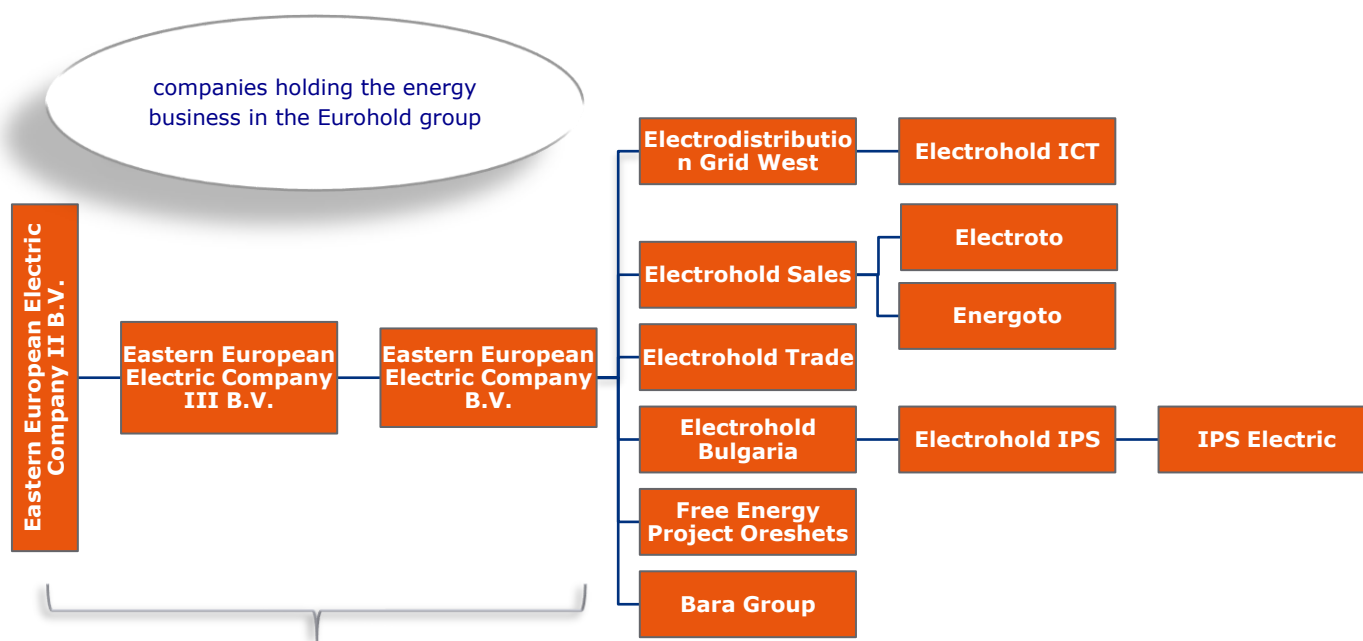
Energy

Eastern European Electric Company II B.V. (EEEC II) is a holding company uniting Eurohold's investments in the energy business, registered in the Netherlands, with the object of participation, management, control and financing of companies.

EEEC II unites the acquired companies operating on the territory of Bulgaria on 27.07.2021 in the energy segment, turning Eurohold's energy group into the largest independent private energy group in Bulgaria.

By the end of 2023, the Group consists of eight operating companies operating in distribution, procurement, electricity trading and intercompany management, information technology services, project consulting and three specially created companies to pool Eurohold's energy investments.

Structure of the EEES II Group as of 31.12.2025.



- > **Electrodistribution Grid West EAD (EDG West EAD)** - operator of the electricity distribution network in Western Bulgaria.
 - » **Electrohold ICT EAD** (subsidiary of ERM West EAD) - a company for providing intergroup services related to information and communication technologies;
- > **Electrohold Sales EAD** - the largest electricity supplier in Bulgaria.
 - » **Elektroto** (subsidiary of Electrohold Sales EAD) – consulting, advertising and marketing activities;
 - » **Energoto** (subsidiary of Electrohold Sales EAD) – marketing consultations, digital services, commercial representation and brokerage;
- > **Electrohold Trade EAD** - the largest licensed electricity trader.
- > **Electrohold Bulgaria EOOD** - company for intergroup management and coordination activities and services.
 - » **Electrohold IPS Ltd.** (subsidiary of Electrohold Bulgaria Ltd.) - preparation of investment projects, performance of construction and installation works, consultations in preparation of documentation for conducting tenders, etc.;
 - » **IPS Electric OOD** (subsidiary of Electrohold IPS Ltd.) - project studies, design, engineering and construction of energy infrastructure facilities;
- > **Free Energy Project Oreshets EAD** - photovoltaic park.
- > **Bara Group EOOD** - the company for electricity production from biomass.

Key financial results of the Electrohold energy group

⇒ Eastern European Electric Company B.V. – consolidated basis

Eastern European Electric Company B.V. performs only operational and financial management activities of its subsidiary operating companies. Eastern European Electric Company B.V. prepares consolidated financial statements covering the activities of all operating companies in the Electrohold group.

Consolidated Statement of Profit or Loss and Other Comprehensive Income	Δ %	2025 BGN thousand	2024 BGN thousand
Revenue from Operating Activities, including:	+12.77%	2 572 207	2 280 991
▫ Open Market Customers	+9.19%	1 237 336	1 133 178
▫ Household Consumers	+17.86%	1 100 823	933 996
▫ Business Consumers (Corporate Clients)	+3.42%	130 758	126 433
▫ Revenue from Connection Fees for Customers	+20.93%	34 950	28 902
▫ Revenue from Services for Survey, Repair and Maintenance of the Electricity Distribution Network and Metering Equipment	+0.14%	6 290	6 281
▫ Revenue from Information, Communication, and Technology (ICT) Services and Others	-71.71%	813	2 874
▫ Revenue from the Electricity System Security Fund	+11.27%	1 856	1 668
▫ Other Revenue	+24.60%	59 381	47 659
Operating Expenses, including:	+14.27%	(2 084 722)	(1 824 355)
▫ Expenses for Purchased Electricity	+13.48%	(1 888 033)	(1 663 726)
▫ Technological Losses from Electricity Distribution	+24.44%	(150 130)	(120 645)
▫ Electricity Balancing Costs	-213.59%	(39 092)	(34 415)
▫ Transmission and Access Fees	+35.78%	(7 275)	(5 358)
▫ Other Expenses	-9.00%	(192)	(211)
Gross Profit	+6.76%	487 485	456 636
Other Income/Expenses, net	+17.33%	(228 366)	(194 638)
▫ Other Income	-24.56%	35 616	47 214
▫ Other Operating Expenses	+8.27%	(261 864)	(241 852)
- Expenses for Materials and Consumables	-13.12%	(13 276)	(15 281)
- Expenses for External Services	+9.18%	(71 512)	(65 498)
- Employee Benefits Expense	+9.15%	(164 709)	(150 895)
- Other Operating Expenses	+21.51%	(12 367)	(10 178)
▫ Expected Credit Losses and Impairment of Financial Assets	-36.65%	(1 663)	(2 625)
EBITDA	+0.08%	259 574	259 373
Financial Income/Expenses, net	+42.96%	(85 094)	(59 522)
Depreciation Expenses	+7.11%	(119 519)	(111 586)
Taxes	-9.93%	(18 162)	(20 165)
Net Profit	-45.96%	36 799	68 100

Financial status	Δ %	31.12.2025 BGN thousand	31.12.2024 BGN thousand
Assets, including:	+13.99%	2 127 723	1 866 534
Non-current assets:	+6.93%	1 103 456	1 031 955
▫ <i>Property, plant and equipment</i>	+8.76%	962 856	885 300
▫ <i>Right-of-use assets</i>	-7.61%	49 922	54 033
▫ <i>Reputation</i>	-	2 500	2 500
▫ <i>Other intangible assets</i>	-2.85%	82 051	84 455
▫ <i>Financial assets</i>	+100%	1 007	-
▫ <i>Deferred tax assets</i>	-9.65	5 120	5 667
Current assets:	+22.73%	1 024 267	834 579
▫ <i>Inventories</i>	+19.21%	42 958	36 037
▫ <i>Trade and other receivables</i>	+26.10%	465 950	369 502
▫ <i>Contract assets (balances from contracts with customers)</i>	+84.69%	150 269	81 362
▫ <i>Financial assets</i>	+225.48%	44 044	13 532
▫ <i>Receivables from related parties</i>	+376.30%	5 325	1 118
▫ <i>Advances and prepayments</i>	-45.46%	89 925	164 888
▫ <i>Income tax receivables</i>	+1340%	1 238	86
▫ <i>Cash and cash equivalents</i>	+33.62%	224 558	168 054
Capital and Liabilities			
Equity	+4.78%	457 686	436 795
Total Liabilities, including:	+16.81%	1 670 037	1 429 739
Non-current liabilities:	+13.96%	1 129 035	990 714
▫ <i>The long-term portion of a bond issue</i>	+100%	961 782	-
▫ <i>Long-term portion of bank loans</i>	-96.87%	27 105	866 167
▫ <i>Other non-current liabilities</i>	+12.53%	140 148	124 547
Current liabilities:	+23.23%	541 002	439 025
▫ <i>Interest payable on bond issuance</i>	+100%	40 228	-
▫ <i>Short-term portion of bank loans</i>	-79.64%	14 753	72 466
▫ <i>Trade and other payables</i>	+30.76%	398 196	304 526
▫ <i>Liabilities to related parties</i>	-65.09	502	1 438
▫ <i>Contract liabilities (balances from contracts with customers)</i>	+168.13%	51 730	19 293
▫ <i>Other current liabilities</i>	-13.82%	35 593	41 302
Group financial ratios			
▫ <i>Return on equity (ROE)</i>	-48.43%	8.04%	15.59%
▫ <i>Return on assets (ROA)</i>	-52.60%	1.73%	3.65%
▫ <i>Operating profit margin, %</i>	-16.05%	5.44%	6.48%
▫ <i>Working capital ratio</i>	-0.53%	1.89	1.90
▫ <i>Liquidity ratio</i>	+10.53%	0.42	0.38
▫ <i>Asset turnover ratio</i>	-0.82%	1.21	1.22

*Source of presented financial data: audited annual consolidated financial report of Eastern European Electric Company B.V. for 2025.

⇒ **The financial condition of the holding companies Eastern European Electric Company II B.V. and Eastern European Electric Company III B.V.**

Eastern European Electric Company B.V. II B.V. and Eastern European Electric Company III B.V. perform only operational and financial management activities of Eastern European Electric Company B.V. and its subsidiaries. The liabilities of the companies represent attracted financing (refinanced in 2025) in connection with the purchase of the operating companies from the Electrohold group. The two holding companies do not prepare consolidated financial statements.

On May 22, 2025, the Company repaid principal in the amount of EUR 7 500 000 under the Credit Agreement with Holdco dated June 3, 2024, thereby reducing the outstanding balance of the credit from EUR 83 000 000 to EUR 75 500 000.

Eastern European Electric Company II B.V. – individual base	Δ %	2025 BGN thousand	2024 BGN thousand
Loss for the year	-96.25%	(4 931 513)	(13 167 0002)
◦ Interest Income/Expense, net	67.46%	(4 334 717)	(13 322 653)
		31.12.2025 BGN thousand	31.12.2024 BGN thousand
Assets	-14.73%	71 661 578	84 038 008
Equity	-369.40%	(3 596 498)	1 335 015
Total liabilities, including:	-9.00%	75 258 076	82 702 993
◦ Non-current liabilities	-8.85%	74 514 747	81 748 167
◦ Current liabilities	-22.15%	743 329	954 826

Eastern European Electric Company III B.V. – individual base	Δ %	2025 BGN thousand	2024 BGN thousand.
Profit for the year	-100.58%	(39 165)	6 758 488
◦ Dividend income		-	6 800 000
		31.12.2025 BGN thousand	31.12.2024 BGN thousand
Assets	-36.60%	29 000 717	45 741 541
Equity	-36.65%	28 934 560	45 673 725
Total liabilities, including:	-2.45%	66 157	67 816
Current liabilities	-18.67%	55 157	67 816

*Source of the presented financial data: audited annual individual financial statements of Eastern European Electric Company II B.V. and Eastern European Electric Company III B.V. for 2025.

Important events and concluded significant transactions for the activities of the holding companies - Eastern European Electric Company B.V., Eastern European Electric Company II B.V. and Eastern European Electric Company III B.V.

Events and significant transactions that occurred in 2025

1 / In 2025, through the distribution of share premium on account of the share premium reserves, it was distributed as follows:

» January 2025:

- Eastern European Electric Company B.V. received from Eastern European Electric Company III B.V. a cash amount of 300,000 euros;
- Eastern European Electric Company II B.V. received from Eastern European Electric Company III B.V. a cash amount of 250,000 euros;

» May 2025:

- Eastern European Electric Company B.V. received from Eastern European Electric Company III B.V. a cash amount of 12,200,000 euros; and
- Eastern European Electric Company II B.V. received from Eastern European Electric Company III B.V. a cash sum of 12,200,000 euros;

» December 2025:

- Eastern European Electric Company B.V. received from Eastern European Electric Company III B.V. a cash sum of 4,250,000 euros; and
- Eastern European Electric Company II B.V. received from Eastern European Electric Company III B.V. a cash sum of 4,250,000 euros;

2 / On May 15, 2025, Eastern European Electric Company B.V. issued €500 000 000 of guaranteed secured bonds with a five-year maturity (May 15, 2030), secured, offered and sold under Regulation S/Rule 144A, with a fixed annual coupon of 6.500%. Leading US investment bank JP Morgan was the bookrunner and lead manager of the issue, as well as advisor to the valuation process. Strong demand led to a final oversubscription of €1.4 billion, representing a 2.8x oversubscription. On May 8, 2025, the bonds were allocated to over 60 investors from 17 countries. The settlement took place on May 15, 2025.

The net proceeds, after deduction of fees and expenses, were used to repay the Senior Credit Agreement dated June 3, 2024 and related expenses in full, for general corporate purposes and to make certain payments as dividends in connection with scheduled and early repayments of a portion of the Holdco Credit Agreement dated June 3, 2024. The bond issue of Eastern European Electric Company B.V. is listed on the Luxembourg Stock Exchange, Euro MTF market segment under ISIN XS3073101712 for Regulation S (non-US) and under ISIN XS3073621552 for Rule 144A (US).

3 / On May 28, 2025, Eastern European Electric Company B.V. entered into a Credit Agreement with a total limit of EUR 9 119 200 for the refinancing or repayment of outstanding indebtedness in connection with the hedging agreements. The credit bears interest at 6M EURIBOR + 2.4%/min. 2.4%, has a term of 3 years and semi-annual payments of principal and interest. The limit was fully used on 30.05.2025. The outstanding liabilities amount to BGN 14,925 thousand (EUR 7 631 thousand).

4 / On May 22, 2025, Eastern European Electric Company II B.V. paid principal in the amount of EUR 7 500 000 under the Credit Agreement with Holdco dated June 3, 2024, thereby reducing the outstanding balance of the credit from EUR 83 000 000 to EUR 75 500 000. The early repayment was not subject to an early repayment fee.

Key financial indicators of the operating companies of the energy group

(thousands of BGN)		EDG West	Electrohold Sales	Electrohold Trade	Electrohold Bulgaria	Electrohold ICT	Electrohold IPS	Free Energy Project
		Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria
Revenue and financial result								
▫ Revenue from free market customers	2025	200 343	566 841	905 211	-	-	-	770
	2024	173 594	292 481	916 672	-	-	-	1 079
▫ Residential customers	2025	279 944	820 879	-	-	-	-	-
	2024	249 356	684 640	-	-	-	-	-
▫ Corporate customers	2025	29 070	103 389	-	-	-	-	-
	2024	28 548	99 350	-	-	-	-	-
▫ Revenue from access fees for customer connections	2025	34 950	-	-	-	-	-	-
	2024	28 902	-	-	-	-	-	-
▫ Revenue from services for survey, repair and maintenance of the electricity distribution network and commercial metering devices	2025	6 290	-	-	-	-	-	-
	2024	6 281	-	-	-	-	-	-
▫ Other revenues (from RES producers, representing network access fees)	2025	422	-	-	-	-	-	-
	2024	297	-	-	-	-	-	-
▫ Revenue from balancing the energy system	2025	-	58 903	17 422	-	-	-	-
	2024	-	47 238	14 684	-	-	-	-
▫ Revenue from services provided in the field of electricity trading	2025	-	-	1 693	-	-	-	-
	2024	-	-	1 989	-	-	-	-
▫ Revenue from trading in green certificates	2025	-	-	203	-	-	-	-
	2024	-	-	532	-	-	-	-
▫ Revenue from the Security of the Electricity System Fund	2025	-	-	-	-	-	-	1 856
	2024	-	-	-	-	-	-	1 668
▫ Revenue from financial, administrative and management services provided to related companies	2025	-	-	-	48 684	-	-	-
	2024	-	-	-	45 069	-	-	-
▫ Revenue from information, communication and technology (ICT): services, projects, goods and materials	2025	-	-	-	-	30 588	-	-
	2024	-	-	-	-	31 128	-	-
▫ Revenue from sales of goods and materials, logistics and supply services, projects and construction services for the construction of energy facilities, to related enterprises	2025	-	-	-	-	-	-	-
	2024	-	-	-	-	-	-	-
▫ Other	2025	17 051	56	36	90	42	41 280	56
	2024	17 217	124	105	125	7	50 459	91
Total revenue	2025	568 070	1 550 068	924 565	48 774	30 630	41 280	2 682
	2024	504 195	1 123 833	933 982	45 194	31 135	50 459	2 838
Operating profit	2025	88 639	44 417	16 526	1 605	2 281	(1 672)	864
	2024	76 081	62 324	13 174	2 627	3 326	665	1 136
Financial income / (expenses), net	2025	(1 839)	7 117	2 150	(1 092)	(122)	(725)	(1)
	2024	(3 272)	5 899	1 714	(953)	(39)	(499)	70
Profit before taxes	2025	86 800	51 534	18 676	513	2 159	(2 397)	863
	2024	72 809	68 223	14 888	1 674	3 287	166	1 206
Financial result for the year	2025	75 961	46 096	16 221	403	1 873	(2 153)	474
	2024	63 495	59 394	12 951	1 435	2 864	149	1 049

(thousands of BGN)		EDG West	Electrohold Sales	Electrohold Trade	Electrohold Bulgaria	Electrohold ICT	Electrohold IPS	Free Energy Project
		Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria
Financial status								
Assets	2025	1 316 305	591 928	296 295	100 333	57 731	74 434	6 752
	2024	1 191 397	431 570	220 265	102 754	61 221	81 742	6 116
▫ Non-current assets	2025	987 270	3 392	6 557	19 076	15 910	6 802	4 802
	2024	909 789	4 202	5 763	20 532	11 824	5 677	5 499
▫ Property, plant and equipment	2025	949 608	63	244	1 87	-	1 941	4 521
	2024	867 652	81	238	1 433	-	1 582	5 225
▫ Intangible assets	2025	9 840	8	-	-	8 160	28	-
	2024	10 392	8	-	-	3 076	10	-
▫ Current assets	2025	329 035	588 536	289 738	81 257	41 821	37 632	1 950
	2024	281 608	427 368	214 502	82 222	49 397	76 065	617
▫ Trade and other receivables	2025	81 450	258 453	91 520	26 594	17 417	52 860	-
	2024	62 532	210 111	142 537	25 898	25 548	62 326	-
▫ Assets under contracts with customers	2025	8 931	57 214	-	-	-	-	-
	2024	12 281	75 005	5 322	-	-	-	-
▫ Receivables from related companies	2025	172 052	93 842	45 323	38 367	13 879	10 075	70
	2024	125 400	42 262	58 601	34 155	16 267	11 469	68
Share capital	2025	1 928	50	500	200	6 000	5	160
	2024	1 928	50	500	200	6 000	5	160
Total equity	2025	905 863	252 605	113 084	7 015	25 142	(1 633)	6 465
	2024	831 046	208 031	98 330	6 940	27 305	591	5 718
Total liabilities	2025	410 442	339 233	183 211	93 318	32 589	76 067	287
	2024	360 351	223 539	121 935	95 814	33 916	81 151	398
▫ Non-current liabilities	2025	211 680	1 573	5 266	19 368	3 299	4 872	-
	2024	188 554	1 431	4 363	19 727	3 809	4 519	-
▫ Bank loans	2025	18 189	-	-	-	-	-	-
	2024	23 150	-	-	-	-	-	-
▫ Liabilities under contracts with customers	2025	32 898	-	997	-	-	-	-
	2024	18 961	-	-	-	-	-	-
▫ Payables to related companies	2025	94 066	-	-	-	-	-	-
	2024	98 075	-	-	-	-	-	-
▫ Current liabilities	2025	198 762	337 750	177 945	73 950	29 290	71 195	287
	2024	171 797	222 108	117 572	76 087	30 107	76 632	398
▫ Trade and other payables	2025	101 940	-	43 730	11 405	6 700	9 240	90
	2024	100 579	139 839	40 501	9 191	6 043	7 690	143
▫ Liabilities under contracts with customers	2025	20 706	9	31 024	-	-	-	-
	2024	15 086	25	4 207	-	-	-	-
▫ Bank loans	2025	8 703	-	41	-	-	-	-
	2024	5 184	-	19 190	-	-	-	-
▫ Payables to related companies	2025	45 790	105 050	101 683	59 791	21 712	49 610	121
	2024	37 903	58 941	52 690	63 636	22 967	58 734	182

(thousands of BGN)		EDG West	Electrohold Sales	Electrohold Trade	Electrohold Bulgaria	Electrohold ICT	Electrohold IPS	Free Energy Project
		Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria	Bulgaria
Financial status								
Return on equity (ROE) ¹	2025	8.39%	18.25%	14.34%	5.7%	7.45%	-	11.55%
	2024	7.64%	21.21%	13.17%	20.7%	10.49%	25.10%	18.35%
Return on assets (ROA) ²	2025	5.77%	7.79%	5.47%	0.40%	3.95%	-2.89%	10.68%
	2024	5.33%	13.76%	5.88%	1.40%	4.68%	0.18%	17.15%
Operating profit (%) ³	2025	15.60%	2.86%	1.79%	3.3%	7.45%	-4.05%	32.21%
	2024	15.09%	5.55%	1.41%	5.8%	10.68%	1.32%	40.03%
Asset turnover ⁴	2025	0.43	2.63	3.12	0.49	0.53	0.55	39.72%
	2024	0.42	2.63	4.24	0.44	0.51	0.62	46.40%
Total liquidity ⁵	2025	1.66	1.74	162.79%	1.10	1.43	0.95	6.79
	2024	1.64	0.40	182.44%	1.08	1.64	0.99	1.55
Absolute liquidity ratio ⁶	2025	0.06	0.40	0.27	0.22	1.09	0.05	6.38
	2024	0.27	0.40	0.04	0.27	0.15	0.24	1.24

¹ Return on equity (ROE): Net profit for the year / Equity (%)

² Return on assets (ROA): Profit for the year / Total assets (%)

³ Operating profit (%): Operating profit / Revenue (%)

⁴ Asset turnover: Revenue / Total assets

⁵ Total liquidity: Current assets / Current liabilities

⁶ Absolute liquidity ratio: Cash and short-term deposits / Short-term liabilities

Key data on the activities of the operating companies

🔌 Electrodistribution Grid West EAD

Corporate Data		Regulation	
Country of incorporation	Bulgaria	Business License	yes*
Country of business operations	Bulgaria	Regulator	Energy and Water Regulatory Commission (EWRC)
Ownership	100% of the capital is owned by Eastern European Electric Company B.V.	Quality Management	
Subsidiaries	Sole owner of the capital of Electrohold ICT EAD	ISO certification	ISO 9001:2015 – quality management ISO 45001:2018 - occupational health and safety management

* Business license	<p>The company operates on the basis of a license issued by the Energy and Water Regulatory Commission (EWRC):</p> <ul style="list-style-type: none"> ▪ License No. L-135-07/13.08.2004 for the activity "distribution of electricity". The license is for a period of 35 years. ▪ With Decision No. I1-L-135/06.06.2011 of the State Electricity Regulatory Commission, the license was supplemented by including conditions in connection with the Compliance Program. ▪ With Decision No. I2-L-135/09.12.2013 of the State Electricity Regulatory Commission, the license was supplemented with rights and obligations in connection with the implementation of the activity "coordinator of a special balancing group". ▪ With Decision No. L-695/07.07.2023, the State Electricity Regulatory Commission amended the license No. L-135-07 issued to "Electrodistribution Grid West" EAD dated 13.08.2004 for the activity "distribution of electricity" by excluding from its territory the territory of "Industrial Park Balkan", the city of Lovech, which was issued a license No. L-695-7A dated 07.07.2023 for the implementation of the activity "distribution of electricity in a closed distribution network" with the rights and obligations of a "balancing group coordinator".
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Activity

Activity	<p>It carries out activities in:</p> <ol style="list-style-type: none"> 1 / Operation of the electricity distribution network for the transmission and distribution of electricity; 2 / Distribution of electricity in Bulgaria, on the territory of Western Bulgaria, with an area of 40,000 sq. km. and a population of 2,930,000 inhabitants, covering the districts: <ul style="list-style-type: none"> ▪ Sofia-city ▪ Sofia region ▪ Blagoevgrad ▪ Pernik ▪ Pleven ▪ Lovech ▪ Montana ▪ Kyustendil ▪ Vratsa, and ▪ Vidin
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The main activity of the company is: Operation of the network, which is a set of power lines and electrical installations for medium, low and high voltage, used for transmission and distribution of electrical energy for the purpose of transporting it to consumers connected to the Company's electricity distribution network ("EDN") in the territory in which it operates.

In carrying out its main activity, the Company generates revenues from:

- distribution of electricity to consumers who are connected to the ERM;
- management of the ERM;
- maintaining the ERM, sites and facilities in accordance with technical requirements;
- developing the ERN in accordance with the prospects for economic development and forecasts for changes in electricity consumption in the region;
- maintenance and development of auxiliary grids;
- continuity of electricity supply and quality of electricity supply;
- other services for consumers

Analysis of activity in 2025

The Company continues to fulfil its main requirements under the license, namely to develop and modernize the electricity distribution network, to ensure continuity of electricity supply to the end user, as well as to serve him with the expected quality.

The Company's revenues from electricity distribution (transmission and access fees) are generated by customers located in the territory of Western Bulgaria, for which the Company holds a license.

Within the scope of its activity, the Company's revenues are classified by the following types of services provided:

- services for access to the medium (MV) and low (LV) voltage electricity distribution network and for transmission through the medium (MV) and low (LV) electricity distribution network – in the amount of BGN 509,356 thousand for 2025 (BGN 451,498 thousand for 2024);
- services for collection of a fee for access to the electricity transmission network for producers of electricity from renewable sources (RES), which is due by producers of electricity from solar and wind energy connected to the electricity transmission and distribution network – in the amount of BGN 422 thousand for 2025 (BGN 297 thousand for 2024);
- Services for connecting consumers to the electricity distribution network – in the amount of BGN 34,950 thousand for 2025 (BGN 28,902 thousand for 2024);
- Services for surveying, repairing and maintaining the electricity distribution network and commercial metering devices – in the amount of 6,381 thousand BGN for 2025 (6,281 thousand BGN for 2024).

Total revenue from contracts with customers in 2025 amounted to BGN 551,019 thousand (2024: BGN 486,978 thousand), which represents a 13.2% increase.

In 2025, "Electric Distribution Networks West" EAD distributed 11,118,583 MWh of electricity through its electricity distribution network, of which technological costs amounted to 652,444 MWh.

During the period, the Company has recognized a reduction in technological costs from approved government compensations (financing) in the amount of BGN 9,449 thousand, due to a reported purchase price higher than the estimated market price approved by the Energy Regulatory Commission.

Important events for the activity

Regulatory price changes	<p>In 2025, KEWR (<i>Energy and Water Regulatory Commission</i>) approves price changes in the services provided by the company:</p> <ul style="list-style-type: none"> ▪ January <ul style="list-style-type: none"> - approved new prices for the transmission of electricity through the electricity transmission and distribution network for the period of the first quarter; - approved new prices for the connection of end-user facilities to the electricity distribution network of the company ▪ July - approved new prices for the transmission of electricity through the electricity transmission and distribution network for the period of the second quarter;
Technology Expense Compensation Program	<p>By Decision No. 654 of 18.09.2024, the Council of Ministers adopted an updated Program for compensating the costs of non-household end customers for electricity for the period from 01.07.2024 to 31.03.2025, approved by Decision No. 546/31.07.2024 and amended by Decision No. 30 under item 1 of 23.01.2025 (the Program). With this decision, the Program provides for a mechanism for compensating part of the costs of electricity for non-household end customers</p>

- with the transmission system operator and the distribution network operators being compensated directly, and the remaining non-household end customers through their suppliers. In 2025, the Company received government compensation in the amount of BGN 9,449 thousand.

In October 2025, by decision of the Council of Ministers, a Program for compensating the costs of non-household end customers for electricity and of operators of the electricity transmission and distribution networks for the purchase of the quantities of electricity consumed for technological costs, for the period from July 1, 2025 to June 30, 2026, was adopted.

Other important events During the year, no other important events occurred for the Company that would affect its revenues, results and financial position.

Significant transactions concluded for the business

Significant transactions concluded In 2025, the company concluded an agreement with the Federal Electricity Fund for the payment of compensations: on the basis of Art. 36 b, para. 1, item 4 and item 3 of the Energy Act and in implementation of the program for compensating the costs of the operators of the electricity transmission and distribution networks for the purchase of electricity consumed for technological costs, approved by Decision No. 546 of the Council of Ministers of 31.07.2024, amended by Decision No. 654 of the Council of Ministers of 18.09.2024 in implementation of the Decision of the 50th National Assembly published in the State Gazette No. 64 of 30.07.2024 and amended by Decision No. 30 under item 1 of 23.01.2025;

Electrohold Sales EAD

Corporate Data

Country of incorporation	Bulgaria
Country of business operations	Bulgaria
Ownership	100% of the capital is owned by Eastern European Electric Company B.V.
Subsidiaries	there isn't

Regulation

Business License	yes*
Regulator	Energy and Water Regulatory Commission (EWRC)

Quality Management

ISO certification	ISO 9001:2015 – Quality Management
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* **Business license** The company operates on the basis of a license issued by the Energy and Water Regulatory Commission (EWRC):

- License for public electricity supply No. L-135-11/29.11.2006 for a period until 13.08.2039. The license was amended and supplemented by decision No. I1-L-135-11 of 16.12.2013 of the KEWR with rights and obligations arising from the activity of "coordinator of a special balancing group".
- License for electricity trading No. L-229-15/17.05.2007 for a period of 10 years. The license was amended and supplemented with the rights and obligations of a coordinator of a standard balancing group by decision of the KEWR No. I1-L-229/16.02.2016, and its term was extended by another 10 years by decision of the KEWR No. I2-L-229/01.09.2016.
- license for the activity "supply of electricity of last resort" L-409/01.07.2013 for a term of 28 years. The license was amended and supplemented by decision No. I1-L-409-17 of 29.11.2013 of the EWRC with rights and obligations arising from the activity "coordinator of a special balancing group", the term of the license being preserved.

Activity and Results of the activity

Activity

It carries out activities in:

- 1 / public supply of electricity in accordance with the Energy Act (EA) and a license for public supply of electricity and in accordance with the terms of this license;
- 2 / supply of electricity as a supplier of last resort in accordance with the Energy Act and the terms of the license for the activity "supply of electricity by a supplier of last resort";
- 3 / any other activity not prohibited by law and/or by the license for public supply of electricity.

Analysis of activity in 2025

1 / Activity in public supply of electricity to end-users

The Company ensures the supply of electricity to household end-customer facilities connected at low voltage to the electricity distribution network of "Electrodistribution Grid West" EAD, when these customers have not chosen another supplier.

The supply of electricity is a service of public interest and is provided under the conditions of equality and publicly known general terms and conditions, the last of which were approved by the EWRC with decision No. OU-3/10.03.2023. The general terms and conditions adopted by the EWRC are published on the Company's website.

"Electrohold Sales" EAD, in its capacity as an end-supplier in accordance with the Electricity Trading Rules, is the coordinator of a special balancing group with members: household end-customers and producers of electricity from renewable sources with facilities with a total installed capacity of less than 500 kW, whose energy it purchases, if they have not chosen another balancing group coordinator.

The final supplier purchases electricity produced from renewable sources and from highly efficient combined production of electricity and heat from producers under Art. 162 of the Energy Act and Art. 31 of the Renewable Energy Act (ZEVI), connected to the electricity distribution network of "Electrodistribution Grid West" EAD from producers with facilities with a total installed electrical capacity of less than 500 kW.

2 / Electricity trading activity at freely negotiated prices

As an electricity trader, the Company is the coordinator of a standard balancing group with members who are end customers to whom it supplies electricity at freely negotiated prices and producers of electricity from highly efficient combined heat and power generation and from renewable sources with facilities with a total installed capacity of 500 kW and over 500 kW.

3/ Supplier of last resort (SLU) activity

"Electrohold Sales" EAD, in its capacity as a DPI, provides the necessary quantities of electricity for the supply of end customers by concluding transactions with electricity at freely negotiated prices and the "Methodology for determining the prices of electricity of the supplier of last resort" approved by the EWRC.

The company's revenues from the sale of electricity are generated mainly from external customers - unrelated persons on the territory of the Republic of Bulgaria.

The company's revenues from Public Supply (Final Supplier) of electricity are generated from customers (corporate and household) on the territory of the Republic of Bulgaria.

The growth in revenues from household customers is mainly due to a higher volume of electricity sold, as well as an increase in prices during the reporting period (approved by a decision of the EWRC in the second half of 2024) compared to the same period in 2023.

Energy efficiency:

According to the provisions of the Energy Efficiency Act (EEA), "Electrohold Sales" EAD is an obligated entity within the meaning of Art. 14a, para. 4, item 1. The individual objectives of the Company are determined in accordance with the provisions of the EEA and in accordance with the Integrated Energy and Climate Plan of the Republic of Bulgaria by the Council of Ministers.

The reporting of energy savings achieved by obligated entities is carried out through Energy Saving Certificates issued ("ESC") by the Agency for Sustainable Energy Development ("ASED"). Several options are provided for the implementation of the objectives:

- Direct investments in energy savings in final energy consumption with financing of the end user of the measures;
- Offering energy efficient services to end customers;
- Contributions to the "Energy Efficiency and Renewable Energy" Fund or another financial intermediary under freely negotiated conditions;
- Acquisition (purchase) of EUAs from measures implemented by other persons, as the obligated person must prove its contribution to the implementation of the measures, when they are for the programming period 2021 - 2030.

In 2025, the Company realized an operating profit from the activity in the amount of 44,417 thousand BGN, marking a decrease of 28.7% compared to 2024, when it amounted to 62,324 thousand BGN.

In addition, "Electrohold Sales" EAD offers the service "Construction of small photovoltaic installations for own consumption", which contributes to increasing the energy efficiency of customers and reducing the carbon footprint.

Important events for the Company's activities

Events that occurred in 2025	During the year, no important events occurred for the Company that would affect its revenues, results and financial position.
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Important events for the Company's activities

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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↳ Electrohold Trade EAD

Corporate Data

Country of incorporation	Bulgaria
Country of business operations	Bulgaria
Ownership	100% of the capital is owned by Eastern European Electric Company B.V.
Subsidiaries	there isn't

Regulation

Business License	yes*
Regulator	Energy and Water Regulatory Commission (EWRC)

Quality Management

ISO certification	ISO 9001:2015 - Quality Management ISO 14001:2015 - Environmental Management ISO 50001:2018 - Energy Management ISO 45001:2018 - Occupational Health and Safety Management
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* **Business license** The company operates on the basis of a license issued by the Energy and Water Regulatory Commission (EWRC):

- Electricity trading license L- 191-15/04.07.2005, issued by the State Energy and Water Regulatory Commission ("SEWR"), currently the Energy and Water Regulatory Commission. The trading license was amended by SEWR Decision No. - I2-L-191 of 06.10.2014 with rights and obligations for the activity "coordinator of a combined

balancing group". The validity period of the trading license was extended until 05.07.2035 by SEWR Decision No. I4-L-191 of 05.09.2024.

- is registered with the Electricity System Operator EAD ("ESO EAD") on the electricity market for end customers, on the wholesale market and as a coordinator of a standard balancing group with electricity identification code No. 32XCEZ-TRADE-BG3, as well as as a trading participant of the Bulgarian Independent Energy Exchange EAD;
- is entered in the Central Professional Register of Builders with a Certificate from the Chamber of Builders in Bulgaria for the implementation of third-group constructions - energy infrastructure constructions from the second to fifth categories with validity until 30.09.2024. After this date, the Company has not taken any action to renew this license, as this activity has been terminated.

Activity

Activity	<p>It carries out activities in:</p> <ol style="list-style-type: none"> 1 / trade in electricity, heat, gaseous fuels and any other type of energy carriers after obtaining the relevant license if such is necessary; 2 / research, consulting, design, financing and construction of energy facilities, delivery of energy-efficient services, performance of services under contracts with guaranteed results - ESCO contracts, construction and installation, finishing, repair works, supplies of materials and equipment.
Analysis of activity in 2025	<p>The Company purchases electricity from IBEX, producers and traders.</p> <p>The Company's revenues are in two main areas - electricity trading and from the provision of services under contracts for the construction of energy facilities - ESCO contracts on the territory of the Republic of Bulgaria.</p> <p>The Company's portfolio of end customers is diversified and distributed into three main segments - industrial customers HV (high voltage), corporate customers of MV/LV networks (medium and low voltage) and business customers LV (low voltage) with lower annual consumption.</p> <p>In 2025, 99.96% of the Company's revenues are from the sale of electricity and related products and services on the free market.</p> <p>Revenue from contracts with customers for the financial year amounted to: BGN 924,565 thousand (2024: BGN 933,877 thousand), without significant change compared to the previous year.</p> <p>The value of purchased electricity, incl. Direct costs for the purchase of energy amount to: 894,021 thousand BGN (2024: 907,253 thousand BGN), or a decrease of 1.46%.</p>

Important events for the Company's activities

Events that occurred in 2025	During the year, no important events occurred for the Company that would affect its revenues, results and financial position.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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↳ Electrohold Bulgaria EOOD

Corporate Data		Regulation	
Country of incorporation	Bulgaria	Business License	no
Country of business operations	Bulgaria	Regulator	no
Ownership	100% of the capital is owned by Eastern European Electric Company B.V.	Quality Management	
Subsidiaries	Sole owner of the capital of Electrohold EPC EOOD	ISO certification	ISO 9001:2008 - Quality Management ISO 9001:2015 - Quality Management

Activity and Income from Activity

Activity	The company performs business services, purchase and sale of equipment and materials, as well as any other activity not prohibited by law, including consulting services to related enterprises, such as: financial and accounting services, receivables management, human resources, public relations and communications, customer service, legal services, property management, transportation services, deliveries, management and business consulting, etc.
Analysis of activity in 2025	<p>Electrohold Bulgaria EOOD is a specialized shared services center for all companies of the Electrohold Group in Bulgaria. The goal of the Company is to develop and improve the quality of shared services and to provide client companies, mainly "EDG West" EAD, "Electrohold Sales" EAD "Electrohold ICT" EAD, "Electrohold EPC" EOOD, "Electrohold Trade" EAD and "Electrohold EPC" EOOD, the opportunity to focus their efforts and resources on their core business to achieve maximum efficiency in the main business processes. The main directions in the development of the activity are specialization, optimization of the used capacity and resources and as a result, increasing quality and reducing costs, better negotiating positions with suppliers as a result of the unification of scales, improving the level of service to consumers of electricity and network services, introduction and development of information and communication systems.</p> <p>The company's revenues are generated from shared services that it provides to client companies of the Electrohold group. Revenues in 2025 increased by 8% compared to 2024. The main share of revenues is revenue from contracts with customers. The increase in revenues in 2025 is due to the higher cost of the services provided.</p>

Important events for the Company's activities

Events that occurred in 2025	During the year, no important events occurred for the Company that would affect its revenues, results and financial position.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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↳ Electrohold ICT EAD

Corporate Data		Regulation	
Country of incorporation	Bulgaria	Business License	no
Country of business operations	Bulgaria	Regulator	no
Ownership	100% of the capital is owned by Eastern European Electric Company B.V.	Quality Management	
Subsidiaries	there isn't	ISO certification	ISO 9001:2008 - Quality Management ISO 9001:2015 - Quality Management

Activity and Income from Activity

Activity	
	<p>The Company's activity is related to the provision of services in the field of information and communication technologies in the companies of the Electrohold Group. The main goal of the company is to increase the economic efficiency in the consumption of these services, as Electrohold ICT EAD becomes the holder of the license rights for the corporate and local information systems with the ability to sub-license their use directly to the companies of the Electrohold Group.</p>

Electrohold ICT EAD provides complex information, communication and technological services, primarily to the companies of the Electrohold Group, according to contracts concluded between the companies. The type and volume of services provided by Electrohold ICT EAD are presented in the ICT Services Catalog, which is an integral part of each contract. The services are used to maintain and develop implemented information systems and ensure critical processes for the companies' business. Electrohold ICT EAD provides ICT services related to access, operation, maintenance and administration, such as:

- Provides the necessary hardware and communication equipment, technical solutions, system and specialized software and databases, including administrative services and expert participation in the research, negotiation and delivery thereof, as well as in the management of the licenses used, necessary for the provision of services;
- Provides warranty and/or post-warranty support for equipment, technical solutions and specialized software and databases, including:
 - Installation, system administration, hardware and software support, updating of specialized software and equipment and administrative service of the requested end users, their profiles and access rights;
 - Troubleshooting of operational problems when using specialized software and equipment, administration of configurations and changes related to the infrastructure used;
 - Monitoring and control of the operability and productivity of the specialized software and equipment used;
 - Resolving problems related to the security and reliability of the processed information and operational processes, ensuring information through data archiving;
 - Maintenance and management of operational documentation;
 - Changing the parameters of specialized software, including parameters related to database systems;
 - Information and technical support of end users - installation and basic settings of an end user's workplace;
 - Processing, categorization and resolution of end user requests, incidents and problems.

- Provides consultations for technical development of equipment and products, after assessing technological innovations and their applicability, evaluates and analyses requests for changes in the functionality of applications and organizes change management according to the Change Management Procedure;
- Assists in training users - employees of the companies in the Electrohold group, preparing methodological materials and instructions, user manuals, etc.
- In its role as a system integrator, Electrohold ICT EAD sells integrated systems for which it has previously performed system design, data modeling, delivery of the necessary hardware, software, licenses, including their maintenance, installation, configuration, implementation of interfaces for data exchange with other systems, as well as participation in the processes of localization, implementation, data migration from existing systems, testing and acceptance into a productive environment.
- In order to automate auxiliary processes, integrate existing information systems, as well as future development of core business processes with the help of information technologies, an expansion of the portfolio of ICT services provided is planned for synchronization with the business strategies of client companies and their planned activities.

Analysis of activity in 2025

The Company's revenues are generated from the provision of complex information, communication and technological services, primarily to related parties of the Electrohold group, according to concluded contracts.

The change in Revenue from contracts with customers is due to a decrease in Revenue from information, communication and technology services in 2025 by 1.7% compared to the same in 2024. In 2025, some of the projects launched during the year were not completed and their effective start is expected in 2026.

Important events for the Company's activities

Events that occurred in 2025 During the year, no important events occurred for the Company that would affect its revenues, results and financial position.

Significant transactions concluded for the business

Significant transactions concluded The Company has not entered into any material transactions other than those related to the implementation of its core business.

↳ Electrohold EPC EOOD

Corporate Data

Country of incorporation	Bulgaria
Country of business operations	Bulgaria
Ownership	100% of the capital is owned by Eastern European Electric Company B.V.
Subsidiaries	there isn't

Regulation

Business License	No. The company is registered in the Central Professional Register of Builders at the Chamber of Builders in Bulgaria for the implementation of construction projects from the second to the fifth category.
Regulator	no

Quality Management

ISO certification	ISO 9001:2008 - Quality Management ISO 14001:2015 - Environmental management
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Activity and Income from Activity

Activity	<p>The Company's activities are related to the preparation of investment projects, the performance of construction and installation works, the supply, purchase and sale of materials/goods, consultations and assistance in the preparation of documentation for conducting procedures and tenders, as well as any other activity not prohibited by law.</p> <p>The establishment of the Company in 2022 is related to a change in the model of providing services in the field of logistics and the selection of suppliers in the Electrohold Group. The main goal of the change is to increase the economic efficiency in the consumption of these services and the optimization of processes in the Group.</p>
Analysis of activity in 2025	<p>The Company provides the following services within the Electrohold group:</p> <ul style="list-style-type: none"> ▪ Logistics ▪ Procurement ▪ Construction services <p>In addition, the subsidiary provides services on third-party projects.</p> <p>In 2024, the company started providing services related to charging stations for electric vehicles. The total amount of services provided for 2025 is 259 thousand BGN (2024: 19 thousand BGN). For the financial year 2025, Electrohold IPS EOOD realized a net loss of 2,153 thousand BGN. Revenues in 2025 amounted to 41,280 thousand BGN.</p>

Important events for the Company's activities

Events that occurred in 2025	<p>In 2025, Electrohold IPS continues the activity started in 2024 related to the construction of the largest chain of charging stations for electric vehicles - Electrocharge. They are located close to customers, in strategic locations throughout the country, with plans to reach 500 in number. The stations are equipped with the latest technologies for fast and efficient charging, providing convenience and reliability for electric vehicle owners. By the end of 2025, 80 charging stations have been installed in the operator's network in various cities in Bulgaria.</p>
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Significant transactions concluded for the business

Significant transactions concluded	<p>The Company has not entered into any material transactions other than those related to the implementation of its core business.</p>
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IPS Electric Ltd.

Corporate Data

Country of incorporation	Bulgaria
Country of business operations	Bulgaria
Ownership	60% of the capital is owned by Electrohold IPS EOOD.
Subsidiaries	there isn't

Regulation

Business License	no
Regulator	no

Quality Management

ISO certification	no
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Activity and Income from Activity

Activity	<p>The Company's commercial activities include: pre-investment and investment studies, design and engineering of energy infrastructure facilities; construction, reconstruction and construction and repair activities of energy infrastructure facilities; project management, technology and project administration, technical supervision and control of the implementation of energy infrastructure facilities; consulting services, as well as any other commercial activity that is not expressly prohibited by law.</p>
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The establishment of the Company is associated with a change in the model of providing services for design and project management activities within the Electrohold Group. The main goal of this change is to improve the economic efficiency in the consumption of these services and optimize the processes in the Group.

Analysis of activity in 2025	<p>The company was established in July 2025, and in the first reporting period, revenues from contracts with clients (design services) amounted to 102 thousand leva.</p> <p>In 2025, project-related expenses amounted to 161 thousand leva. These projects are in the process of implementation and have not yet reached the stage of completion.</p>
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Important events for the Company's activities

Events that occurred in 2025	No significant events occurred during the reporting period.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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Energoto Ltd.

Corporate Data		Regulation	
Country of incorporation	Bulgaria	Business License	no
Country of business operations	Bulgaria	Regulator	no
Ownership	100% of the capital is owned by Electrohold Sales EAD	Quality Management	
Subsidiaries	there isn't	ISO certification	no

Activity and Income from Activity

Activity	Marketing and advertising services, online marketing and advertising, marketing consultations, digital services, commercial representation and brokerage, commission, consulting services; as well as any other commercial activities not prohibited by the legislation of the Republic of Bulgaria; Trade in electricity and any other type of energy carriers after obtaining the relevant license, if such is necessary; management of energy assets; research, consulting, design, financing and construction of energy facilities, delivery of energy-efficient services, performance of services under contracts with guaranteed results - ESCO contracts, delivery of materials and equipment; as well as any other activity.
Analysis of activity in 2025	The company was established in October 2025 and did not carry out any activities during the reporting period.

Important events for the Company's activities

Events that occurred in 2025	No significant events occurred during the reporting period.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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Electroto Ltd.

Corporate Data

Country of incorporation	Bulgaria
Country of business operations	Bulgaria
Ownership	100% of the capital is owned by Electrohold Sales EAD.
Subsidiaries	there isn't

Regulation

Business License	no
Regulator	no

Quality Management

ISO certification	no
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Activity and Income from Activity

Activity	Consulting, advertising - design and production of internal and external advertising, design, web design, publishing; Marketing activities, marketing and sociological research, development of software products, representation, mediation and agency; Purchase and sale of goods in original, processed and refined form in the country and abroad; as well as all other commercial activities not prohibited by law.
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Analysis of activity in 2025	The company was established in October 2025 and did not carry out any activities during the reporting period.
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Important events for the Company's activities

Events that occurred in 2025	No significant events occurred during the reporting period.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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Free Energy Project Oreshets EAD

Corporate Data

Country of incorporation	Bulgaria
Country of business operations	Bulgaria
Ownership	100% of the capital is owned by Eastern European Electric Company B.V.
Subsidiaries	there isn't

Regulation

Business License	no.
Regulator	no

Quality Management

ISO certification	no
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Activity and Income from Activity

Activity	Construction and operation of energy systems and parks related to renewable energy sources; production and trade in energy from renewable energy sources; purchase of real estate for the purpose of development, rental or sale; construction and entrepreneurial services; marketing research, consulting; import and export; commercial representation and intermediary. The company manages a photovoltaic park with a capacity of 4,879 MW, put into operation in April 2012.
Analysis of activity in 2025	For the financial year 2025, Free Energy Project Oreshets EOOD realized a net profit of BGN 747 thousand (2024: BGN 1,049 thousand). Revenues in 2025 amounted to BGN 2,682 thousand (2024: BGN 2,838 thousand) and are mainly related to the sale of electricity - BGN 770 thousand and revenues from the Energy System Security Fund BGN 1,856 thousand.

Important events for the Company's activities

Events that occurred in 2025	No significant events occurred during the reporting period.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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Bara group EOOD

Corporate Data		Regulation	
Country of incorporation	Bulgaria	Business License	no.
Country of business operations	Bulgaria	Regulator	no
Ownership	100% of the capital is owned by Eastern European Electric Company B.V.	Quality Management	
Subsidiaries	there isn't	ISO certification	no

Activity and Income from Activity

Activity	Construction, maintenance and operation of energy facilities for the production of energy from renewable energy sources and alternative energy sources (after obtaining the relevant licenses and permits); production of energy from renewable energy sources and alternative energy sources (after obtaining the relevant licenses and permits); domestic and foreign trade.
Analysis of activity in 2025	In 2025, the Company did not generate revenue from its main activity. The Company did not operate in 2025 due to a change in legislation.

Important events for the Company's activities

Events that occurred in 2025	No significant events occurred during the reporting period.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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For additional information on the activities and results of the energy companies of the Electrohold group, visit the following Internet address: www.electrohold.bg

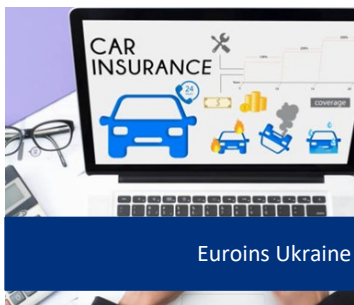


INSURANCE



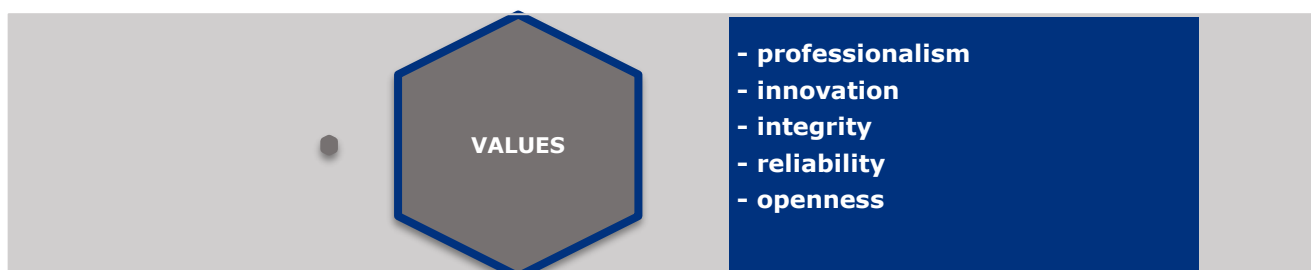


Euroins Insurance Group



Mission of the insurance group

- To strive for excellence and leadership, recognized by society, customers and investors;
- To transform innovative ideas into services and products that modernize society and stimulate its development;
- To motivate our employees and support the development of our customers, partners and investors in accordance with global socio-ethical principles;
- To continuously expand our market share by exceeding the expectations of customers and partners, providing them with reliability and security;
- To achieve solid financial stability and ensuring adequate profitability for our shareholders.



Goals of the EIG Group

- To satisfy the needs of its customers;
- To expand the markets in which it operates;
- To increase the market share of each of its subsidiaries;
- To increase sales volume and maintain the positive public image of the group



Insurance

Euroins Insurance Group (EIG) is one of the largest independent groups operating in Central, Eastern and Southeastern Europe.

Euroins Insurance Group is a holding company registered in Bulgaria and uniting Eurohold's investments in the insurance business.

The Company's focus is on providing a full range of insurance products in general insurance, health insurance and life insurance.

As of the end of 2024, it mainly owns stakes in a total of 6 insurance companies and one intermediary company for concluding insurance products, and is present in 11 international markets.

By the end of 2025, it owns a majority stake in a total of 6 insurance companies in Bulgaria, North Macedonia, Ukraine, Georgia and one brokerage company in Romania for the conclusion of insurance products. Separately, the largest company in the Group, Euroins Insurance Company AD, operates not only in Bulgaria, but also in Greece through its insurance branch (according to the principle of freedom of establishment in the European Union), as well as in Poland, Italy, Spain, Germany and Romania according to the principle of freedom to provide services within the European Union. being present in 10 international markets.

During the first 10 years of its establishment, EIG's goal has always been to expand its activities by acquiring majority stakes in insurance companies in Central and South-Eastern Europe (CEE/SEE). In recent years, EIG has focused on consolidating the current business portfolio and establishing the companies in the group in the insurance markets in which they operate. Overall, by the end of 2025, EIG companies serve over 4 million clients through over 250 regional offices.

The parent company's management system is single-tier, consisting of a Board of Directors, each member of which is elected by the General Meeting of Shareholders for a term of 5 years.

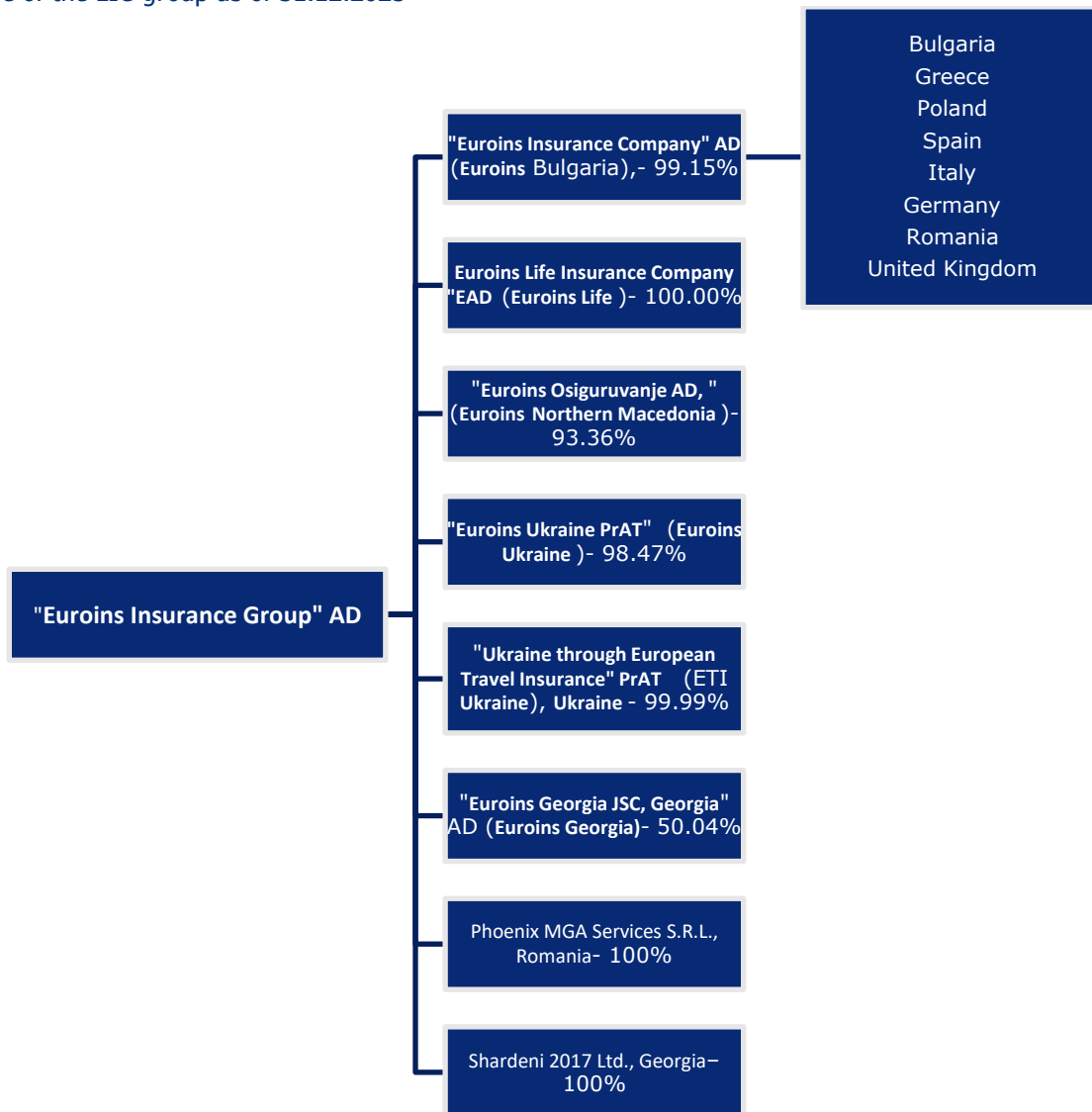
Share Capital

As of December 31, 2025, the registered capital of Euroins Insurance Group AD amounted to BGN 149,932,734. Its registered capital consists of 149,932,734 shares, of which 149,932,734 are ordinary, registered, outstanding shares with a par value of BGN 1 each.

Shareholders in the capital

Shareholders	Participation
Eurohold Bulgaria AD*	92.08%
European Bank for Reconstruction and Development ("EBRD")**	7.92%
	*now 94.06%
	**now 5.94%

Structure of the EIG group as of 31.12.2025



Key financial results of the EIG insurance group

⇒ Euroins Insurance Group – consolidated basis

Euroins Insurance Group (EIG) is solely engaged in the operational and financial management of its subsidiary operating companies. Euroins Insurance Group prepares consolidated financial statements covering the activities of all operating companies in the EIG group.

Consolidated statement of profit or loss and other comprehensive income	Δ %	2025 thousand BGN	2024 thousand BGN
Insurance revenues, including by types of insurance:	+15.17%	616 496	535 306
▫ Motor Vehicle Third Party Liability Insurance	+19.01%	294 565	247 516
▫ Other Motor Vehicle Insurance	+13.42%	51 251	45 187
▫ Marine, Aviation, and Transport Insurance	-24.31%	29 638	39 155
▫ Credit and Suretyship Insurance	+29.06%	102 318	79 278
▫ Life Insurance	+104.20%	15 135	7 412
▫ Other	+5.85%	123 589	116 758
Insurance costs, including by type of insurance:	+5.60%	(522 854)	(495 130)
▫ Motor Vehicle Third Party Liability Insurance	+10.51%	(331 777)	(300 230)
▫ Other Motor Vehicle Insurance	+44.80%	(48 551)	(33 529)
▫ Marine, Aviation, and Transport Insurance	-20.59%	(21 406)	(26 957)
▫ Credit and Suretyship Insurance	+39.40%	(40 386)	(28 971)
▫ Life Insurance	+56.30%	(11 468)	(7 337)
▫ Other	-29.40%	(69 263)	(98 106)
Gross result from insurance services	133.08%	93 642	40 176
▫ Motor Vehicle Third Party Liability Insurance	-29.41%	(37 212)	(52 714)
▫ Other Motor Vehicle Insurance	-76.84%	2 700	11 658
▫ Marine, Aviation, and Transport Insurance	-32.51%	8 232	12 198
▫ Credit and Suretyship Insurance	+23.11%	61 932	50 307
▫ Life Insurance	+4789%	3 667	75
▫ Other	+191.24%	54 323	18 652
Net result from purchased reinsurance coverage	69.33%	(42 896)	(25 333)
Net result from insurance services	241.89%	50 746	14 843
Net insurance financial result from insurance and reinsurance contracts	10.01%	(12 832)	(11 664)
Net result from investment and financial activities	-11.21%	14 523	16 356
Total other income/ expenses, net	+10.61%	(17 483)	(15 806)
Profit before taxes	+837.36%	34 954	3 729
Income tax expense	+1098%	(5 810)	(485)
Profit for the year from continuing operations	+798.4%	29 144	3 244
Profit for the year from discontinued operations	-100%	-	545
Profit for the year	+669.2%	29 144	3 789

Financial Position	Δ %	31.12.2025 thousand BGN	31.12.2024 thousand BGN
Assets, including:	+13.42%	1 001 166	882 708
▫ Goodwill	-	111 763	111 763
▫ Intangible assets	+5.29%	4 614	4 382
▫ Property, plant, and equipment	-14.83%	13 025	15 293
▫ Investment in an associate accounted for using the equity method	+1.01%	11 100	10 989
▫ Financial assets at fair value through profit or loss	+37.32%	577 949	420 872
▫ Financial assets at amortized cost	+0.07%	57 594	57 552
▫ Assets from purchased reinsurance contracts	-27.36%	141 961	195 428
▫ Assets from issued reinsurance contracts	+2965%	1 594	52
▫ Assets from insurance contracts	+28.70%	444	345
▫ Deferred tax assets	+4.36%	1 580	1 514
▫ Receivables and other assets	+4.36%	26 484	43 664
▫ Cash and cash equivalents	-39.35%	53058	20 854
Equity	+8.01%	356 695	330 247
Total liabilities, including:	+16.65%	644 471	552 461
▫ Subordinated liabilities	+236.39%	86 199	25 625
▫ Liabilities from issued insurance contracts	+10.66%	509 148	460 097
▫ Liabilities from purchased reinsurance contracts	-73.50%	5 250	19 810
▫ Loan liabilities	+542.09%	2 517	392
▫ Lease liabilities	-21.52%	8 290	10 563
▫ Trade and other payables	-11.19%	29 955	33 729
▫ Deferred tax liabilities	-29.70%	142	202
▫ Other financial liabilities	+45.37%	2 970	2 043

Group indicators	Δ %	31.12.2025 thousand BGN	31.12.2024 thousand BGN
Group financial ratios:			
▫ Financial autonomy ratio (including subordinated liabilities)	+10%	0.44	0.40
▫ Debt ratio (including subordinated liabilities)	+1.59%	0.64	0.63
▫ Net technical provisions coverage ratio	+5.86%	1.86	1.76
▫ Gross return on equity	+700%	8%	1%
▫ Net return on equity	+600%	7%	1%

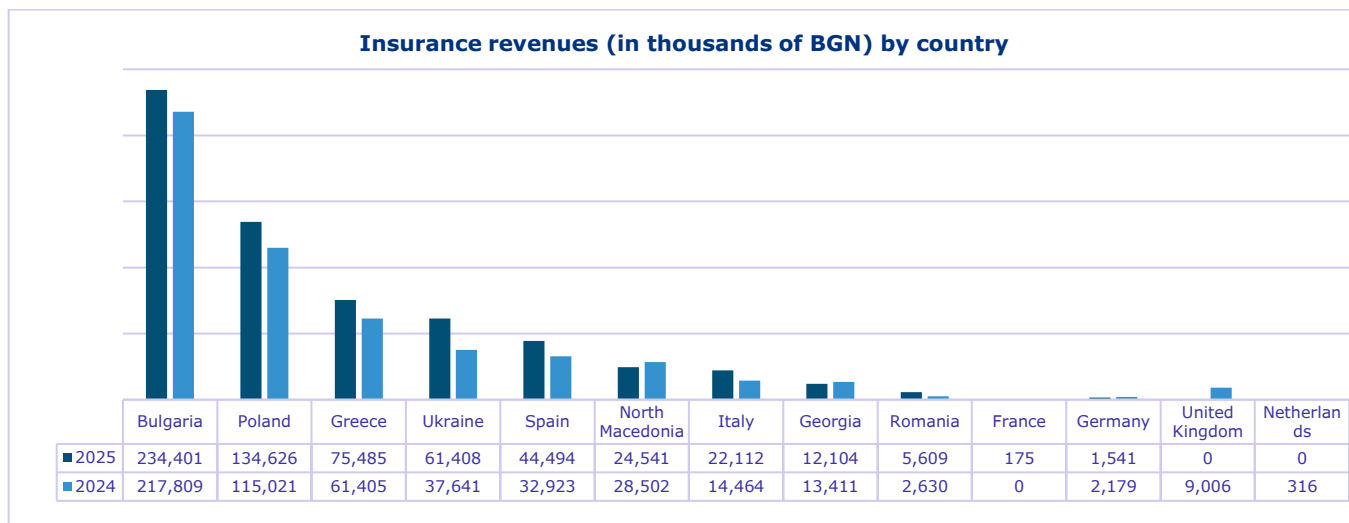
* Source of the presented financial data: audited annual consolidated financial statements of Euroins Insurance Group AD for 2025

Key Financial Performance Indicators of Operating Insurance Companies

thousand BGN	Euroins Insurance	Euroins Life Insurance Company	Euroins Osiguruvanje	Euroins Insurance Company	ETI	Euroins Insurance Company	IC Euroins
	Bulgaria	Bulgaria	North Macedonia	Ukraine	Ukraine	Georgia	Georgia
Revenue and Financial Result							
Total Insurance Revenue	2025	523 183	15 377	24 541	44 310	17 097	12 104
	2024	448 364	7 418	28 502	27 369	10 272	13 411
Gross Result from Insurance Services	2025	79 798	3 892	5 229	2 173	2 832	(1 500)
	2024	42 507	81	7 232	(11 953)	1 179	(1 742)
Net Result from Insurance Services	2025	37 742	1 695	3 829	695	2 798	527
	2024	9 274	184	6 201	(3 056)	1 153	(1 913)
Net Result from Investment and Financial Activities	2025	(4 295)	1 463	1 845	3 074	1 211	869
	2024	3 645	1 247	2 763	1 575	1 315	657
Other Operating Income/Expenses, Net	2025	(14 667)	(384)	(1 103)	(1 353)	(645)	(519)
	2024	(7 343)	83	(6 114)	(180)	(12)	(114)
Financial Result for the Year	2025	18 780	2 774	4 581	2 416	3 363	878
	2024	5 576	1 316	2 532	(1 212)	1 884	(1 377)

thousand BGN	Euroins Insuran ce	Euroins Life Insurance Company	Euroins Osiguruvanje	Euroins Insurance Company	ETI	Euroins Insurance Company	IC Euroins
	Bulgaria	Bulgaria	North Macedonia	Ukraine	Ukraine	Georgia	Georgia
Financial Position							
Assets	2025	734 288	27 135	42 052	54 427	14 865	17 455
	2024	602 808	21 326	39 602	53 523	15 115	13 905
▫ Financial Assets	2025	529 611	23 973	37 471	27 593	8 311	6 878
	2024	396 075	18 516	35 917	11 762	9 831	6 699
▫ Assets from issued reinsurance contracts	2025	6 762	-	-	10 268	-	-
	2024	52	362	-	13	-	-
▫ Assets from purchased reinsurance contracts	2025	128 447	130	1 775	6 453	14	8 155
	2024	155 431	341	1 133	33 261	8	5 245
Total Liabilities	2025	504 291	11 547	24 974	41 384	5 658	12 342
	2024	456 590	8 513	23 838	45 673	4 102	9 343
▫ Liabilities from issued insurance contracts	2025	448 967	8 829	20 457	28 626	3 513	3 824
	2024	387 003	7 668	19 889	37 401	3 335	4 178
▫ Liabilities from purchased reinsurance contracts	2025	-	12	1 001	11 207	-	5 559
	2024	9 580	4	581	6 962	-	2 742

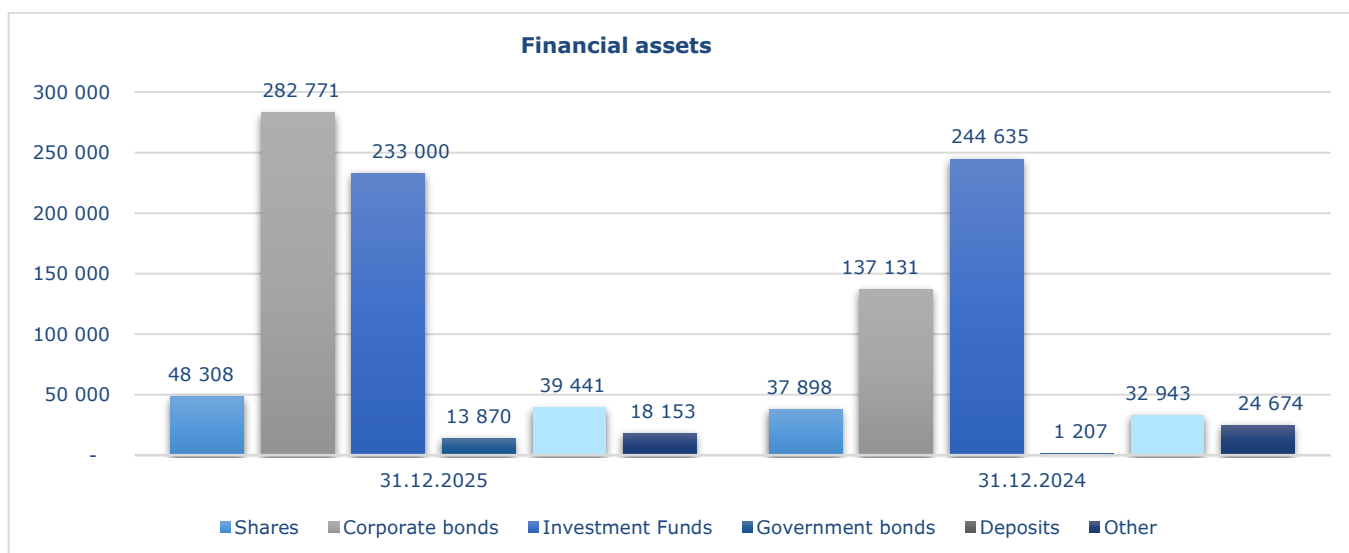
The territorial distribution of the insurance income of the insurance group



! The market in France is a new market that will develop in the future - in 2025 there were only a few sales of insurance products, in this regard it is not considered a major market for 2025

The activity of the markets in the UK and the Netherlands has been discontinued - no activity was reported in these markets in 2025

Investment portfolio of the Group on a consolidated basis



Solvency II

The capital position of the Group is confirmed by the indicators calculated in accordance with the requirements of Solvency II, namely:

Indicators	2025*	2024**
Eligible own funds to cover the Solvency Capital Requirement (SCR) in BGN thousand	377 034	266 530
Eligible own funds to cover the Minimum Capital Requirement (MCR) in BGN thousand	377 034	256 183
Solvency Capital Requirement (SCR) in BGN thousand	233 236	168 139
Minimum Capital Requirement (MCR) in BGN thousand	96 667	75 195
Solvency Capital Requirement (SCR) Coverage	161.65%	158.52%
Minimum Capital Requirement (MCR) Coverage	390.03%	340.69%

* The calculations are based on preliminary unaudited data submitted to the Financial Supervision Commission in accordance with the Solvency II Quarterly Quantitative Reporting for the 4th quarter of 2025.

** These are the audited data submitted to the Financial Supervision Commission in accordance with the Annual Quantitative Reporting for 2024.

Key data on the activities of the operating companies

IC Euroins AD

Corporate data

Country of incorporation	Bulgaria
Country of business operations	Bulgaria
Ownership	99.33% of the capital is owned by Euroins Insurance Group AD
Subsidiaries	There are no subsidiaries, there is a branch established in Greece with the name "Euroins Insurance AD - Greece Branch"

Regulation

Business License	License to carry out general insurance activities
Regulator	Financial Supervision Commission (FSC)

Quality management

ISO certification	none, but the branch of Euroins Insurance in Greece is certified according to ISO 9001, ISO 14001, ISO 22301, ISO 27001, ISO 37001, ISO 45001
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Activity

Activity	<p>It carries out general insurance activities.</p> <p>The portfolio of "IC Euroins" AD includes over sixty insurance products, covering all types of insurance permitted to general insurance companies, in accordance with Annex No. 1, Section II to the Insurance Code. The Company's business model is aimed at offering insurance products covering a wide range of risks and providing comprehensive insurance services to customers.</p> <p>The company provides the following types of general insurance:</p> <ul style="list-style-type: none"> ▪ Accident Insurance; ▪ Sickness Insurance;
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- Land Vehicles Insurance (excluding rail vehicles);
- Rail Vehicles Insurance;
- Aircraft Insurance;
- Vessels Insurance (sea, river and lakes and canals);
- Cargo in transit insurance (including goods, luggage and others);
- Fire and natural disasters insurance;
- Other property damage insurance;
- Third party liability insurance related to the ownership and use of motor vehicles;
- Third party liability insurance related to the ownership and use of aircraft;
- Third party liability insurance related to the ownership and use of vessels;
- General Civil Liability Insurance;
- Loan Insurance;
- Guarantee Insurance;
- Miscellaneous Financial Loss Insurance;
- Legal Expenses Insurance (legal protection);
- Travel Assistance Insurance (assistance).

The company operates in accordance with European legislation and under a temporary permit regime in the following countries:

- Greece – freedom of establishment;
- Poland – freedom to provide services;
- Spain – freedom to provide services;
- Italy – freedom to provide services;
- Germany – freedom to provide services;
- Romania – freedom to provide services;
- Great Britain – under a temporary permit regime, in runoff regime (The Company has no plans to continue its activities in the UK, as the last concluded policy expires in May 2025)
- France – freedom to provide services (new market for the company)

The insurance products of "IC Euroins" AD, distributed under the right of freedom of establishment, freedom to provide services and direct provision of services, are within the scope of the above-mentioned lines of business (in accordance with the issued insurance license).

Analysis of activity in 2025

Euroins Insurance Company AD is one of the leading insurance companies in the field of general insurance with a market share of 14.1% (according to data as of 31.12.2025, published by the Financial Supervision Commission), and for 2025 the Company is in first place on the general insurance market in Bulgaria.

The insurance products in the portfolio of Euroins Insurance Company AD cover all types of general insurance, with 15 of them being actively offered in 2025.

Internationally, Euroins Insurance Company AD distributes insurance products - mainly through representation by insurance intermediaries operating in the relevant market on the territory of the EU, as well as through its own branch registered on the territory of the Republic of Greece and its intermediaries.

The insurance revenues of " IC Euroins" AD for 2025 amounted to 523,183 thousand BGN. The Company recorded an increase in this indicator by 17% compared to 2024. There was a general increase in insurance revenues in Bulgaria, Italy, Spain, Greece, Poland and Romania. In the other jurisdictions where the Company operates, a decrease was recorded. Revenue growth in Bulgaria was 24%.

The highest share in total insurance revenues is occupied by "Motor Third Party Liability" insurance with 263,909 thousand BGN, corresponding to 50% of all insurance revenues. This is followed by

the insurances "Credit and Guarantee Insurance" with 101,918 thousand BGN (19% share), "Motor Vehicle Casco" with 44,667 thousand BGN (8.5% share), "Marine, Aviation and Transport Insurance" with 27,199 thousand BGN (5.2% share), "Provision of Assistance" with 24,677 thousand BGN (4.7% share) and others. In total, automobile insurance accounts for 59% of the Company's portfolio in 2025 compared to 61% in 2024.

The highest growth in insurance revenues under "Credit and Guarantee Insurance" insurance - 131% and "Motor Vehicle Third Party Liability" of 24%. The increase is present in all markets where the Company is present with this insurance – Bulgaria, Spain, Greece and Poland.

"IC Euroins" AD reports a profit for group purposes after taxes and before intra-group eliminations for 2025 in the amount of BGN 18,780 thousand (2024: BGN 5,576 thousand).

Important events for the Company's activities

Events that occurred in 2025 On 06.02.2025, the share capital of the Company was increased from BGN 62,221,200 to BGN 78,471,200 through the issuance of 16,250,000 shares, with a nominal value of BGN 1 (one) and an issue value of BGN 4 (four) each, each of which is of the same class and type as the existing issue of shares, namely ordinary, registered, dematerialized, non-preferred shares with the right to 1 (one) vote at the General Meeting of Shareholders, the right to dividend and liquidation share. The difference between the issue and nominal value of the newly issued shares in the amount of BGN 48,750,000 is recognized as the Company's share premium reserve.

The company's stable financial position has been confirmed once again with the award of the Long-Term Claims Paying Rating by the Credit Rating Agency, BCRA, in February 2024 and February 2025. The assigned rating is "BBB-" with a long-term Stable outlook. Separately, in November 2024, Fitch Ratings affirmed the assigned Long Term Insurer Financial Strength Rating "B+" with a long-term Stable outlook.

Significant transactions concluded for the business

Significant transactions concluded in 2025 In 2025, the Company concluded:

- contracts with related parties for reinsurance coverage for insurance under the so-called "Bouquet" contract;
- a contract for the development of new accounting software, which is to be implemented in 2026;
- a contract for the transfer of the activity of the risk management function to an external contractor, namely: ACTi Consulting (Gibraltar) Limited, registered in the Gibraltar Commercial Register;
- transfer of the activity of the actuarial function to an external contractor, namely: ACTi Consulting (Gibraltar) Limited, registered in the Gibraltar Commercial Register.

Euroins Life EAD

Corporate data

Country of incorporation	Bulgaria
Country of business operations	Bulgaria
Ownership	100% of the capital is owned by Euroins Insurance Group AD
Subsidiaries	No subsidiaries

Regulation

Business License	License to carry out general insurance activities
Regulator	Financial Supervision Commission (FSC)

Quality management

ISO certification	no
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Activity

Activity It carries out life insurance activities and offers and concludes insurance contracts for the following types of insurance and for the following insurance risks:

- Life Insurance and Annuity;
- Marriage and Child Insurance;
- Unit Trust Life Insurance;
- Supplementary Insurance.

As of December 31, 2025, Euroins Life operates only on the territory of the Republic of Bulgaria, having received permission to carry out activities also on the territory of France, Italy, Romania, Belgium and the Netherlands under the conditions of freedom to provide services.

Analysis of activity in 2025

Insurance revenues in the amount of 5,377 thousand leva increased by 107% in 2025, which is a result of the launch of sales of a new product "Health".

During the reporting year, the trend of business written through partnerships with consumer credit companies to occupy a significant share of the entire portfolio continued. At the same time, the company began preparing its systems and products with a view to seeking differentiation of the portfolio by trying to distribute through new agents and the agent network of Euroins Insurance Company AD. The first combined product between the two companies was also developed.

According to statistical data at the end of 2025, published by the Financial Supervision Commission, the Company occupies 7th place with a market share of 2.2%. Euroins Life Insurance Company EAD is the only life insurance company in Bulgaria that does not have a license for "Illness and Accident" insurance, which requires the co-insurance of these risks in Euroins Life Insurance Company AD, which also affects its comparison with other companies on the market.

Important events for the Company's activities

Events that occurred in 2025

During the year, no important events occurred for the Company that would affect its revenues, results and financial position.

Significant transactions concluded for the business

Significant transactions concluded

The Company has not entered into any material transactions other than those related to the implementation of its core business.

Euroins Osiguruvanje AD, Northern Macedonia

Corporate data

Country of incorporation	North Macedonia
Country of business operations	North Macedonia
Ownership	93.36% of the capital is owned by Euroins Insurance Group AD
Subsidiaries	No subsidiaries

Regulation

Business License	License to carry out general insurance activities
Regulator	Ministry of Finance of North Macedonia

Quality management

ISO certification	no
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Activity

Activity	<p>The company operates in the field of general insurance and holds a license for 17 classes of insurance. It primarily offers insurance products in the following types of insurance:</p> <ul style="list-style-type: none"> ▪ Accident insurance; ▪ Land vehicles insurance (excluding rail vehicles); ▪ Cargo in transit insurance (including goods, luggage, etc.); ▪ Property insurance; ▪ Third party liability insurance related to the ownership and use of motor vehicles; ▪ General liability insurance; ▪ Miscellaneous financial losses insurance; ▪ Travel Insurance (Assistance)
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Analysis of activity in 2025	In 2025, Euroins Insurance AD reported insurance revenues in the amount of BGN 24,541 thousand (2024: BGN 28,502 thousand).
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Important events for the Company's activities

Events that occurred in 2025	During the year, no important events occurred for the Company that would affect its revenues, results and financial position.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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Euroins Ukraine PrAT

Corporate data

Country of incorporation	Ukraine
Country of business operations	Ukraine
Ownership	92.73% of the capital is owned by Euroins Insurance Group AD
Subsidiaries	No subsidiaries

Regulation

Business License	License to carry out general insurance activities
Regulator	National Commission for State Regulation of Financial Services Markets of Ukraine

Quality management

ISO certification	no
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Activity

Activity	<p>The Company holds a license to carry out direct insurance activities, other than life insurance, as well as reinsurance, in 18 classes of insurance.</p> <p>The main business lines in which the Company specializes are motor insurance.</p> <p>The Company operates on the economic and financial markets of Ukraine, which exhibit the characteristics of an emerging market.</p> <p>As of 31.12.2024, the investment in the Company was depreciated by 100% in connection with the outbreak of war between the Russian Federation and Ukraine in February 2022.</p> <p>As of 31 December 2025, Euroins Insurance Group AD reports as the value of the investment only the value of the capital increase in the amount of 90,250 thousand hryvnias from 2025, the equivalent of which is 3,957 thousand BGN, given the already accrued depreciation. The reason for the non-depreciation of this additional increase in the investment is the fact that despite the ongoing military conflict, Euroins Ukraine JSC continues to operate successfully on the Ukrainian insurance market.</p>
Analysis of activity in 2025	<p>The main business lines in which the Company specializes are motor insurance. The majority of the insurance income realized in 2025 and 2024 is formed on the basis of sales in the Western part of Ukraine, which is relatively much less affected by the military actions.</p> <p>In 2025, JSC "IC Euroins Ukraine" reported insurance income in the amount of 44,310 thousand BGN (2024: 27,348 thousand BGN).</p>

Important events for the Company's activities

Events that occurred in 2025 On 26.09.2024, the Board of Directors of Euroins Insurance Group AD decided to participate in a procedure for increasing the capital of JSC Euroins Insurance Company Ukraine by means of a cash contribution in the amount of not less than 90,250,000 Ukrainian hryvnias. As of the date of preparation of these consolidated financial statements, the Ukrainian regulator has approved the capital increase and the contribution in the amount of 90,250 thousand hryvnias was transferred in March 2025, with 4,512,500,000 new shares being issued each with a nominal value of 0.01 Ukrainian hryvnias and an issue value of 0.02 Ukrainian hryvnias.

The Company has been operating in a state of war since February 24, 2022.

The Company's strategic goal for ensuring business continuity is to preserve the lives of personnel and ensure the uninterrupted operation of critical business processes and information systems that support them in the event of emergencies.

To date, the Company has not had any damage to critical assets that would prevent it from continuing its operations. The Company does not own significant assets in the zone of active hostilities or in temporarily occupied territories.

The challenges of wartime have made adjustments to the processes for ensuring continuous operation, in particular, the threat of missile attacks has led to changes in the operation of the Company's IT systems. The IT architecture has been optimized, key IT service equipment has been updated, and a backup data storage has been installed. The main data centers, where the Company's key IT equipment and IT services are located, are capable of ensuring stable and round-the-clock operation, with a declared minimum autonomous backup period of 14 days.

The company has an appropriate material and technical base and software that records financial and economic transactions (accounting and management), registers contracts for financial services provided (insurance and reinsurance), etc.

The company is equipped with qualified management and other personnel to carry out transactions and other necessary functions.

Significant transactions concluded for the business

Significant transactions concluded The Company has not entered into any material transactions other than those related to the implementation of its core business.

Ukraine through European Travel Insurance PrAT (ETI)

Corporate data

Country of incorporation	Ukraine
Country of business operations	Ukraine
Ownership	99.99% of the capital is owned by Euroins Insurance Group AD
Subsidiaries	No subsidiaries

Regulation

Business License	License to carry out general insurance activities
Regulator	National Commission for State Regulation of Financial Services Markets of Ukraine

Quality management

ISO certification	no
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Activity

Activity The main areas of activity of the Company are the provision of insurance and travel insurance services, both in Ukraine and abroad. The Company has a license for the following insurance classes:

- Class 1 "Insurance against accident (including work-related accident and occupational disease)"
- Class 2 "Insurance against illness (including medical insurance)"
- Class 7 "Insurance of transported property (including cargo, luggage (cargo and luggage));
- Class 8 "Insurance of property against fire and dangerous effects of natural phenomena";

- Class 9 "Insurance of property against damage caused by hail, frost, other events (including theft, robbery, burglary, intentional damage/destruction of property), except for those specified in Class 8;
- Class 13 "Insurance of other liability (except for those specified in Classes 10, 11, 12)";
- Class 16 "Insurance of other financial risks (except for those specified in Classes 14, 15)";
- Class 18 "Insurance of expenses related to providing assistance to persons in difficulty while traveling".

Analysis of activity in 2025

The Company operates in an environment of ongoing hostilities in Ukraine, which have already caused and continue to cause significant negative consequences, both for the country's economy as a whole and for the Company's clients in particular. The martial law caused by the military actions created certain challenges for the operation of the Company's IT systems. As a result, changes were made, and in particular, the IT architecture was optimized, the server equipment was updated, and a backup data storage was installed. The main data storage, where the Company's servers are located, has a minimum autonomous backup of 14 days. To ensure stable operation of the office, measures have been taken to ensure uninterrupted communication and electricity.

Despite the ongoing military conflict, JSC "European Tourist Insurance" continues to operate successfully on the Ukrainian insurance market, reporting insurance revenues for 2025 in the amount of BGN 17,097 thousand (2024: BGN 10,272 thousand).

Important events for the Company's activities

Events that occurred in 2025

There are no other significant events for the Company other than operating in a martial law environment since February 24, 2022.

The investment in the Company was impaired by 100% as of December 31, 2021 in connection with the outbreak of war between the Russian Federation and Ukraine in February 2022.

Significant transactions concluded for the business

Significant transactions concluded

The Company has not entered into any material transactions other than those related to the implementation of its core business.

IC Euroins Georgia AD, Georgia

Corporate data

Country of incorporation	Georgia
Country of business operations	Georgia
Ownership	50.04% of the capital is owned by Euroins Insurance Group AD
Subsidiaries	No subsidiaries

Regulation

Business License	License to carry out general insurance activities
Regulator	State Insurance Supervision Service of Georgia

Quality management

ISO certification	no
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Activity

Activity	It operates in general insurance. Euroins Georgia Insurance Company specializes in Accident and Health insurance.
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Analysis of activity in 2025

In 2025, "IC Euroins Georgia" reported insurance revenues in the amount of BGN 12,104 thousand (2024 BGN 13,411 thousand).

Important events for the Company's activities

Events that occurred in 2025	By decision of the Board of Directors of Euroins Insurance Group AD in November 2024, the Company was granted a loan in the form of subordinated debt in the amount of up to EUR 1 million.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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Phoenix MGA Services S.R.L., Romania

Corporate data

Country of incorporation	Romania
Country of business operations	Romania
Ownership	100% of the capital is owned by Euroins Insurance Group AD
Subsidiaries	No subsidiaries

Regulation

Business License	no
Regulator	no

Quality management

ISO certification	no
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Activity

Activity	The company operates as an exclusive representative of Euroins Insurance Company AD, Bulgaria, in connection with its activities on the territory of the Republic of Romania in the provision of insurance services under multi-year niche insurance products unrelated to motorists' civil liability.
Analysis of activity in 2025	The company's activity is in its capacity as managing agent of Euroins Insurance Company AD on the territory of Romania and for this reason it should be considered together with that of the insurance company.

Important events for the Company's activities

Events that occurred in 2025	During the year, no important events occurred for the Company that would affect its revenues, results and financial position.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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Shardeni 2017, Georgia

Corporate data

Country of incorporation	Georgia
Country of business operations	Georgia
Ownership	100% of the capital is owned by Euroins Insurance Group AD
Subsidiaries	No subsidiaries

Regulation

Business License	no
Regulator	no

Quality management

ISO certification	no
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Activity

Activity	Shardeni 2017 Ltd. was established in Tbilisi, Georgia, through the transfer of property unrelated to the insurance business from IC Euroins Georgia AD, with EIG purchasing the shares and becoming the sole owner in 2023. The company's activities are related to property management.
Analysis of activity in 2025	The company carries out limited activity, with the volume of revenue being insignificant compared to other companies in the group.

Important events for the Company's activities

Events that occurred in 2025	During the year, no important events occurred for the Company that would affect its revenues, results and financial position.
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Significant transactions concluded for the business

Significant transactions concluded	The Company has not entered into any material transactions other than those related to the implementation of its core business.
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More information about Euroins Insurance Group and its subsidiaries can be found on the website of the insurance subholding www.eig.bg.



EURO-FINANCE AD



**We offer first-class
financial services
and investment
solutions**



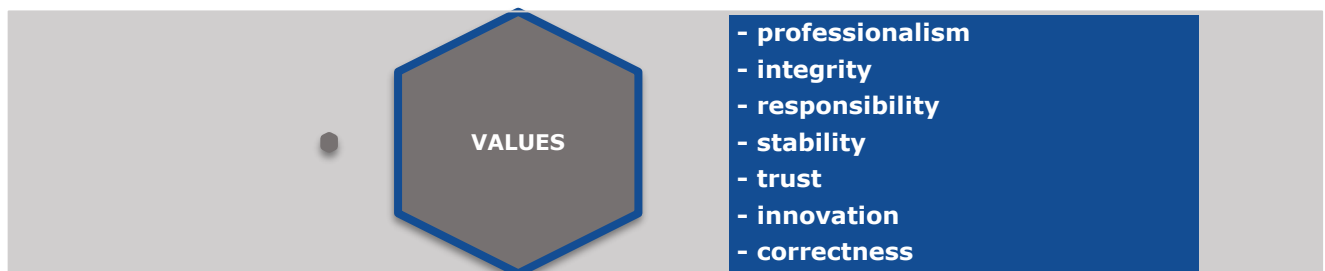


Euro-Finance AD



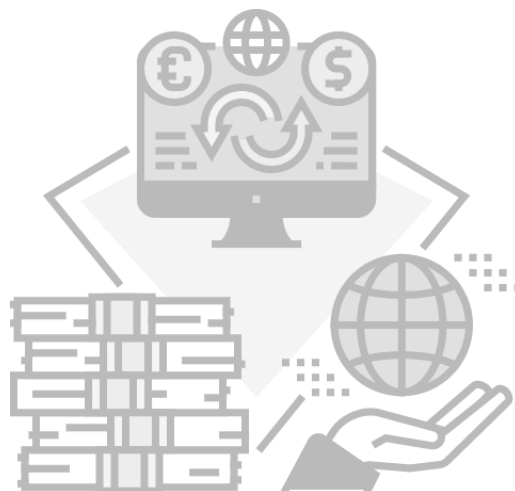
Mission

- To make capital markets more accessible
- To be fully digital for the convenience of clients
- To ensure the financial security and peace of mind of our clients
- To consider the needs, circumstances and plans of the client
- To work with a vision for a long-term partnership



Goals

- To understand clients' financial goals and invest as they expect
- To offer innovative strategies and individual solutions to help our clients achieve their goals
- To offer first-class financial services and investment solutions
- To offer thousands of products at competitive spreads
- To work with high standards and impeccable professionalism in asset servicing and management
- The future depends on what you do today.



Financial and investment activity (investment intermediary and asset management)

Euro-Finance AD is a joint-stock company based in Sofia, operating as an investment intermediary on the territory of the European Union and the European Economic Area and in third countries.

Euro-Finance is licensed by the Financial Supervision Commission and operates in accordance with the high pan-European standards regulating the activities of investment intermediaries and trading in financial instruments.

In 2025, based on the data from the annual financial report for 2024, the Board of Directors of the company decided to designate Euro-Finance AD as a significant investment intermediary in accordance with the requirements of the Additional Provisions of the Markets in Financial Instruments Act (MFIA), par. 1, item 74, letter "b" and "c". The company has established a Candidate Selection Committee in accordance with the requirements of Art. 61, para. 2, item 1 of the MFIA, a Remuneration Committee and a Risk Committee in accordance with the requirements of Art. 61a, para. 1 of the MFIA.

As an investment intermediary, Euro-Finance AD offers its clients the following services:

1 / Real trading on the Bulgarian Stock Exchange (BSE) and the Frankfurt Stock Exchange (FWB)

- Stocks – over 13,500 Bulgarian and international stocks;
- Bonds – over 29,000 government and corporate bonds from all over the world;
- ETFs – access to the largest ETF market in Europe
- Crypto – trade Bitcoin, Ethereum and other cryptocurrencies on regulated exchanges.

2 / Contracts for Difference

- Currency Trading (Forex)
- Precious Metals
- Oil & Gas
- Major Stock Indices
- Shares (CFDs)
- Cryptocurrencies

3 / Asset Management

- Setting investment goals – desired return for the management period (investment horizon), consistent with the appropriate level of risk
- Specifying preferences, specific requirements and constraints
- Combining goals and constraints with long-term expectations for the capital markets, in the appropriate strategic asset structure
- Preserving the value of investment decisions with preferential commissions
- Regular information on the current status of the portfolio
- Monitoring changes in client circumstances and needs, as well as in capital market conditions
- Rebalancing the portfolio when necessary

Conservative Wallet

Low-risk – aims to preserve the real value of assets. Security and high liquidity are a priority.

Balanced Wallet

Medium risk – balance between portfolio stability and the possibility of a return exceeding inflation.

Aggressive Wallet

High-risk – focus on the potential to achieve high returns and significant growth of invested capital.

4 / Investment Banking

- Flexible and innovative solutions tailored to specific requirements and investment needs to build long-term business relationships.
- Selected balanced teams of professionals with financial, operational and legal expertise, offering the most accurate strategy or capital structure.
- Necessary internal and external infrastructure for comprehensive investment solutions and services.

Capital markets

Equity and debt instruments, structuring of hybrid instruments, initial public offerings, secondary public offerings, private placements and capital increases, offering selection of the optimal type of financing, structuring of the appropriate type of instrument, participation in the placement and consideration of individual needs and the factors that accompany them.

Consulting services

- Mergers and Acquisitions (M&A)
- Acquisition and Sale of Companies
- Mergers / Splits
- Management Buyouts / Debt Buyouts

Financial consulting

- Valuations
- Independent Opinion
- Debt Restructuring, Recapitalization and Bankruptcy Restructuring
- Strategic Consulting

5 / Amundi Mutual Funds

In 2020, Euro-Finance laid the foundations for its cooperation with Amundi Asset Management, the largest asset management company in Europe by market capitalization of assets under management.

Amundi has over 80 years of experience in managing and offering mutual funds and is among the ten largest asset management companies in the world. Amundi is a public company whose shares are traded on Euronext.

Investment plan

Euro-Finance provides the opportunity to choose an investment plan in one (or several) of the mutual funds managed by Amundi

- Variety of funds – Depending on goals and preferences, time horizon and risk tolerance;
- Choice of currency euro / dollar;
- Flexible terms – 5, 7, 10, 15, 20 or 25 years;
- Competitive conditions.

Direct investments in Amundi mutual funds

- Affordable investment solutions – professional investment management, high quality products, possibility to invest small amounts
- Risk diversification – purchase of units from a fund that invests in stocks and/or bonds of multiple companies in different sectors and/or different geographical regions
- High liquidity of funds – possibility to sell back the purchased units at any time without additional costs
- Transparency and strict control in investment management
- Free from profit tax – capital gains from investments in mutual funds are tax-free
- Savings through investments – realization of long-term life plans.

As of 31.12. 2025, Euro-Finance AD has one contract with a tied agent:

"Studio Personal Finance" OOD, Sofia, entered in the Register of persons who may carry out activities as tied agents of the FSC on the basis of Decision No. 496 - OA of 15.07.2021 of the FSC. The tied agent provides and performs on behalf of Euro-Finance AD and at its full and unconditional responsibility services and activities related to units of collective investment schemes of AMUNDI.

Key financial results of Euro-Finance

Review of Results	Δ %	2025 BGN thousand	2024 BGN thousand
Income from financial operations:			
▫ Net result from intermediary activities	-2.67%	2 553	2 623
▫ Net result from operations with financial assets and instruments	+15.23%	1 006	873
▫ Net result from changes in exchange rates	-57.14%	93	217
▫ Income from equity participation	-5.93%	111	118
▫ Net interest income	-16.42%	509	609
▫ Other financial income/expenses, net	-159.09%	(26)	44
▫ Income from investment banking activities	-88.28%	30	256
Net profit from financial operations	-9.79%	4 276	4 740
Profit before taxes	-44.93%	962	1 747
Profit for the year	-45.39%	853	1 562

Financial Position	Δ %	2025 BGN thousand	2024 BGN thousand
Assets	+2.59	30 673	29 900
▫ Non-current	+1.52%	5 762	5 676
▫ Long-term financial assets	+1.44%	4 727	4 660
▫ Current	+2.84%	24 911	24 224
▫ Short-term financial assets	+13.36%	8 578	7 567
▫ Repurchase agreements	-18.75%	6 169	7 593
▫ Customer cash	+31.30%	5 797	4 415
▫ Own cash	-5.11%	4 015	4 231
▫ Other receivables	-15.79%	352	418
Capital and Liabilities			
Shareholders' Equity	-	14 100	14 100
Total Equity	-3.00%	22 941	23 650
Liabilities	+23.71%	7 732	6 250
▫ Non-current	-3.70%	650	675
▫ Current	+27.03%	7 082	5 575
▫ Customer cash liabilities	+31.30%	5 797	4 415

Financial indicators

Financial indicators	2025	2024	Δ 2025/2024	
	year	year	value	percentage
Return on equity	0.04	0.07	-0.03	-42.86%
Return on liabilities	0.44	0.85	-0.41	-48,24%
Return on assets	0.03	0.06	-0.03	-50,00%
Cost efficiency ratio	1.05	1.09	-0.04	-3,67%
Revenue efficiency ratio	0.96	0.92	0.04	+4.35%
Total liquidity ratio	14.86	17.06	-2.2	-12.90%
Quick liquidity ratio	14.86	17.06	+0.8	+5.69%
Immediate liquidity ratio	9.80	10.17	-0.37	-3.64%
Absolute liquidity ratio	3.12	3.65	-0.53	-14.52%
Financial autonomy ratio	11.86	12.89	-1.03	-7.99%
Debt ratio	0.08	0.08	-	-

Market data

► Trade in financial instruments in Bulgaria

Activity	Δ %	2025	2024
Trading in financial instruments in Bulgaria		number	number
Accepted orders for the purchase and sale of financial instruments in the country ¹	-8.33%	5 711	6 230
including submitted through EFOCS	-6.48%	4 041	4 321
Fulfilled orders ²	-3.44%	3 117	3 228
Transactions concluded with financial instruments in the country ³ , incl.	-2.13%	4 309	4 403
>on a regulated market	-4.30%	3 650	3 814
>another regulated market (MCT, OTC)	+57.05%	67	156
>off-site	+36.72%	592	433
Turnover		thousand BGN	thousand BGN
Total turnover	-68.86%	843 543	499 549

¹ does not include repo orders (only financial instruments with ISIN BG*)

² there may be a discrepancy between the data in this report and the reports from previous years due to execution of orders after the preparation of the annual report

³ executed transactions (excluding repo transactions) (includes transactions with financial instruments settled in the country)

► Transactions concluded on BSE

Activity		Δ %	2025	2024
Bulgarian Stock Exchange trading data		unit		
Number of completed transactions	number	+7.27%	82 972	77 350
Turnover in BGN	BGN thousand	+22.62%	1 195 855	975 217
Capitalization	BGN thousand	+17.22%	20 478 103	17 469 369
SOFIX	Index	+29.54%	1 156.43	892.74
BGBX 40	Index	+18.62%	203.81	171.82
BG TR30	Index	+15.21%	994.95	863.62
BG REIT	Index	+7.57%	230.91	214.66
beamX	Index	+12.27%	111.09	98.95

Source: Bulgarian Stock Exchange

► Transactions on the Frankfurt Stock Exchange

Activity	Δ %	2025	2024
Trading in financial instruments on the Frankfurt Stock Exchange		number	number
Accepted orders for purchase and sale of financial instruments on Xetra and Börse Frankfurt	+67.90%	16 768	9 987
including those submitted via the e-commerce platform EFOCS	+77.62%	16 137	9 085
Executed orders ¹	+55.01%	8 575	5 532
Concluded transactions	+63.26%	11 273	6 905
Turnover		thousand BGN	thousand BGN
Total turnover	149.86%	187 313	74 967

► Transactions (turnover in BGN) on subscription and redemption of units of Amundi funds

Activity	Δ %	2025	2024
Stock and bond deals		thousand BGN	thousand BGN
Offering and distribution of Amundi funds (Total turnover of subscription and redemption transactions)	+109%	6 703	3 212

► Deals with shares and bonds in the country and abroad

Activity	Δ %	2025	2024
		thousand BGN	thousand BGN.
Stocks and Bonds Trading			
Total turnover in BGN of transactions with shares and bonds in the country and abroad	+114%	2 347 711	1 099 626

* does not include the turnover of the repo transactions concluded in the respective year

Data on the structure of investments

Euro-Finance AD has adopted and is implementing an investment strategy for effective management of internal capital and management, monitoring and reduction of risk in the investment intermediary and a Policy for assessment, organization, management, monitoring and reduction of risk. The company has adopted a moderately conservative strategy in managing its investments and exposures. The investment strategy includes investments in a diversified portfolio, meeting certain restrictions and guidelines in relation to the total capital base of the investment intermediary. The company follows a strategy for maintaining internal capital necessary to cover the capital requirements of risk exposures to an extent that does not threaten the normal functioning of the company.

Investment structure	2025		2024	
	BGN thousand	Share of equity %	BGN thousand	Share of equity %
Significant own assets				
Machinery and equipment, intangible assets and right-of-use assets	1 029	+4.5%	1 009	+4.3%
Own funds	4 015	+17.5%	4 231	+17.9
Equity securities (shares, rights, etc.):	10 739	+46.8%	9 072	+38.4%
Debt securities (bonds and treasury bills issued by governments and financial institutions):	918	+4.0%	985	+4.2%
Debt securities of other issuers	1 648	+7.2%	2 170	+9.2%
Receivables under repurchase agreements	6 169	+26.9%	7 593	+32.1%
Total	24 518		25 060	

Key operational data for Euro-Finance AD

Corporate Data		Regulation	
Country of incorporation	Bulgaria	License:	Licensed to operate as an investment intermediary within the European Union, the European Economic Area, and third countries.
Country of operations	Bulgaria	Regulator:	Financial Supervision Commission (FSC)
Ownership	99.99% owned by Eurohold Bulgaria AD; 0.01% owned by Euroins Insurance AD	Quality management	
Subsidiaries	No subsidiaries	ISO certification	no

Activity

Activity Euro-Finance AD operates in accordance with the license it holds to operate as an investment intermediary and with the services described above.

The company's capabilities can be summarized in the following categories of services:

A. Main investment services and activities:

1. acceptance and transmission of orders in relation to one or more financial instruments;
2. execution of orders on behalf of clients;
3. transactions for own account in financial instruments;
4. portfolio management;
5. investment advice;
6. underwriting of financial instruments and/or offering of financial instruments under the terms of an unconditional and irrevocable obligation to subscribe/acquire the financial instruments for its own account;
7. offering for initial sale of financial instruments without an unconditional and irrevocable obligation to acquire the financial instruments for its own account (placement of financial instruments).

B. Additional services:

1. safekeeping and administration of financial instruments for the account of clients, including custody and related services such as cash and collateral management, with the exception of centralised securities accounts pursuant to Section A, point 2 of the Annex to Regulation (EC) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012;
2. granting loans to investors for their transactions in one or more financial instruments, provided that EURO-FINANCE AD participates in the transaction;
3. advice to undertakings on capital structure, industrial strategy and related matters, as well as advice and services related to the transformation and acquisition of undertakings;
4. provision of services related to foreign means of payment, insofar as they are related to the investment services provided;
5. investment research and financial analysis or other forms of general recommendations related to transactions in financial instruments;
6. services related to underwriting of financial instruments.

B. Transactions with foreign means of payment in cash and in a cashless manner.

Market: within the European Union and the European Economic Area and in third countries.

Analysis of activity in 2025	<p>In 2025, EURO-FINANCE AD</p> <ul style="list-style-type: none"> ▪ Maintained its leading position on the Bulgarian capital market, realizing 19% of the total turnover on the Bulgarian Stock Exchange (BSE) and taking 2nd place in the ranking of intermediaries by turnover on the exchange. The positive trend of the increase in stock market indices in the country was in line with the growth of trade in the country. ▪ It continued to make efforts to develop and promote the segment of services aimed at transactions with foreign financial instruments and to work on projects for the development and modernization of the EFOCS e-commerce platform. ▪ In 2025, after several postponements due to “suboptimal functional readiness of the system”, EURO-FINANCE AD finally completed the long-planned migration to the new version of the financial and accounting system Eurosyst. The new version of the program uses newer technology and will be significantly more synchronized and adapted to the latest regulatory changes and operational processes within the intermediary. ▪ Continued to develop its strategic partnership with Amundi Asset Management. Client assets invested in funds managed by Amundi grew by nearly 60% to BGN 8.285 million by the end of the year. In order to reach the widest possible range of potential clients and with a view to maximizing sales, the company's management continues to develop and optimize the network of tied agents who actively offer Amundi funds on behalf of EURO-FINANCE AD. A project to offer Amundi funds via the EFOCS e-commerce platform is being actively worked on. ▪ Realizes net profit from financial operations in the amount of BGN 4,276 thousand. Profit after taxes for 2025 is BGN 853 thousand, and for 2024 BGN 1,562 thousand (recalculated with the effect of IAS 12). The change is mainly due to the decrease in income from fees and commissions on transactions with financial instruments in the country, interest income, as well as the increase in the company's administrative expenses.
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Important events for the Company's activities

Events that occurred in 2025	<p>"Euro-Finance" traditionally, as a partner of the Bulgarian Stock Exchange and Central Depository, EuroFinance participates in the eleventh consecutive edition of the popular annual initiative DAY FOR SHARES. The aim of the initiative is to improve the investment culture and increase knowledge about capital instruments as a form of investment in Bulgaria.</p>
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Significant transactions concluded for the business

Significant transactions concluded	<p>The Company has not entered into any material transactions other than those related to the implementation of its core business.</p>
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More information about the activities and results of Euro-Finance AD can be found on the company's website www.eurofinance.bg

1.7 Strategy and future development

Strategy and planned business policy

Summary

The development strategy of Eurohold Bulgaria AD is considered at the group level and covers the trends for the future development of all companies in the Eurohold group.

The main activity of Eurohold Bulgaria AD as a holding company will continue in the future to be the management of the subsidiaries in the Eurohold group.

Regarding the activity in 2025 of the companies part of the Eurohold economic group

- The Group is not expected to change its activities and generate revenues of a different origin, other than those related to its usual activities.
- No significant investments or transactions of material importance outside the usual ones related to the main activities of the subsidiaries are planned.

1 / Impact of factors on Group Strategy in 2025.

Two years have passed since the announcement of the new Development Strategy of the Eurohold Group. This period was accompanied by numerous factors that affected the achievement of our strategic objectives and our ability to create and preserve value.

The more strongly represented factors affecting our performance:

- » Macroeconomic instability
- » Geopolitical conflict and uncertainty
- » Regulatory factors
- » Extreme, adverse weather and climate conditions
- » Increasing pressure for decarbonization and other ESG-related expectations
- » The ambiguity surrounding sustainability reporting - on the one hand, increasing pressure for decarbonization and other ESG-related expectations, and on the other hand, pressure to reduce the scope and simplify sustainability reporting.

Macroeconomic volatility

In 2025, our business faced various challenges arising from global macroeconomic factors, including low economic growth rates, inflationary pressures, volatile commodity prices and exchange rates, as well as geopolitical tensions.

Following the serious volatility and increase in electricity and gas prices following the start of the military conflict in Ukraine in February 2022, towards the end of 2023 and until mid-2024, a trend towards stabilization of energy prices was observed, both on the various European exchanges and on the Bulgarian Independent Energy Exchange (BIEBE). Since May 2024 and during the summer months, a serious increase in electricity prices was recorded, both on the Bulgarian Independent Energy Exchange and on the electricity markets in Southeastern Europe. One of the main factors for this increase is the export of electricity to Ukraine, as a result of a shortage of electricity due to non-functioning and/or destroyed electricity generation facilities in Ukraine. Concerns about impending economic and political uncertainty continue to affect the wholesale electricity market in Europe. This trend continued in 2025.

In addition, after the energy crisis in the electricity market in 2022, there has been an acceleration of the transition to a greener energy mix, diversification of supplies and energy efficiency. In recent years, there has been a dynamic development in the construction of new RES and the construction of systems for own needs by the industry, energy savings and a number of other measures. In addition, in 2024-2025, an upgrade in this area is observed, related to the construction and installation of batteries for storing electricity generated by RES, which are connected to the electricity distribution network of the electricity distribution company in the Group.

Geopolitical conflict and uncertainty

▪ Military operations in Ukraine

The ongoing hostilities in Ukraine are causing difficulties for our insurance business. The Group has investments in two insurance companies in Ukraine, specializing in "Motor Insurance" and "Travel Assistance" insurance, respectively, whose operations have been significantly affected by the hostilities. The majority of the insurance income of the two Ukrainian companies in 2025 and 2024 is formed by sales in the western part of Ukraine, which is less affected by the hostilities. Despite these difficulties at the group level, the contribution of the Ukrainian business is insignificant, which does not affect the group results.

For the Eurohold group, they have caused decisions to be made for our insurance business related to the cessation (at the end of 2022) of activities in Belarus (100%) and Russia (associated participation 48.61%). The business in both countries was insignificant, accounting for less than 1% of the insurance group's 2022 revenues, which does not impact the group's revenues and assets. In addition, our insurance business in Ukraine was significantly impacted, although the size of this business is immaterial at the group level.

▪ Military actions in the Middle East

The economic consequences of the military actions involving the United States, Israel and countries in the Middle East cannot be fully assessed at this stage, but there are indications of a potential impact on the global economy. Weaker global economic activity or a further slowdown in world trade could limit economic growth in the euro area.

The Group takes into account the risks arising from the macroeconomic environment within its risk management system, in accordance with the scope and specificity of its activities. It is currently considered that they will not have a significant direct impact on the Group's activities.

Regulatory factors

▪ Introduction of the euro in the Republic of Bulgaria

According to the Law on the Introduction of the Euro in the Republic of Bulgaria, as of January 1, 2026, the official currency and legal tender in the Republic of Bulgaria is the euro. The fixed exchange rate is 1.95583 leva for 1 euro. All companies must recalculate their assets and liabilities, including their share capital, with the difference resulting from rounding during currency conversion being reflected as undistributed profit/uncovered loss from previous years.

▪ Taxation Changes

On December 22, 2023, a new part of the Corporate Income Taxation Act was published in the State Gazette, issue 106 - Part Five "a" - Taxation of multinational and large national groups of enterprises with additional tax and with additional national tax, effective from 01.01.2024. Due to the size of the business activity of the ultimate group Starcom Holding, the requirements for additional corporate tax are applicable in accordance with the amendments to the Corporate Income Taxation Act, which are in effect from January 1, 2024. The requirements of the Second Pillar of taxation have been transposed into Bulgarian legislation and entered into force on January 1, 2024. During the period, the management of the Eurohold group assessed the applicable tax legislation in order to determine the potential exposure to tax liabilities under the Second Pillar and came to the conclusion that for some of the companies an obligation for additional national tax should arise in accordance with Art. 260 of the Corporate Income Tax Act. In addition, an assessment of the impact of the legislation on second pillar income taxes on future financial results is also carried out by the Starcom Holding group, of which Eurohold Bulgaria AD is a part. The final amount of tax due should be determined and declared within 15 months after the end of the reporting period.

▪ Changes in ESG sustainability regulation

Directive (EU) 2022/2464 of 14.12.2022 and the related sustainability reporting (ESG) standards, as well as the pressure for decarbonization and energy efficiency, adopted in December 2022, lead to increased administrative burden and significant investment and operating costs for companies in the group, especially in energy companies.

At the same time, in November 2025, the European Parliament adopted the Omnibus I Package, easing and introducing new deadlines for sustainability reporting, limiting mandatory reporting under Directive (EU) 2022/2464 (CSRD) only to companies with over 1 000 employees. In Bulgaria, the implementation of the Directive was postponed with an amendment to the Accountancy Act, published in the State Gazette No. 115 of December 30, 2025, and the deadlines have been postponed by another year, with the first year for submitting sustainability reports being in 2027 for the financial year 2026.

▪ Changes in the regulation of energy companies

The activities of energy companies are carried out in accordance with the regulatory framework for the energy sector in Bulgaria, regulated by special legislation.

In 2025, a number of regulatory changes were adopted concerning the activities of energy companies – Electrodistribution Grid West AD, Elektrohold Trade EAD and Elektrohold Sales EAD. Some of these changes concern the following regulatory acts:

- Amendments and supplements to the Energy Law, promulgated in the State Gazette, No. 44, No. 47 and No. 67 of 2025
- Act on the Provision of Financial Support to Household End-Users of Electricity (promulgated, State Gazette, issue 15 of 21.02.2025)
- Act on Amendments and Supplements to the Act on Energy from Renewable Sources – (promulgated, State Gazette, issue 47 of 10.06.2025)
- Amendment to Ordinance No. 1 of 14 March 2017 on Regulation of Electricity Prices (promulgated, State Gazette, issue 52 of 27.06.2025)
- Amendments to the Rules for Trading in Electricity (promulgated, State Gazette, issue 52 of 27.06.2025)
- Change in the prices approved by the EWRC for: network services, for the sale of electricity to the end supplier
- Rules for Amendments and Supplements to The Rules for the Operation of an Organized Electricity Exchange Market (promulgated in the State Gazette, issue 46 of 06.06.2025)
- Ordinance amending and supplementing Ordinance No. 1 of March 14, 2017 on the Regulation of Electricity Prices (promulgated in the State Gazette, issue 52 of 27.06.2025 and in force from 01.07.2025) which the household end customer should pay for the respective regulatory period.
- Rules for the Amendment and Supplement to the Rules for Trading in Electricity (promulgated in the State Gazette, issue 52 of 27.06.2025 and in force from 01.07.2025)
- Rules for the Amendment and Supplement to the Rules for the Operation of an Organized Electricity Exchange Market - promulgated in the State Gazette, issue 46 of 06.06.2025

Extreme, adverse meteorological and climatic conditions

The frequent and unpredictable extreme and adverse weather conditions have a direct impact on the activities and results of the companies of the energy and insurance group.

Electrodistribution Grid West AD (part of the energy business) is the company with the most significant impact from climate change. According to the register of incidents in the network kept by the company in 2025, the registered incidents related to climate (with meteorological events) are about 63%, i.e. Traditionally, the strongest impact is exerted by storms, snow accumulations and lightning.

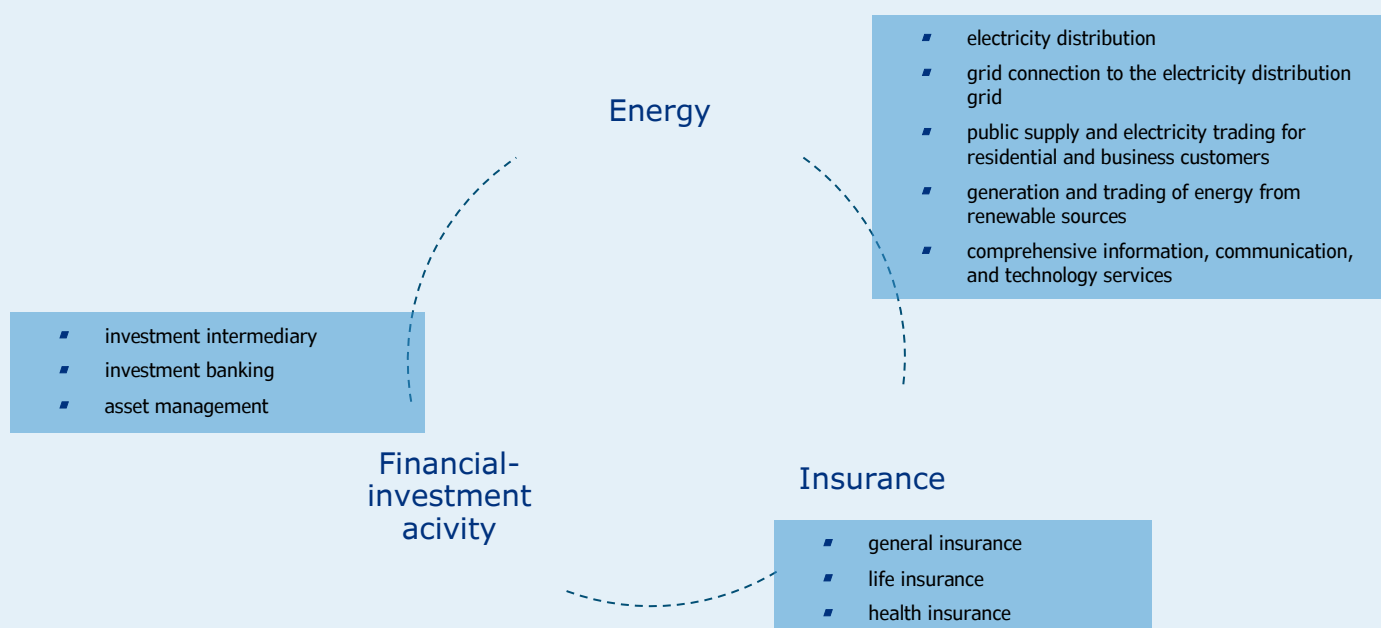
The highest potential source of concentration of insurance risk from natural disasters is Property insurance. Property is subject to multiple risks, including fire and weather conditions. Compensation for phenomena such as storms, floods, collapses, fires, explosions, arise on a regional scale, which means that the Company manages the distribution of its geographical risk very carefully.

↳ Increasing pressure for decarbonisation and other ESG expectations

The plans for the decarbonization and energy independence of the energy sector, lead to significant investments in our energy group Electrohold.

2 / Strategy and future development of the Company

As of 31.12.2025, the business of Eurohold Group is structured in three economic sectors: Energy, Insurance and Finance (investment brokerage and asset management).



↳ General focus areas for the Group's development

Eurohold's focus for group development will be placed on the following areas:

- Improving efficiency, capitalization and profitability;
- Continuing the process of diversifying the product portfolio;
- Improving return on invested capital;
- Development of our ESG priority areas and strategy;
- Promoting sustainable business practices;
- Engaging and motivating our workforce and investing in training;
- Improving the needs and satisfaction of our customers, through product and service development, digitization, digitization and innovation.

To achieve the priority areas, Eurohold will continue to provide and provide full support to its subsidiaries regarding their capital position, sound financial condition and maintenance of a high liquidity position and solvency to ensure current servicing of Eurohold group's obligations to all banking and non-financial institutions, bondholders, suppliers, and other creditors. The focus is also on control, monitoring and optimized management in all business lines in order to prevent and protect against possible shocks.

↩ Development trends

The group's development trends are related to the strategic goals and planned business policy of the subsidiaries, for the implementation of which the following focus areas for development have been defined:

» Energy Group

The overall development strategy of the Energy Group is aimed at providing high-quality services to its customers, implementing and strictly complying with licensing requirements, as well as increasing the value of the share capital. The implementation of the strategy will be carried out through the effective implementation of the long-term and short-term goals set by the Group.

The business strategy in the field of sustainable development is based on the understanding of creating shared value, aimed at: Business; Management and employees; Environmental protection; The interests and needs of customers and society, through sustainable investments and innovations.

The identified priority areas for business development specific to any of the operating companies of the Energy Group are the following:

- **For Electrodistribution Grid West EAD:**
 - > Digitalization of the electricity grid;
 - > Reduction of technological costs;
 - > Reconstruction and modernization of existing facilities and construction of new ones to improve the efficiency of the electricity distribution network;
 - > Expansion of the automated meter reading system: a key component for building SMART Grid networks and providing improved electronic services to electricity market participants. The ultimate goal is to reach 100% SMART coverage in the coming years;
 - > Project for the development of a Geographic Information System (GIS), an integral part of the process of digitalization and automation of the network. The project includes collection, processing, analysis, verification and entry of the collected data into the GIS for all elements of the electricity distribution network;
 - > Introduction of new modern technologies for automated and flexible management of electricity distribution grids, as well as the workforce, in accordance with the prospects for economic development, the development of new generations of electricity grids;
 - > Development and renovation of strategic infrastructure and development and integration of information systems;
 - > Ensuring continuity of electricity supply to the end user and quality customer service.

- **For Electrohold Sales EAD:**
 - > Sales network: Development of the partner network throughout the country and development of online service and contracting opportunities;
 - > Automation and optimization of processes: Introduction of automated data exchange solutions in the free electricity market.
 - > Improving access to services: Expansion of electronic services that allow application without visiting physical offices.
 - > Facilitating payments: Expansion of online payment options.
 - > Training and motivation: Well-trained employees familiar with corporate standards for providing personalized services and high-quality service.
 - > New services: Strengthening the market presence of photovoltaic systems for self-consumption for homes and small businesses as part of our mission for sustainable, modern and compatible energy.
 - > Integration of new products: Provision of consultations and representation before network operators, rapid energy audits and innovative solutions that improve customer convenience.

- **For Electrohold Trade EAD:**
 - > In 2025, the Company intends to launch a high-tech energy asset management platform that will enable power plants and customers to participate in the electricity market and related services. With this decision, Electrohold Trade will expand its role as an electricity trader and balancing group coordinator to that of an energy capacity aggregator.
 - > Development in the field of active management of RES production and delivery of the produced green electricity to end customers.

- **For Electrohold Bulgaria AD**
 - > Ensuring a high level of service to internal and external customers, by introducing uniform standards for work and increasing efficiency;
 - > Increasing operational quantitative and qualitative control in the provision of services to the companies in the Electrohold Group.

- **For Electrohold ICT EAD**
 - > Increasing the security of data and information systems, through activities related to training and awareness campaigns for all users;
 - > Development of new data exchange services planned within the scope of the SAP program;
 - > Preparation of an analysis of the correspondences for data processing with a selected new billing system;
 - > Management of the implementation of the assigned tasks in the field related to the activities of servicing the facilities on the electrical network;
 - > Setting up the selected CRM platform for digital customer service of the companies in the group;
 - > Selection of an appropriate solution for collecting, processing and providing data for recorded readings from commercial metering devices, integrated with a geographic information system;
 - > Collection and updating of data for the facilities of the transmission system in the geographic information system;
 - > Optimization and modernization of the technological environment and all its components;
 - > Development of new functionalities in the information systems in the field of Non-technical losses and Balances.

- **For Electrohold EPC EOOD**
 - > Optimization of the time for selecting a contractor and achieving the best price for execution;
 - > Constant monitoring of the material inventory necessary for the implementation of the licensed activities of EDG West and third parties;
 - > Control of the optimal use of warehouse space;
 - > Effective development of operational processes and organizational structure of the Company;
 - > Reduction of deadlines for the implementation of projects;
 - > Increasing operational quantitative and qualitative control during the construction of projects. Expanding the scope of the types of construction, installation and design activities performed;
 - > Increasing the qualification for the scope of construction.

» **Insurance group**

The insurance group "Euroins Insurance Group" AD continues to develop its activities in Europe through its subsidiaries, through a branch network and business development under the freedom to provide services and the right to freedom of establishment. The main goal of EIG in 2025 is financial stability and business development through organic growth of companies part of the Group.

In its development strategy, the Group aims for long-term financial stability, focusing its efforts on several directions to maintain and guarantee its performance as a participant in the Bulgarian and European markets and as part of the insurance group – Euroins Insurance Group EAD (EIG/The Group

- > Maintaining capital requirements for solvency;
- > Development of the product portfolio and underwriting activities;

- > Acquisition and distribution channels, including: expansion of the sales network, intermediaries, and online channels;
- > Improving the quality of claims handling services;
- > Achieving cost efficiency and effectiveness;
- > Data security, IT development, and innovation;
- > Maintaining stable indicators in line with Solvency II;
- > Adequate reinsurance program;
- > Prudent investments and capital management;
- > Staff training;
- > Adherence to good corporate governance practices and comprehensive disclosure of the Company's financial and business information.

» **Financial and investment activities**

Euro-Finance AD aims to establish relationships with reputable financial institutions that have a proven track record and strong professional expertise, in full compliance with all applicable legal and regulatory requirements.

In 2026, the efforts of the management team of EURO-FINANCE AD will be directed in the following directions:

- > continuation and expansion of initiatives related to advertising campaigns regarding the products and services offered by the company, including promotion of the EFOCS e-commerce platform;
- > work on the client portal through which existing clients will be able to easily, quickly and remotely add new services, monitor their portfolio in real time, make payments, submit orders, register shares of AMUNDI funds, update data and documents, and many others will continue with a gradual and phased introduction of new functionalities;
- > work on a project for offering Amundi funds through the EFOCS e-commerce platform will continue to actively develop;
- > following the concept of "Making capital markets more accessible", EURO-FINANCE AD continues work on the project for the development, development and modernization of the mobile application of the EFOCS e-commerce platform. This year, the company's management plans to add new products and functionalities to the EFOCS mobile application. The innovations are aimed at adding the ability for quick, easy and secure subscription of shares of AMUNDI funds by the intermediary's clients, both in the form of one-time investments and in the form of investment plans. Various options are being considered for integration into the mobile application of ready-made fintech solutions for secure, fast and convenient withdrawal and replenishment of funds from and to the client's account. The management team of EURO-FINANCE AD believes that the combination of competitive trading conditions, a modern mobile trading application and correct marketing positioning and targeting will help to significantly increase the intermediary's share in servicing individual clients in the field of financial services on the local market;
- > will continue to work towards the development of the Eurosys financial and accounting system together with the software developer, against the backdrop of the constantly evolving and growing need for automation of reporting and improvement of the analytical capabilities of the software related to the company's activities.

In 2026, the focus will be on expanding the presence of Euro-Finance AD in the Internet space and reaching a wider range of potential clients, by promoting the products and services of the investment intermediary in various media and participating in various events.

It is planned to develop a client portal through which existing clients can easily, quickly and remotely add new services, monitor their portfolio in real time, make payments, submit orders, register shares of AMUNDI funds, update data and documents, and much more.

In order to reach the widest possible range of clients, the network of affiliated clients will continue to be developed, who will actively offer AMUNDI funds on behalf of Euro-Finance AD. To this end, it is planned to launch a project for offering AMUNDI funds through the EFOCS platform.

Also, the work on the project for the development, development and modernization of the mobile application of the EFOCS e-commerce platform will continue in 2025. It is planned to add new products and functionalities to the mobile application and a number of new orders will be implemented to facilitate clients in implementing their trading strategies and improve their user experience.

Work will also continue towards the development of the Eurosyst financial and accounting system together with the software developer, against the backdrop of the constantly evolving and growing need for automation of reporting and improvement of the analytical capabilities of the software related to the company's activities. The new version of the program will use newer technology and will be significantly more synchronized and adapted to the latest regulatory changes and operational processes within the intermediary. The new version will also include additional screens, registers, reports and functionalities.

Capital investments

In 2026, the Eurohold Group does not plan any significant capital investments other than those related to its usual activities, including no acquisitions of new companies. The Group's focus is on organic growth of the existing business of its subsidiaries. The capital expenditures of the subsidiaries are related to the implementation of the development focus areas described above.

In the Eurohold Group, significant capital investments are made by the company Electrodistribution Grid West EAD in connection with the maintenance, modernization and expansion of the electricity transmission network, according to an investment program approved by the Energy Regulatory Commission.

Risk Management

The management of Eurohold Bulgaria AD will actively strive to:

- » monitor and analyze the manifestation of risks such as: macroeconomic, political, legal, regulatory, climate change-related, as well as other significant risks occurring in the countries where the subsidiaries operate;
- » assess the impact of the activity on the environment, people and the planet, identify risks and opportunities for preventive measures and improvement of the group's results, and
- » make decisions to mitigate them.

Staff development

No significant change in the number of employees in the group is expected in 2026. No new projects or completion of existing ones are planned that would require the hiring or dismissal of employees.

Dependency on regulatory changes

All businesses in the Eurohold group are highly regulated, therefore the development of the group is dependent on future regulatory changes, including: applicable legislation, changes in the regulatory framework and decisions of regulatory authorities.

Upcoming transactions of material importance to the Group's activities

There are no known upcoming transactions for 2025 that are material or could be material at a later stage to the group's revenue and financial results, financial condition, capital position and cash flows.

In summary, the strategy and future development of the Eurohold Group are considered at the group level and are entirely linked to the performance of its subsidiaries—their ability to generate revenue and profit growth, maintain a stable capital structure, develop innovative products, enhance competitiveness, and strengthen and expand market positions in the regions where they operate.

No other trends, fluctuations, requirements, commitments, or events are known that are reasonably likely to have a significant impact on the operations and financial position of the Eurohold Group for at least the next financial year in the segments in which it operates.

1.8 Corporate governance

Management system

Eurohold Bulgaria AD has a two-tier management system

- Supervisory Board (SB), consisting of six individuals;
- Management Board (MB), consisting of four individuals
- The company has one appointed Procurator.

Supervisory board as of 31.12.2025

Asсен Milkov Christov

Chairman

Asсен Christov has held the position of Chairman of the Supervisory Board of Eurohold since the establishment of the company.

Asсен Christov is the ultimate majority shareholder of Eurohold Bulgaria, owning 51% of the voting shares of Starcom Holding AD - the majority shareholder of Eurohold with 52.13% of the capital.

Asсен Christov has held, including currently holding, management positions in numerous companies and has extensive management experience in the sectors of operations of the Eurohold group.

He holds a master's degree in Physics from Sofia University "St. Kliment Ohridski", specialized at the Institute for Nuclear Research, Dubna, Russia. He has completed a specialization in management at the Open University - London. He is fluent in Russian and English.

Since 04.08.2021, Mr. Christov has been Chairman of the Supervisory Board of "Electrodistribution Grid West AD" EAD a company operating in the energy sector.

Димитар Стоянов Димитров

Deputy Chairman

Димитар Димитров has held the position of Deputy Chairman of the Supervisory Board of Eurohold since the establishment of the company.

Димитар Димитров has held management positions in numerous companies and has extensive management experience and expertise in the IT field.

He holds a Master's degree in Electronics and Automation, Technical University - Sofia. From 1998 to 2006 he was the Executive Director of the holding company "Starcom Holding" AD - transformed through merger into Eurohold Bulgaria AD in 2026. Since 2005 he has been a procurator of "IC Euroins" AD, and from 1998 to 2005 he was the Director of "Information Services, Statistics and Analyses" in the same company. He is also the Executive Director of Electrohold ICT (a subsidiary of Electrodistribution Grid West AD EAD).

Ивайло Красимиров Ангарски

Independent member

Ивайло Ангарски has been an independent member of Eurohold since July 2021.

Since 2011, Ивайло Ангарски has been the Executive Director of Compass Invest Management Company. He has more than 17 years of experience in the field of finance and management expertise, began his career in the Dresdner-Kleinwort Global Debt, Forex and Local Markets department, laid the foundation for successful business operations of foreign investors in Bulgaria, was in the consulting teams of some of the largest investment projects in Bulgaria, and has been the owner of a financial consulting firm since 2008.

He holds a bachelor's degree in accounting and finance from Warwick Business School, a Certificate in General Business Sciences with a concentration in investments from UCLA (University of California, Los Angeles).

Ради Георгиев Георгиев

Member

Ради Георгиев has been a member of the Supervisory Board of Eurohold since April 2015.

Ради Георгиев has held various management positions in companies of the Eurohold group.

Ради Георгиев is a lawyer at the Sofia Bar Association (from 1996 to present), a partner at the Law Firm "Kalaydzhiiev & Georgiev".

Kustaa Lauri Äimä

Independent member

Kustaa Äimä has been an independent member of the Supervisory Board of Eurohold since July 2017.

Kustaa Äimä started his career in 1997 as a junior economist at the Bank of Finland. From January 1998 to May 1999, he worked as a corporate financier at Bankers Williams de Broe Helsinki Oy; from May 1999 to August 2000, he was a fund manager at Bankers BBL Finland Oy and from August 2000 to February 2009 he was a fund manager, head of Eastern Europe at Danske Capital. Since April 2002, Mr. Äimä has been a member of the board of directors of Amber Trust Management SA, a company operating in the field of portfolio management, since December 2004. He has been a member of the board of directors of Amber Trust II Management SA, a company operating in the field of portfolio management, since December 2009 he has been the CEO and owner of Kaima Capital Eesti Oy, a company specializing in investment advisory services and private investments, since March 2009 he has also been the CEO and owner of Kaima Capital Oy, which operates in the field of private investments and management consulting. Since 2010, Mr. Aima has been the Chairman of the Board of Directors of KJK Management SA and the CEO and member of the Board of Directors of KJK Capital Oy, both companies operating in the field of comprehensive management and fundraising.

Kustaa Äimä graduated from the University of Helsinki with a Master's degree in Economics in 1997.

Louise Gabrielle Roman - Member

Member

Louise Roman has been a member of the Supervisory Board of Eurohold since November 2018.

Louise Roman has practiced law as a leading lawyer in the international capital markets and corporate finance practice and a partner in a large international law firm specializing in corporate law for over 25 years, advising on comprehensive multi-stage cross-border capital markets and corporate finance transactions. She has practiced in London and Dubai for nearly 20 years, where her practice is focused on advising clients in emerging markets, including Central Asia, Eastern Europe and the Middle East. She recently joined as a partner in a global investment firm with an extensive international private markets investment network focused on building businesses with a social impact, providing fundraising, asset management and operational support services. She has been recognized as a leading lawyer and expert in several legal periodicals and international publications, including the International Financial Law Review, The Legal 500 and Chambers, and The Financial Times. Lead partner in several award-winning, "first-of-its-kind" transactions.

Louise Roman holds a Bachelor of Arts degree from Bowdoin College (USA; 1982), a double Master of Arts degree in Public Administration and Law and Mathematics, and a Juris Doctor degree from Harvard Law School (USA; 1985). She is admitted to the New York and Massachusetts Bars and is registered as a foreign lawyer in England and Wales, and is qualified as a legal consultant with unlimited membership status by the Department of Legal Affairs of the Government of Dubai.

- Change in the composition of the Supervisory Board in 2025.

In 2025, there was no change in the composition of the Supervisory Board of the Company.

↳ Management board as of 31.12.2025

Kiril Ivanov Boshov

Chairman and Executive member

Kiril Boshov has held the position of Chairman of the Management board of Eurohold since the company was founded.

From 1995 to 1997, Kiril Boshov was the Chief Accountant of "Mobicom" – the first mobile operator in Bulgaria, a joint venture between Bulgarian Telecommunication Company and Cable and Wireless, United Kingdom. As Deputy Chairman of the Management board and Procurator, he took an active part in the restructuring of the assets of "Eurobank" AD, representation of the bank and direct management of active operations – lending and capital markets. Kiril Boshov has held, including currently holds, management positions in numerous companies and has extensive management experience in the sectors of operations of the Eurohold group.

Kiril Boshov holds a Master's degree in "Accounting and Control" from the University of National and World Economy, Sofia. He is fluent in English and Russian.

Assen Minchev Minchev

Executive Member

Assen Minchev has held the position of executive member of the Management board of Eurohold since the establishment of the company.

Assen Minchev was the Executive Director of the holding company "Eurohold" AD for the period 1998 - 2006 - transformed through merger into Eurohold Bulgaria AD in 2026.

Assen Minchev has held, including currently holds, management positions in numerous companies and has extensive management experience in the sectors of operations of the Eurohold group.

He holds a Master's degree in "Accounting and Control" from the University of National and World Economy.

Velislav Milkov Christov

Member

Velislav Christov has been a member of the Management board of Eurohold since October 2012.

Velislav Christov has experience as a lawyer and consultant in the field of civil, commercial, banking and insurance law, as well as experience in business management. His career includes a number of management positions as a member of the management and supervisory boards of banks, insurance companies, public and private commercial companies and head of the legal departments of the same.

Velislav Christov is also a freelance lawyer and holds a Master's degree in Law from the Faculty of Law of Sofia University.

Razvan Stefan Lefter

Independent member

Razvan Lefter has been an independent member of the Management board of Eurohold since August 2017.

Mr. Lefter graduated from the Academy of Economic Sciences, Bucharest, specializing in banking and stock exchanges (2003). Chartered Financial Analyst - CFA (2008), specialized as an analyst at ING Bank Global (September 2004 - May 2005), International Client Relationship Manager at ING Bank - Romania (May 2005 - December 2006), Securities Trading and Equity Research at EFG Securities - Romania (January 2007 - November 2011), Securities Trading at Suisse Capital - Romania (November 2011 - June 2014), from June 2014 to present - Managing Partner at RSL Capital Advisors, Romania, with a focus on private equity investments.

- Change in the composition of the Management Board in 2025.

In 2025, there was no change in the composition of the Management Board of the Company

Procurator as of 31.12.2025

Milena Milcheva Guentcheva

Procurator

Milena Gencheva has been the Procurator of Eurohold since December 2020.

Milena Gencheva has been part of the Eurohold team for 20 years, during which time she has participated in and managed various projects and has accumulated significant professional knowledge and experience in the insurance sector.

She has been with Euroins Insurance Group since the company's inception, with her main responsibilities and duties related to building and developing long-term relationships with the group's corporate clients, as well as monitoring and coordinating insurance activities. Before joining the holding, Milena Gencheva held various administrative and commercial positions in non-governmental organizations and private commercial companies.

Milena Gencheva holds a Master's degree from Moscow State University of Economics and Business Administration, majoring in Foreign Languages, and a specialized course in Finance and Organization Management at the National University of Bulgaria, Sofia. She is fluent in English, French and Russian.

- Change in person appointed under a contract for the Prosecutor's Office in 2025.

In 2025, there was no change in the person appointed under the contract for the Prosecutor's Office.

Representation

Eurohold Bulgaria AD is represented jointly by the two executive directors or by one executive director and procurator.

Dependence on other persons

The Company's activity is not dependent on the separate professional experience or qualifications of other employees.

Eurohold Bulgaria AD is not directly or indirectly dependent on other legal entities or natural persons within the group, except for the persons described above.

Eurohold Bulgaria AD has no agreements with other persons, nor is it aware of any such agreements, the operation of which could lead to a specific future change in control of the company.

Kinship ties

There are established family ties between the members of the Management and Supervisory Boards. Assen Christov and Velislav Christov are relatives of the second degree through the silver line (brothers).

Committees

An Audit Committee function in support of the company's management board.

Audit committee

In May 2009, the Company established its Audit Committee.

In accordance with Article 107, paragraph 7 of the Independent Financial Audit Act and the provision of assurance on sustainability (IFAAS), the Audit Committee of Eurohold Bulgaria AD has adopted Rules of Procedure regulating its activities. The Rules of Procedure define the functions, rights, and responsibilities of the Audit Committee regarding financial audit and internal control, as well as its relationship with the registered auditor and the Company's management bodies, and are described in detail in the Corporate Governance Declaration. The purpose of the Audit Committee is to assist the Company's management in fulfilling its duties related to the integrity of the separate and consolidated financial statements, the assessment of the effectiveness of internal financial control systems, and the oversight of the effectiveness and objectivity of internal and external auditors.

Composition of the audit committee:

Ivan Georgiev Mankov	Dimitar Stoyanov Dimitrov	Rositsa Mihailova Pencheva
Independent member and Chairman of the Audit Committee	Member of the Audit Committee	Independent member of the Audit Committee

Remuneration committee

The function of the Remuneration Committee is performed by the Supervisory Board of the company, in accordance with the current Remuneration Policy adopted on 30.09.2020 by the General Meeting of Shareholders of Eurohold Bulgaria AD. The Supervisory Board reports to the General Meeting of Shareholders for the exercise of its functions as the Remuneration Committee.

Information under Art. 187e of the Commercial Law

- 1 /** The number and nominal value of own shares acquired and transferred during the year, the part of the capital they represent, as well as the price at which the acquisition or transfer took place.

In 2025, the Company did not buy back its own shares, and no such were transferred, respectively, at the end of the period, Eurohold Bulgaria AD did not own any own shares.

- 2 /** The basis for the acquisitions made during the year

There were no acquisitions of own shares in 2025.

- 3 /** The number and nominal value of own shares and the part of the capital they represent

As of 31.12.2025 and as of the date of preparation of this activity report, the Company has not repurchased, and accordingly does not own, its own shares.

As of 31.12.2025, 77 227 voting shares of Eurohold Bulgaria AD are held by companies in the Eurohold Group (as of 31.12.2023 – 77 227 voting shares), representing 0.03% of the share capital of the company.

Information under Art. 247 of the Commercial Law

- 1 /** The remuneration received in total during the year by the members of the councils

see item 17 of 1.10 "Appendix № 2" of Ordinance № 2

- 2 /** The shares and bonds of the company acquired, owned and transferred by the members of the councils during the year

As of 31 December 2025, the members of the Management and Supervisory Board and the procurator of the Company own shares of the capital of Eurohold Bulgaria, as follows:

Member of the Supervisory Board and the Management Board	Number of shares held
Supervisory Board	200
Assen CChristov	does not own
Dimitar Dimitrov	200
Radi Georgiev	does not own
Kustaa Äimä	does not own
Ivaylo Angarski	does not own
Louise Roman	does not own
Management Board	200
Kiril Boshov	does not own
Assen Minchev	does not own
Velislav Christov	200
Razvan Lefter	does not own
Procurator	-
Milena Guentcheva	does not own

Source: „Eurohold Bulgaria“ AD

- 3 /** The rights of council members to acquire shares and bonds of the company

- As of the date of preparation of this activity report, no agreements or other arrangements have been reached with the employees of "Eurohold Bulgaria" AD for their participation in the Company's capital.
- The members of the Directors Management Board, the Supervisory Board and the Procurator of the Company may freely acquire shares of the capital, as well as bonds of the Company on a regulated securities market in compliance with the provisions of the Law on the Implementation of Measures Against Market Abuse of Financial Instruments and the applicable European Regulation, as well as the Law on Public Offering of Securities.
- As of 31.12.2025 and as of the date of this report, the members of the Directors Management Board, the Supervisory Board and the Procurator do not own bonds issued by the Company.

- In favor of the management and control bodies, employees or third parties, no options for acquiring shares from the Company have been issued.

4 / The participation of board members in commercial companies as unlimited partners, the ownership of more than 25 percent of the capital of another company, as well as their participation in the management of other companies or cooperatives as procurators, managers or board members

! *The information presented below refers to current - as of 31.12.2025 and terminated over the last 5 years - participations of the members of the supervisory and management bodies and the procurator of the company*

Supervisory board

Assen Milkov Christov	Title - Chairman of the Supervisory Board
Office address	City of Sofia, Christopher Columbus Blvd. № 43
Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company	
<ul style="list-style-type: none"> ▪ Electrodistribution Grid West EAD (formerly CEZ Distribution Bulgaria AD) - Chairman of the Supervisory Board; ▪ Starcom Holding AD – Executive member of the Board of Directors and shareholder holding 46,42 % of the capital and 51 % of the voting rights. 	
Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner	
<p>Current:</p> <ul style="list-style-type: none"> ▪ Magura AD – Executive Director; ▪ Magura Distribution (formerly Rabisha Agro Ltd.) - Sole owner of the capital and Manager; ▪ Starcom Hold AD –Chairman of the Board of Directors and shareholder holding 99.67% of the capital; ▪ Hanson Asset Management Ltd., United Kingdom – Director; ▪ Wonder Group AD – Chairman of the Supervisory Board; ▪ Corporate Advisors EOOD – Manager and Sole owner of the capital; ▪ Spisanie Moda EOOD – Sole owner of the capital and Manager; ▪ Loudspeakers-CA – Sole owner of the capital. ▪ San Marina Group S.P.A. – Chairman of the Board of Directors; <p>Current in other legal entities:</p> <ul style="list-style-type: none"> ▪ Association "Multi-Sport Students Club at Private Secondary School "Saint George" – Chairman of the Management Board 	<p>Previous:</p> <ul style="list-style-type: none"> ▪ "Alfa Aktivi" EOOD (formerly "Alfa Euroactive" EOOD) - Sole owner of the capital and Manager of 20.07.2021 ▪ Formoplast 98 AD – Chairman of the Board of Directors until 04.09.2020, as at the date of this activity report the person is not Chairman of the Board of Directors; ▪ Euroins Osiguruvanje AD, Skopje, North Macedonia – Chairman of the Board of Directors until 10.07.2020, as at the date of this activity report the person is not Chairman of the Board of Directors; ▪ Euro-Finance AD – Chairman of the Board of Directors until 02.04.2020, as at the date of this activity report the person is not Chairman of the Board of Directors; ▪ Euroins Romania Asigurare - Reasigurare S.A.– Chairman of the Board of Directors until 26.03.2020, as at the date of this activity report the person is not Chairman of the Board of Directors; ▪ Starcom Hold AD –Executive member of the Board of Directors until 06.06.2019, as at the date of this activity report the person is not Executive member of the Board of Directors, but remains Chairman of the Board of Directors and shareholder holding 99.67% of the capital; ▪ First Investment Bank JSC, Russia - Chairman of the Supervisory Board until 24.11.2022; ▪ Quintar Capital Limited, Hong Kong – member of the Board of Directors until 19.07.2023; ▪ Euroins Insurance Group AD – Chairman of the Board of Directors until 09.09.2024 ▪ Swiss Global Asset Management AG – Chairman of the Board of Directors; ▪ Association "Bulgarian Athletics Federation" – member of the Management Board
Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years	
As at the date of this activity report, there is no information about any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.	
Information on coercive administrative measures and penalties or public incrimination in the previous 5 years	
During the last 5 years the person has not been imposed coercive administrative measures or administrative penalties in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.	

Dimitar Stoyanov Dimitrov	Title - Deputy - Chairman of the Supervisory Board
Office address	City of Sofia, Christopher Columbus Blvd. № 43
Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company	
<ul style="list-style-type: none"> ▪ IC Euroins AD – Procurator. ▪ Electrohold ICT EAD (formerly CEZ Information and Communication Technologies Bulgaria EAD) – member of the Board of Directors and Executive Director. 	
Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner	
<p>Current:</p> <ul style="list-style-type: none"> ▪ Eurologistic Technologies EOOD – Manager; ▪ Cable Network AD – member of the Board of Directors and Executive Director; ▪ Starcom Hold AD – member of the Board of Directors and Executive Director; ▪ S Finance EAD (previously named "Starcom Finance" EAD) – Member of the Board of Directors and Executive Director. 	<p>Previous:</p> <ul style="list-style-type: none"> ▪ Electrohold Bulgaria EOOD (formerly CEZ Bulgaria EAD) - Deputy Chairman of the Supervisory Board until 05.01.2022. The company was reorganized by means of change of the legal form from sole-owned joint-stock company to sole-owned limited liability company, therefore as at the date of this activity report the person is not Deputy Chairman of the Supervisory Board; ▪ Lozari EOOD - Manager and Sole owner of the capital until 22.07.2021, as at the date of the report the person is not a Manager and Sole owner of the capita;
Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years	
<ul style="list-style-type: none"> ▪ Far Consult OOD – in liquidation – Manager and partner. <p>As of the date of the report, the company is in liquidation proceedings.</p> <p>As at the date of this activity report, the company is undergoing liquidation proceedings.</p> <p>As at the date of this activity report, there is no information about any other bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.</p>	
Information on coercive administrative measures and penalties or public incrimination in the previous 5 years	
<p>During the last 5 years the person has not been imposed coercive administrative measures or administrative penalties in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.</p>	

Radi Georgiev Georgiev	Title - Member of the Supervisory Board
Office address	City of Sofia, Christopher Columbus Blvd. № 43
Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company	
<ul style="list-style-type: none"> ▪ Euroins Osiguruvanje AD, Skopje, North Macedonia – member of the Board of Directors. 	
<p>Current:</p> <ul style="list-style-type: none"> ▪ Andre Thuriot OOD – Partner holding 80% of the capital; ▪ VH Property Management OOD – Partner holding 6.67% of the capital; ▪ Loudspeakers-CA EOOD – Manager; <p>Current in other legal entities:</p> <ul style="list-style-type: none"> ▪ Association "Republic of Art" - Chairman of the Management Board and legal representative; ▪ Law Firm "Kalaidjiev and Georgiev" – partner. 	<p>Previous:</p> <ul style="list-style-type: none"> ▪ Corporate Advisors EOOD - Sole owner of the capital until 11.11.2021, as at the date of the report the person is not the Sole owner of the capital; ▪ IC Euroins AD – member of the Supervisory Board until 09.07.2020, as, due to change in the corporate governance system of IC Euroins AD from two-tier to one-tier from 09.07.2020, as at the date of this activity report the person is not a member of the Supervisory Board. ▪ IC EIG Re EAD – member of the Supervisory Board until 30.10.2024.
Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years	
<p>As at the date this activity report, there is no information about any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.</p>	
Information on coercive administrative measures and penalties or public incrimination in the previous 5 years	
<p>During the last 5 years the person has not been imposed coercive administrative measures or administrative penalties in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.</p>	

Kustaa Lauri Äimä	Title - Independent member of the Supervisory Board
Office address	Finland, Helsinki, Tektaankatu 27-29A, 4th floor
Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company	
<ul style="list-style-type: none"> As of the date of the report, there is no data available on activities carried out outside the company that are significant in relation to the company. 	
Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner	
Current:	Previous:
<ul style="list-style-type: none"> KJK Capital Luxembourg SA (previously KJK Management S.A.) – Chairman of the Board of Directors; KJK Fund II SICAV-SIF – Chairman of the Board of Directors; KJK Capital Oy – Executive Director, member of the Board of Directors; KJK Fund III Management S.a.r.l – member of the Management Board; KJK Investments S.a.r.l – member of the Management Board; AS Baltika – member of the Supervisory Board; Elan d.o.o – Chairman of the Board of Directors; AS PR Foods – Chairman of the Supervisory Board; AS Saaremere Kala – member of the Supervisory Board; Baltik Vairas – member of the Board of Directors; Tahe Outdoors Oü – Member of the Supervisory Board; KJK Sports S.a.r.l. – member of the Board of Directors; KJK Investicije 5 d.o.o. – member of the Board of Directors; KJK Investicije 8 d.o.o. – member of the Board of Directors; Kaima Capital Oy –Executive Director, Chairman of the Board of Directors and Sole owner of the company; Kaima Capital Eesti Oü – member of the Board of Directors; UAB D Investiciu Valdymas – member of the Board of Directors; Amber Trust SCA in liquidation – member of the management board of the liquidator; Amber Trust II SCA in liquidation –member of the management board of the liquidator; Amber Trust Management S.A. – member of the Management Board; Amber Trust II Management S.A. – member of the Management Board; UAB Malsena Plius – member of the Board of Directors; Bostads AB Blåklinten – member of the Board of Directors. 	<ul style="list-style-type: none"> Orejarvi Varenoito Oy - member of the Board of Directors until 25.03.2020, as at the date of the report the person is not a member of the Board of Directors; AB "Baltic Mill" - member of the Board of Directors until 12.2022, as at the date of the report the person is not a member of the Board of Directors; AD "Rīgas Dzirnāvnieks" - Chairman of the Supervisory Board until 12.2022, as at the date of the report the person is not the Chairman of the Supervisory Board; "KJK Investitsie 4" LLC - member of the Board of Directors until 07.2022, as at the date of the report the person is not a member of the Board of Directors; AS "Tude" - member of the Supervisory Board until 28.09.2023; ManageTrade Oy" – member of the Supervisory Board until 28.09.2023; As Baltic – Member of the Supervisory Board until 16.05.2025; KJK Investment 2 LLC – member of the Board of Directors until 30.05.2025.
Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years	
<ul style="list-style-type: none"> KJK Fund SICAV-SIF – Chairman of the Board of Directors until 01.01.2018, as at the date of this activity report the person is not a Chairman of the Board of Directors and the company as of 01.01.2018. has entered into a procedure of voluntary liquidation; KJK Investicije 7 d.o.o. – member of the Board of Directors until 08.03.2023, as at the date of this activity report the person is not a Member of the Board of Directors and the company was liquidated in 09.05.2023. 	
As at the date of this activity report, there is no information about any other bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.	
Information on coercive administrative measures and penalties or public incrimination in the previous 5 years	
During the last 5 years the person has not been imposed coercive administrative measures or administrative penalties in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.	

Ivaylo Krasimirov Angarski	Title - Independent member of the Supervisory Board		
Office address	City of Sofia, "Vazrazhdane" district, "George Washington" street № 19		
<p>Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company</p> <ul style="list-style-type: none"> As at the date of this activity report, there are no activities performed outside of the Company, which are significant with respect to the Company. 			
<p>Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>Current:</p> <ul style="list-style-type: none"> Compass Funds Select - 21 Mutual Fund - Managing; Compass Global Trends Mutual Fund - Managing Director; Mutual Fund "Strategy" - Manager; Eurostability Mutual Fund - Managing Director; Progress Mutual Fund - Managing Director; Compass Invest AD – member of the Board of Directors and Executive Director; Compass Capital AD - Member of the Board of Directors, Executive Director and shareholder holding 81% of the shares; Harvest Capital EOOD - Manager and Sole owner of the capital; Impact Capital JSC – Member of the Board of Directors; Mutual Fund "Active Euro Deposit" MF Compass Euro Bonds - Managing Director. </td> <td style="vertical-align: top;"> <p>Previous:</p> <ul style="list-style-type: none"> Mutual Fund "Plus" – Manager until 14.05.2024. </td> </tr> </table>		<p>Current:</p> <ul style="list-style-type: none"> Compass Funds Select - 21 Mutual Fund - Managing; Compass Global Trends Mutual Fund - Managing Director; Mutual Fund "Strategy" - Manager; Eurostability Mutual Fund - Managing Director; Progress Mutual Fund - Managing Director; Compass Invest AD – member of the Board of Directors and Executive Director; Compass Capital AD - Member of the Board of Directors, Executive Director and shareholder holding 81% of the shares; Harvest Capital EOOD - Manager and Sole owner of the capital; Impact Capital JSC – Member of the Board of Directors; Mutual Fund "Active Euro Deposit" MF Compass Euro Bonds - Managing Director. 	<p>Previous:</p> <ul style="list-style-type: none"> Mutual Fund "Plus" – Manager until 14.05.2024.
<p>Current:</p> <ul style="list-style-type: none"> Compass Funds Select - 21 Mutual Fund - Managing; Compass Global Trends Mutual Fund - Managing Director; Mutual Fund "Strategy" - Manager; Eurostability Mutual Fund - Managing Director; Progress Mutual Fund - Managing Director; Compass Invest AD – member of the Board of Directors and Executive Director; Compass Capital AD - Member of the Board of Directors, Executive Director and shareholder holding 81% of the shares; Harvest Capital EOOD - Manager and Sole owner of the capital; Impact Capital JSC – Member of the Board of Directors; Mutual Fund "Active Euro Deposit" MF Compass Euro Bonds - Managing Director. 	<p>Previous:</p> <ul style="list-style-type: none"> Mutual Fund "Plus" – Manager until 14.05.2024. 		
<p>Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years</p> <p>As at the date this activity report, there is no information about any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.</p>			
<p>Information on coercive administrative measures and penalties or public incrimination in the previous 5 years</p> <p>During the last 5 years the person has not been imposed coercive administrative measures or administrative penalties in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.</p>			

Louise Gabrielle Roman	Title - Member of the Supervisory Board		
Business address	436, High Head Road, Harpswell, ME 04079, United States of America		
<p>Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company</p> <p>As at the date of this activity report, there are no activities performed outside of the Company, which are significant with respect to the Company, except as a consultant at Minerva Global Consulting LLC.</p>			
<p>Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>Current:</p> <ul style="list-style-type: none"> Minerva Global Consulting LLC – Principal; PacificBridge Capital LLC – partner; 22Health Ventures (US) LLC – General Counsel & Chief Operating Officer. </td> <td style="vertical-align: top;"> <p>Previous:</p> <ul style="list-style-type: none"> none </td> </tr> </table>		<p>Current:</p> <ul style="list-style-type: none"> Minerva Global Consulting LLC – Principal; PacificBridge Capital LLC – partner; 22Health Ventures (US) LLC – General Counsel & Chief Operating Officer. 	<p>Previous:</p> <ul style="list-style-type: none"> none
<p>Current:</p> <ul style="list-style-type: none"> Minerva Global Consulting LLC – Principal; PacificBridge Capital LLC – partner; 22Health Ventures (US) LLC – General Counsel & Chief Operating Officer. 	<p>Previous:</p> <ul style="list-style-type: none"> none 		
<p>Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years</p> <p>As at the date of this activity report, there is no information about any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.</p>			
<p>Information on coercive administrative measures and penalties or public incrimination in the previous 5 years</p> <p>During the last 5 years the person has not been imposed coercive administrative measures or administrative penalties in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.</p>			

Management board

Kiril Ivanov Boshov	Title - Chairman of the Management Board and representative
Business address	Sofia, 43 Christopher Columbus Blvd
Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company	
<ul style="list-style-type: none"> ▪ Electrohold Sales EAD - Chairman of the Supervisory Board; ▪ Starcom Holding AD – Chairman of the Board of Directors and shareholder owning 30.95% of the capital and 34% of the voting rights. 	
Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner	
<p>Current:</p> <ul style="list-style-type: none"> ▪ Sorvind OOD (formerly Alcommerce EOOD) – Manager and partner holding 50% of the capital; ▪ Capital-3000 AD – Chairman of the Board of Directors; ▪ Starcom Hold AD – Deputy Chairman of the Board of Directors; ▪ Hanson Asset Management Ltd., United Kingdom – Director; ▪ Wonder Group AD – member of the Supervisory Board; <p>Current in other legal entities:</p> <ul style="list-style-type: none"> ▪ Association "Bulgarian Industrial Capital" – member of the Management Board; ▪ University of National and World Economy (UNWE), Sofia – member of the Trustees Council. 	<p>Previous:</p> <ul style="list-style-type: none"> ▪ Eurolease Auto EAD, Romania - Member of the Board of Directors until 21.10.2021, as of the date of the report the person is not a member of the Board of Directors; ▪ Auto Union EAD - Deputy Chairman of the Board of Directors until June 28, 2021, as at the date of the report the person is not Deputy Chairman of the Board of Directors; ▪ Euroins Osiguruvanje AD, Skopje, North Macedonia – member of the Board of Directors until 10.07.2020, as at the date of this activity report the person is not a member of the Board of Directors; ▪ Euro-Finance AD – Deputy Chairman of the Board of Directors until 02.04.2020, as at the date of this activity report the person is not a Deputy Chairman of the Board of Directors; ▪ Euroins Insurance Group AD – Executive Director until 18.09.2023 and Executive Director until 01.08.2023; ▪ Euroins Romania Asigurare-Reasigurare S.A. /in insolvency/- Chairman of the Board of Directors until 17.03.2023; ▪ Association of Bulgarian Insurers - member of the Management Board until 24.06.2025. ▪ Association "Endeavour Bulgaria" - member of the Management Board until 05.11.2025.
Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years	
<ul style="list-style-type: none"> ▪ Armada Capital AD – member of the Board of Directors until 28.02.2020, as at the date of this activity report the person is not a member of the Board of Directors and the company is dissolved through voluntary liquidation, deleted from commercial register on 28.02.2020; ▪ Euroins Romania Asigurare-Reasigurare S.A. /in bankruptcy/ – The company is in bankruptcy proceedings since 09.06.2023. 	
As of the date of the report, there is no other information on bankruptcy, receivership or liquidation with which the person as a member of an administrative, management or supervisory body and/or a partner has been connected in the last 5 years.	
Information on coercive administrative measures and penalties or public incrimination in the previous 5 years	
During the last 5 years the person has not been imposed other administrative penalties and / or coercive administrative measures in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.	

Assen Minchev Minchev	Title - Executive member of the Management Board
Office address	Sofia, 43 Christopher Columbus Blvd
Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company	
<ul style="list-style-type: none"> ▪ Electrodistribution Grid West EAD - (formerly known as "CEZ Distribution Bulgaria" AD) – Deputy Chairman of the Supervisory Board. 	
Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner	
<p>Current:</p> <ul style="list-style-type: none"> ▪ Capital-3000 AD – Executive Member of the Board of Directors; ▪ Cable Network AD – Chairman of the Board of Directors. <p>Current in other legal entities:</p>	<p>Previous:</p> <ul style="list-style-type: none"> ▪ Auto Italia EAD – member of the Board of Directors until 13.09.2022; ▪ Star Motors EOOD – Procurator until 17.05.2022;

<ul style="list-style-type: none"> Swimming Sports Club Association "St. George" - Member of the Board 	<ul style="list-style-type: none"> Bulvaria Holding EAD (currently VI Lyulin EAD) – member of the Board of Directors until 27.01.2020, as at the date of this activity report the person is not a member of the Board of Directors.
<p>Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years</p> <p>As at the date of this activity report, there is no information about any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.</p>	
<p>Information on coercive administrative measures and penalties or public incrimination in the previous 5 years</p> <p>During the last 5 years and as of the date of the report the person has been imposed an administrative penalty (fine) on the grounds of art. 221, para. 1, item 4 of the Public Offering of Securities Act.</p> <p>During the last 5 years the person has not been imposed other administrative penalties and / or coercive administrative measures in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.</p>	

Velislav Milkov Christov	Title - Member of the Management Board		
Business address	Sofia, 43, Christopher Columbus Blvd.		
<p>Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company</p> <ul style="list-style-type: none"> Starcom Holding" AD – Member of the Board of Directors and shareholder, owning 13.65% of the capital and 15% of the voting rights; "Starcom Finance" EAD – Chairman of the Board of Directors; "Euroins Osiguranje AD, Skopje", North Macedonia – Chairman of the Board of Directors "Electrohold Sales" EAD – Member of the Supervisory Board. 			
<p>Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>Current:</p> <ul style="list-style-type: none"> Wonder Group AD – Chairman of the Supervisory Board; Sovereign Real Estate Limited, Malta - Sole owner of the capital. <p>Current in other legal entities:</p> <ul style="list-style-type: none"> Euphoria for supporting the Bulgarian monastery "St. George Zograf" and the hermitage "Worthy to" in Sveta Gora, Mounth Athos"- member of the Management Board. </td> <td style="vertical-align: top;"> <p>Previous:</p> <ul style="list-style-type: none"> PJSC Insurance company Euroins, Belarus (former PJSC "IC ERGO") – Chairman of the Supervisory Board until 27.12.2022; Electrohold Bulgaria EOOD (formerly CEZ Bulgaria EAD) - Chairman of the Supervisory Board until 05.01.2022. The company was reorganized by means of change of the legal form from sole-owned joint-stock company to sole-owned limited liability company, therefore as of the date of the report the person is not Deputy Chairman of the Supervisory Board; IC Euroins AD – member of the Management Board until 09.07.2020, as, due to change in the corporate governance system of IC Euroins AD from two-tier to one-tier from 09.07.2020, as at the date of this activity report the person is not a member of the Supervisory Board IC EIG Re EAD – member of the Supervisory Board until 30.10.2024; Association "Green Bulgaria Movement" - member of the Management Board until 31.12.2022 the association has not been re-registered in the Commercial Register; therefore, it has been terminated. </td> </tr> </table>		<p>Current:</p> <ul style="list-style-type: none"> Wonder Group AD – Chairman of the Supervisory Board; Sovereign Real Estate Limited, Malta - Sole owner of the capital. <p>Current in other legal entities:</p> <ul style="list-style-type: none"> Euphoria for supporting the Bulgarian monastery "St. George Zograf" and the hermitage "Worthy to" in Sveta Gora, Mounth Athos"- member of the Management Board. 	<p>Previous:</p> <ul style="list-style-type: none"> PJSC Insurance company Euroins, Belarus (former PJSC "IC ERGO") – Chairman of the Supervisory Board until 27.12.2022; Electrohold Bulgaria EOOD (formerly CEZ Bulgaria EAD) - Chairman of the Supervisory Board until 05.01.2022. The company was reorganized by means of change of the legal form from sole-owned joint-stock company to sole-owned limited liability company, therefore as of the date of the report the person is not Deputy Chairman of the Supervisory Board; IC Euroins AD – member of the Management Board until 09.07.2020, as, due to change in the corporate governance system of IC Euroins AD from two-tier to one-tier from 09.07.2020, as at the date of this activity report the person is not a member of the Supervisory Board IC EIG Re EAD – member of the Supervisory Board until 30.10.2024; Association "Green Bulgaria Movement" - member of the Management Board until 31.12.2022 the association has not been re-registered in the Commercial Register; therefore, it has been terminated.
<p>Current:</p> <ul style="list-style-type: none"> Wonder Group AD – Chairman of the Supervisory Board; Sovereign Real Estate Limited, Malta - Sole owner of the capital. <p>Current in other legal entities:</p> <ul style="list-style-type: none"> Euphoria for supporting the Bulgarian monastery "St. George Zograf" and the hermitage "Worthy to" in Sveta Gora, Mounth Athos"- member of the Management Board. 	<p>Previous:</p> <ul style="list-style-type: none"> PJSC Insurance company Euroins, Belarus (former PJSC "IC ERGO") – Chairman of the Supervisory Board until 27.12.2022; Electrohold Bulgaria EOOD (formerly CEZ Bulgaria EAD) - Chairman of the Supervisory Board until 05.01.2022. The company was reorganized by means of change of the legal form from sole-owned joint-stock company to sole-owned limited liability company, therefore as of the date of the report the person is not Deputy Chairman of the Supervisory Board; IC Euroins AD – member of the Management Board until 09.07.2020, as, due to change in the corporate governance system of IC Euroins AD from two-tier to one-tier from 09.07.2020, as at the date of this activity report the person is not a member of the Supervisory Board IC EIG Re EAD – member of the Supervisory Board until 30.10.2024; Association "Green Bulgaria Movement" - member of the Management Board until 31.12.2022 the association has not been re-registered in the Commercial Register; therefore, it has been terminated. 		
<p>Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years</p> <p>As at the date of this activity report, there is no information about any other bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.</p>			
<p>Information on coercive administrative measures and penalties or public incrimination in the previous 5 years</p> <p>During the last 5 years the person has not been imposed other administrative penalties or coercive administrative measures in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.</p>			

Razvan Stefan Lefter	Title - Independent member of the Management Board
Business address	Romania, Bucharest, 30 Alexandru Serbanescu St
Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company As at the date of this activity report, there are no activities performed outside of the Company, which are significant with respect to the Company.	
Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner	
Current:	Previous:
<ul style="list-style-type: none"> ▪ RSL Capital Advisors Srl. – Managing Partner and Director; ▪ Mundus Services AD – Member of the Supervisory Board; ▪ Sphera Franchise Group SA – Member of the Board of Directors. 	<ul style="list-style-type: none"> ▪ Teraplast SA – Member of the Board of Directors until 01.2021, as at the date of this activity report the person is not a Member of the Board of Directors;
Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years As at the date of this activity report, there is no information about any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.	
Information on coercive administrative measures and penalties or public incrimination in the previous 5 years During the last 5 years the person has not been imposed other administrative penalties and / or coercive administrative measures in connection with his activity; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.	

Procurator

Milena Milchova Guentcheva	Title - Procurator
Business address	Sofia, 43, Christopher Columbus Blvd.
Data on activities carried out as a member of a management or control body and/or a partner outside the Company, which is significant in relation to the Company	
Data on all other participations in current and terminated companies and other legal entities in the last 5 years as a member of a management or control body and/or partner	
Current:	Previous:
<ul style="list-style-type: none"> ▪ Afes Bulgaria EOOD – Manager. ▪ Afes AG (AD) – member of the Management Board 	<ul style="list-style-type: none"> ▪ PJSC Insurance company Euroins, Belarus (former PJSC "IC ERGO") – Chairman of the Supervisory Board until 27.12.2022; ▪ Euroins Romania Asigurare-Reasigurare S.A. /in insolvency/ – Managing Director until 17.03.2023;
Details of any bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of a management or supervisory body and/or partner of a company, was associated in the previous 5 years <ul style="list-style-type: none"> ▪ Euroins Romania Asigurare-Reasigurare S.A. /in bankruptcy/ – the company is in bankruptcy proceedings since 09.06.2023. 	
As at the date of this activity report, there is no information about any other bankruptcies, receiverships or liquidations with which the person, acting in the capacity of a member of the administrative, management or supervisory bodies and/or a partner in a company, has been associated with during the previous 5 years.	
Information on coercive administrative measures and penalties or public incrimination in the previous 5 years In the last 5 years and at the date of the report, the person was subject to 2 administrative penalties (fine) on the basis of Art. 221, par. 4 of the Public Offering of Securities Act. During the last 5 years the person has not been imposed coercive administrative measures or administrative penalties in connection with his activity, apart from the above; not convicted of fraud; in his capacity as a responsible person he has not been involved directly or through related parties in insolvency proceedings or management by a trustee in bankruptcy; has not been deprived by a court of the right to participate in the administrative, management or supervisory bodies of an issuer or to hold positions in the management or activities of an issuer, has not been officially publicly incriminated and has not been sanctioned by legal and regulatory bodies, including certain professional bodies.	

The members of the management board, as well as persons related to them, within the reporting period, did not conclude contracts with the company that go beyond its usual activity or significantly deviate from the market conditions.

Regarding the planned economic policy in the coming year: see 1.7 "Strategy and future development".

1.9 Main risk

This section describes our risks and uncertainties that are considered to have the most significant potential effect on Eurohold's separate operations.

This list of risks is not intended to be exhaustive. The order in which the risks are presented does not indicate their probability of occurrence, nor their possible degree of impact on the Company's business, prospects, results of operations and financial condition.

Additional risks and uncertainties that are not currently known or that are currently considered immaterial could individually or cumulatively have a material adverse effect. In the event that any of the risks described in this section occur, even partially or in combination with other risk factors or circumstances, it may have a significant negative effect on the Company.

The future results of the Company's activities may differ significantly from past results as a result of the occurrence of the risks described here. Although the Company monitors risks, some are beyond our control. Given the currently dynamic macroeconomic environment, it is possible that other risks and/or uncertain events may occur that are currently unknown or that we are unable to assess or are considered immaterial at this time and which risks may have a significant adverse effect on the Company's activities.

The Group is exposed to a number of internal and external risks that could affect its performance. To address these risks, we adhere to standardized risk management principles based on best practices.

Key risks

On a standalone level, key risks for Eurohold Bulgaria AD continue to be similar to those of previous years. Given the international nature of our activities (through subsidiaries), an assessed risk for our business operations in 2025 is the dynamic development of the macroeconomic environment, including the ongoing monitoring of the development of military operations on the territory of Ukraine.

Influence of group risks

We draw your attention to the fact that Eurohold Bulgaria AD develops its activities through its subsidiaries, in this regard, the financial condition of the Company, its operating results and its development prospects are directly dependent on the condition, results and prospects of its subsidiaries. Each business sector, including the segments in which we operate, are subject to common risks, such as: changes in the macroeconomic environment, social, political, financial, regulatory and legislative changes. Our main risks and uncertainties are those that can have the greatest impact on our group key priorities. This consolidated annual report of Eurohold Bulgaria for 2024 presents the most significant overall group risks and the risks related to the businesses and sectors in which the Eurohold Group operates.

Climate risks

In carrying out its independent activities, Eurohold Bulgaria AD does not consider any significant risks related to climate change that could have negative consequences for the company on its performance and financial condition. Such risks are identified at the group level and are disclosed in section 2.3. Environmental responsibility of this Consolidated Annual Report of the Eurohold Group for 2024.

Eurohold Bulgaria AD falls within the scope of Directive (EU) 2022/2464 of 14.12.2022 on corporate sustainability reporting (CSRD). In November 2025, the European Parliament adopted the Omnibus I Package, which limited mandatory reporting under Directive (EU) 2022/2464 (CSRD) to companies with over 1,000 employees. In Bulgaria, the implementation of the Directive was postponed with an amendment to the Accountancy Act, published in the State Gazette No. 115 of 30 December 2025, and the deadlines were postponed by another year, with the first year for submitting sustainability reports being 2027 for the financial year 2026.

The Eurohold Group is exposed to the following types of risks

- 1/ Specific risks for the business and sector in which Eurohold Group operates
- 2/ Total group risks

1 / Specific risks for the business and sector in which the Eurohold group operates

► Energy business

Regulatory risk

description	actions
<p>Regulatory risk is related to the impact of the existing regulatory framework or its changes on the Group's activities, as well as potential fines and sanctions resulting from violations of this framework.</p> <p>Companies are exposed to the risk that when setting electricity prices by the regulator, all costs associated with their usual activities will not be taken into account.</p> <ul style="list-style-type: none"> ▫ Risks related to the unpredictability of changes in the regulatory framework and the possible negative impact of these changes on the activity; ▫ Risk of revocation of licenses; ▫ Risk of imposing a fine by the Energy and Water Regulatory Commission (EWRC) and the Commission for Protection of Competition (CPC); ▫ Risk that when determining electricity prices, the regulator will not take into account all costs necessary to carry out the activity, increasing inflation, as well as future trends in price increases on the electricity markets; ▫ Risks related to the behavior of key market participants and their influence on the electricity market; ▫ Risks related to an increase in financial requirements for companies such as mandatory guarantees and deposits from key market participants; ▫ Risks related to the method of organization, model, structure and vision for the development of the free electricity market; ▫ Risks related to the introduction of additional direct and indirect legal obligations to producers, traders, customers and network companies in a free electricity market, including an increase and/or introduction of new fees, taxes, contributions, energy efficiency obligations; ▫ Risks related to the obligations of energy companies in connection with the Energy Efficiency Act; 	<p>The energy business is a highly regulated economic sector, with companies operating in the energy sector directly dependent on a number of regulatory acts and decisions of the regulatory state authority KEWR.</p> <p>In order to actively and effectively manage these risks, the Group analyses and participates in discussions on determining the priorities of the regulatory and legislative framework, defends its company policy before the Regulator and other administrative bodies, maintains active communication with the Regulator from the point of view of future changes in the regulatory framework, as well as proposes a variant of the changes, promptly familiarizes itself with and implements the changes in the regulatory environment that have entered into force. When necessary, the Group takes corrective measures.</p> <p>Regarding the dynamics of regulatory changes related to the European Union's strategy for liberalization and development of energy markets, it is also directly dependent on the political situation. Frequent changes in the political environment in Bulgaria are a prerequisite for a more unstable and difficult to predict regulatory environment.</p> <p>The increased liberalization of the energy market in Bulgaria, including the expansion of the free market, is expected to stimulate efficiency and, in turn, profitability.</p> <p>Currently, the plan is for all consumers (including households) to purchase energy from the open market starting in January 2026, although the exact timing of this full liberalization is not yet certain.</p> <p>The group's management has taken all necessary actions to prepare for the liberalization of the electricity market for household consumers, as well as for the changes in the regulatory environment related to this risk.</p>

Market risk

description	actions
<p>Market risk related to the consumption of electricity and the price of purchasing energy for technological costs on an organized exchange market due to economic, political, technological reasons and climate change, as well as the risk of liberalization of the electricity market. Market risks can be characterized as:</p> <ul style="list-style-type: none"> ▫ Risks related to competition and supplier switching on the free market; ▫ Risks related to changes in wholesale electricity prices and their impact on the energy position and expected trade margin of the Companies in the group; ▫ Risks due to the pronounced volatility and unpredictability of the wholesale market and the fundamentals that influence it (prices of natural gas, fuels, CO2 emissions, renewable energy, EU policy, market mergers, climate change, etc.); ▫ Risks related to the liquidity and adequate supply of long-term energy products on the wholesale market, corresponding to the consumption profile of end customers; ▫ Risks due to seasonality, climate change, repair programs of producers, transmission capacities, emergency shutdowns of producers, and other unforeseen events that may affect the wholesale electricity market; ▫ Risks related to incorrect forecasting and/or abrupt changes in the wholesale market and inability to adapt the portfolio of end customers to the changes; ▫ Risks related to market infrastructure, data exchange systems, security and information protection; ▫ Risks related to the behavior of trading participants, experience and ethical behavior; ▫ Risk of non-renewal of contracts with end customers due to internal and external factors; ▫ Risk of changes in the regulatory framework, respectively inability to fully or partially transfer purchase costs to end customer sales prices; ▫ Risk of liberalization of the electricity market in Bulgaria. 	<p>These are risks that arise from external causes for the Group, and its ability to effectively influence the factors determining this risk is highly limited.</p> <p>Regarding the dynamics of regulatory changes related to the European Union's strategy for liberalization and development of energy markets, it is also directly dependent on the political situation. Frequent changes in the political environment in Bulgaria are a prerequisite for a more unstable and difficult to predict regulatory environment.</p> <p>The increased liberalization of the energy market in Bulgaria, including the expansion of the free market, is expected to stimulate efficiency and, in turn, profitability.</p> <p>In order to promote the liberalization of the energy market in accordance with EU legislation, changes were made to the Energy Act as of 2020. These changes obliged companies to choose an electricity supplier instead of purchasing electricity from the regulated market, where only households remained. It is currently planned that from January 2026, all consumers (including households) will purchase energy from the free market, although the timing of this full liberalization is uncertain.</p> <p>Once full liberalization enters into force, the operation of the sales market will be fundamentally different, and will introduce competitive pressure into the markets for electricity generation and sales. Other electricity companies in Bulgaria will be able to compete with the Group for sales to end users, including on the basis of price, quality, reliability and delivery terms.</p> <p>Management believes that the full liberalization of the energy market will provide opportunities for the Group to expand its operations and market share and that the Group is well positioned to benefit from the liberalization of the market.</p>

Climate-related risk

description	actions
<p>Risk associated with the transition to a low-carbon economy. For the most part, the risks associated with this arise from:</p> <ul style="list-style-type: none"> ▫ Change in policies and regulations as a result of the implementation of European climate legislation by the relevant regulatory authorities in the Republic of Bulgaria; ▫ Change in the legislative framework in line with European climate regulations and established policies; ▫ Change in technologies related to the distribution network necessary to transition to a carbon neutral society. ▫ Negative climate-related effects on suppliers or customers that affect the Group. 	<p>The Electrohold Group complies with the current domestic and international legislation in the field of sustainable development, ecology and environmental protection, in accordance with the main objectives and principles of environmental law. Specific actions are taken and policies are followed regarding sustainable development. The emergence of risks and negative consequences of climate change on the activities of the Electrohold Group, as well as its impact on climate change, are monitored and assessed on an ongoing basis. As a result, specific actions are taken and policies are followed regarding risk management and reduction of the Group's impacts on the environment.</p> <p>The Group has obligations within the framework of the EU policy in the field of energy efficiency and the current Energy Efficiency Obligation Scheme in the country and is obliged to implement measures to reduce energy consumption by end customers.</p> <p><i>For more information, see t. 2.3. Environmental responsibility</i></p>

Other risks specific to the activity and industry of energy companies

description	action
<p>Such risks specific to the activity and industry of energy companies may be:</p> <ul style="list-style-type: none"> ▫ Risks related to interruptions in the supply of electricity, including due to unforeseen natural events (e.g. earthquakes, storms or other natural disasters) or other incidents, as well as dependence on key assets (specific to the electricity distribution company); ▫ Litigation or other extrajudicial procedures or actions; ▫ Risk of choosing an inappropriate market strategy; ▫ Risk of inability to retain and hire quality personnel; ▫ Strikes or other industrial actions, as well as negotiations with trade unions, may disrupt operations or increase operating costs; ▫ Risk of inability or limitations in securing attracted resources, including a significant increase in the cost of financing and changes in interest rates; 	<p>The companies of the Electrohold group strive to continuously monitor and assess all risks related to their activities, to comply with the legislation applicable to them, as well as to monitor and bring their activities into line with all legislative and regulatory changes.</p> <p>A centralized risk management system has been introduced, which allows to assess the adequacy of the existing protection systems and to make decisions on all necessary corrective actions at the Group level.</p> <p>Specific plans have also been developed for restoring the supply of electricity after a disaster and continuity of power supply, which allow the fastest possible activation of appropriate measures to limit the impact after a natural event or incident. Insurance programs have also been introduced covering damage to assets (mainly on the electricity distribution network) and loss due to business interruption, so as to minimize the financial impact of this risk on cash flow.</p> <p>The activity of maintenance, modernization and expansion of the electricity transmission network requires significant financial resources, the possible failure to secure which may lead to failure to implement the investment program approved by the regulator, interruption of electricity supply, inability to connect new capacities, etc. In this direction, if necessary, the electricity distribution company takes advantage of the experience of Eurohold Bulgaria AD in attracting financing from banking and non-banking institutions, debt securities, etc.</p> <p>Untimely actions in the management of existing and/or identification of potential risks may have an adverse effect on the business, financial condition or results of operations of the Electrohold Group.</p>

► Insurance business

Sector risk

description	action
<p>Sector risk arises from the state and development trends in the insurance sector. The main risks that affect the sector's activities are:</p> <ul style="list-style-type: none"> ▫ change in demand for insurance services and products; ▫ presence of strong competition and market fragmentation; ▫ dumping of prices of basic insurance products; ▫ lack of opportunities for market expansion in proportion to the increase in gross domestic product; ▫ innovation risk – low frequency of creation of new products by established players and entry of new technologies, destructively affecting the market; ▫ risks of changes in the regulatory framework – the main activity of the companies from the EIG group is based on the current legal framework, based on Solvency II in the EU member states and candidate countries, as well as on the established international practices for insurance risk management. 	<p>The companies in the EIG insurance group strive to limit the impact of sector risks related to products and prices of insurance services by maintaining a wide range of insurance and products in a widely diversified portfolio and offering new products in accordance with changes in market demand. The aim is to enrich the range of insurance products offered, while at the same time requiring a flexible pricing policy tailored to the client's risk profile. The group also seeks innovative solutions in the field of new technologies, both in the field of sales and the introduction of new products, and in the field of claims processing.</p> <p>Insurance companies regularly review products and apply competitive prices that correspond to their appetite for the given insurance in a specific market.</p> <p>The group continues to work on opportunities to expand its activities outside the territory of the Republic of Bulgaria through its subsidiary IC Euroins AD as a participant in the Single European Market.</p> <p>Sector risk is monitored both at the company level and at the group level, in order to take adequate and timely measures, in accordance with the state and development trends of the insurance sector in each of the countries in which the EIG Group operates.</p>

Business risk associated with large claims

description	action
<p>Business risks specific to the insurance sector are related to the presentation of large claims, which may be related to the following:</p> <ul style="list-style-type: none"> ▫ <u>Natural disasters</u>: these events can cause significant damage to insured property of citizens and companies, as well as to motor vehicles (MVs). ▫ <u>Major accidents</u>: represent major industrial risks that can cause major accidents in insured production facilities. ▫ <u>Terrorist acts</u>: terrorism threatens insured facilities and/or can cause the occurrence of risks covered by insurance companies operating in the field of general insurance. 	<p>Natural disasters: Regarding the amount of claims that would be caused by natural disasters to the vehicle fleet insured by EIG insurance companies, it is considered to be minimal considering two factors:</p> <ul style="list-style-type: none"> ▫ The companies own a large portfolio of cars insured against natural disasters on the territory of several countries, which leads to the distribution of the risk of such disasters over a large group and, accordingly, the minimization of the effect of disasters, given the fact that they affect a very limited territory; ▫ The insured cars are easily mobile and, accordingly, the risk of damage due to natural disasters is partially reduced, given the fact that some of the natural disasters are predictable, and their territorial spread is relatively slow and limited. <p>The amount of damage to insured real estate that companies could suffer from natural disasters is limited by the reinsurance program maintained by EIG. In order to monitor the exposure of the companies' portfolio to the risk of natural events, an assessment of the companies' accumulated risk of such events by CRESTA zones is prepared every quarter.</p> <p><u>Major accidents</u>: insured large production facilities occupy an extremely insignificant, approaching 0, share in the Group's portfolio. Their influence is very limited, since the risks associated with the occurrence of major accidents are fully covered by the Group's reinsurance protection.</p> <p><u>Terrorist acts</u>: According to the general terms and conditions of the companies in the group, terrorism is an excluded risk, according to international clause G51, but at the client's request and for the payment of an additional premium, such coverage can also be provided.</p>

Reinsurance risk

description	action
<p>Reinsurance is a fundamental risk reduction technique.</p> <p>The main objectives of the reinsurance policy are aimed at securing and, if necessary, expanding the insurance capacity, increasing the self-retention to levels that guarantee the financial stability of the Group and the security of the insured, as well as protecting the retained portion from excessive negative fluctuations in the claims quota.</p>	<p>The Group's reinsurance contracts are adapted/updated annually and reflect underwriting rules, standards and appetites. The Group's effort to place reinsurance contracts mainly with highly rated reinsurance companies is also a reflection of its efforts to avoid potential risks related to the capital adequacy and credit quality of the partners, as well as to minimize liquidity risk. In addition to traditional reinsurance contracts, individual facultative contracts are also concluded, under which specific risks are placed. The reinsurance program of the Group's companies has been prepared with the assistance of London brokers and is placed with highly rated European reinsurance companies, all of which have an investment rating by Standard & Poor's or AM Best and a credit quality greater than 3.</p>

► Financial and investment activities

Market risk

description	action
<p>Volatility risk is the probability of incurring losses or not realizing a profit due to adverse changes in the prices of financial instruments, market interest rates, currency exchange rates, etc.</p>	<p>The approach to minimizing market risk applied by Euro-Finance AD is as follows:</p> <ol style="list-style-type: none"> 1. Use by the Risk Committee of analytical methods to assess the main factors inherent in this type of risk; 2. Monitoring and limiting transactions that give rise to market risk; 3. Required approval by the Management board of the company of all potential transactions with significant value and high market risk; 4. Clearly regulated responsibilities of employees in each unit of the investment intermediary, as well as precise reporting procedures. <p>The company monitors market risks with increased attention and increased monitoring against the backdrop of increased volatility in international financial markets in order to prevent more significant negative impacts.</p>

Price risk

description	action
<p>Price risk is divided into positional and specific risk, originating from the positions in the intermediary's trading and investment portfolio.</p> <p>Positional risk, which includes market and liquidity risk, consists of two components:</p> <p>The first component is its specific risk, which is the risk of a change in the price of a given instrument as a result of factors related to the issuer or, in the case of a derivative instrument, related to the issuer of the underlying instrument;</p> <p>The second component is its general risk, which is the risk of a change in the price of the given instrument:</p> <ul style="list-style-type: none"> ▫ due to a change in the level of interest rates, when it concerns traded debt instruments or derivative debt instruments; or ▫ due to changes in the stock market, unrelated to specific characteristics of the individual financial instruments, when it concerns shares or derivative instruments on shares. 	<p>The Risk Committee monitors the positions in the trading portfolio on a daily basis and, through portfolio diversification advice, tries to minimize potential losses from negative price movements of individual financial instruments in the investment intermediary's portfolio.</p> <p>In order to determine the capital requirements for position risk, including general and specific, the Company monitors the positions:</p> <ul style="list-style-type: none"> in traded debt instruments; in shares; in derivative instruments; resulting from the underwriting of debt instruments or shares; in collective investment undertakings in the trading portfolio.

2 / General risks

Risks related to the development strategy of the Eurohold group

description	action
<p>The future profits and economic value of the Eurohold Group depend on the strategy chosen by the senior management team of the company and its subsidiaries. Choosing an inappropriate strategy can lead to significant losses.</p>	<p>Eurohold Group strives to manage the risk of strategic errors by continuously monitoring the various stages of the implementation of its market strategy and its results. This is of utmost importance in order to be able to react in a timely manner if a change is necessary at a certain stage in the strategic development plan. Untimely or inappropriate changes in the strategy can also have a significant negative effect on the company's activities, operating results and financial condition.</p>

Risks related to the management of the Eurohold group. Operational risk

description	action
<p>Operational risk is the risk of direct and indirect losses for the Group, arising from various internal factors related to operations, the integration of newly acquired companies, personnel, technology and infrastructure, as well as external factors that are different from credit, market and liquidity risk and arise from legal requirements and generally accepted rules of corporate ethics.</p> <p>The risks related to the management of the Group may be: making wrong decisions; the inability to launch and/or implement planned projects; possible technical errors in the information system; the departure of key employees; the risk of excessive increase in operating costs; the risk of fraud; cyberattacks, as well as other events.</p>	<p>The probability of such events is considered relatively low due to the continuous analysis and monitoring of management at the level of subsidiaries and the Group.</p> <p>The Group pays special attention to security and personal responsibility, especially with regard to access to information (including classified information and information about personal data), information system and cybersecurity.</p>

Risks related to financing the activity

description	action
<p>The Eurohold Group's ability to grow and implement its strategies depends to a large extent on its ability to raise capital. The instability of the financial markets, as well as the possible apparent lack of trust between financial institutions, could significantly hinder the raising of long-term capital on reasonable terms. The management of Eurohold Bulgaria AD supports the efforts of the Group's subsidiaries to raise bank and debt resources for capital investments and working capital. The volumes of these raised funds are maintained at certain levels and are authorized after proving the economic efficiency for each company.</p>	<p>The policy of the Company's management is aimed at raising financial resources from the market in the form mainly of equity securities (shares), debt instruments (bonds) and loans from banking and non-banking institutions, which it invests in its subsidiaries to finance their projects, by increasing their capital or providing loans. Apart from this, Eurohold Bulgaria monitors the capital structure of each company and takes actions to maintain the regulatory capital requirements for each business segment through capital investments.</p> <p><i>for more information on the group's attracted financial resources: see item 8 of the section 1.10 "Information under Regulation No. 2 of the Financial Services Commission"</i></p>

Risk of lack of liquidity

description	action
<p>Liquidity risk is related to the possibility that a company part of the Eurohold group may not repay its obligations in the agreed amount and/or within the agreed time frame when they become due.</p>	<p>The aim to minimize this risk is through optimal management of cash flows within the group itself. The group applies an approach that ensures the necessary liquidity resources to meet the obligations that have arisen under normal or extraordinary conditions, without incurring unacceptable losses or damaging the reputation of individual companies and the economic group as a whole.</p> <p>The subsidiaries make financial planning, with which they strive to meet the payment of expenses and their current obligations, including the servicing of financial obligations. This financial planning minimizes or completely excludes the potential effect of the occurrence of extraordinary circumstances.</p> <p>In the process of liquidity risk management, the companies in the group carry out intra-group financing with free cash resources.</p> <p><i>Regarding liquidity risk analysis: see Appendix 2.32.5. "Liquidity risk" of the Annual Consolidated Financial Statements for 2024.</i></p>

Credit risk

description	action
<p>Credit risk is the risk that a counterparty will not pay its obligation to a company within the group. It is related to the possibility of deterioration in the collection of receivables, which could lead to disruption of cash flows and difficulties in payments on borrowed/borrowed funds.</p>	<p>The Group is exposed to this risk in connection with various financial instruments, such as the provision of loans, the occurrence of receivables from customers, the deposit of funds, etc. The Company's exposure to credit risk is limited to the amount of the carrying amount of the financial assets recognized at the end of the reporting period.</p>

Risk Related to Personnel

description	action
<p>The business of the Eurohold Group is significantly dependent on the contribution of a certain number of individuals, members of the management and control bodies, managers from the senior and middle management levels of the parent company and its subsidiaries. There is no certainty that these key employees will continue to work for the group in the future. The success of the Eurohold Group will also be related to the ability of the companies to retain and motivate these individuals. The inability of the Group to maintain sufficiently experienced and qualified personnel for managerial, operational and technical positions may have an adverse effect on the activities of the economic group as a whole, its operating results, as well as its financial condition.</p>	<p>Eurohold Group accepts this risk as significant and implements policies to increase employee motivation by providing a good environment for professional development, a competitive level of remuneration and a good work culture.</p>

Risk of possible transactions between companies in the group, the terms of which differ from market conditions

description	action
<p>Relationships with related parties arise under contracts for temporary financial assistance to subsidiaries and in connection with transactions related to the usual commercial activities of subsidiaries.</p> <p>The risk of possible transactions between companies in the Group under conditions that differ from market conditions is expressed in taking on the risk of achieving low profitability from provided intra-group financing. Another risk that may be taken is that when implementing intra-group commercial transactions, sufficient revenues are not realized, and therefore a good profit for the respective company. At a consolidated level, this may reflect negatively on the profitability of the entire group.</p>	<p>Within the Eurohold Group, transactions are constantly carried out between the parent company and subsidiaries and between subsidiaries themselves, arising from the nature of their main activity. All transactions with related parties are carried out at arm's length and in compliance with IAS 24 "Related Party Disclosures".</p>

Macroeconomic risk

description	action
<p>Macroeconomic risk is the risk of shocks that may affect economic growth, population income, supply and demand, profit realization by economic entities, etc. These shocks include global economic and business conditions, fluctuations in national currencies, political events, changes in legislation and regulatory requirements, priorities of national governments, etc. Trends in the macroeconomic environment affect the market performance and the final results of the activities of all sectors of the economy.</p> <p>The risk of the impact of the international environment on companies cannot be diversified and affects all economic entities, but on the other hand it can become a driver for the development and implementation of innovations and digitalization, which can drastically change and increase the efficiency of business on a global scale.</p> <p>Examples of macroeconomic shocks can be: the global economic crisis; the impact of the Covid-19 pandemic that occurred at the beginning of 2020 on a global scale, incl. measures taken by the governments of the affected countries; slowdown in economic growth; the risk of systematic global financial fluctuations; periodic fiscal imbalances; high levels of inflation; changes in exchange rates for certain currencies; instability in energy prices; economic and political uncertainty in some regions of the world; reduction in economic and consumer activity.</p> <p>Bulgaria has an open economy and its development depends directly on international market conditions. The development of the Bulgarian economy faces the risk of external influences and depends directly on international market conditions.</p>	<p>The macroeconomic situation and economic growth worldwide are of fundamental importance for the development of Eurohold Bulgaria AD and its subsidiaries, including the government policies of the respective countries in which the Group operates and in particular the regulations and decisions taken by the respective Central Banks, which affect monetary and interest rate policies, exchange rates, taxes, GDP, inflation, budget deficit and external debt, the unemployment rate and the income structure.</p> <p>The presence in Bulgaria and in the countries of our operations of unfavorable macroeconomic conditions including increased unemployment and inflation, as well as fiscal instability may have a material adverse effect on the Company/Group's business, financial condition and/or results of operations or expected growth at the Group level.</p> <p>The Eurohold Group operates in a number of other European countries, in addition to Bulgaria, and its overall financial position and results of operations are affected by the economic, legal and political conditions in these countries. Any deterioration in macroeconomic conditions in such countries or in the broader CEE/SEE region may adversely affect certain products and services offered by the Group and result in lower revenues than initially planned. In addition, general changes in government policy and regulatory systems in any such jurisdiction may result in an increase in the Group's operating expenses and capital requirements. Any future periods of economic slowdown or slow economic growth in any of the markets in which the Group operates could have an adverse effect on the Group's business, financial condition, cash flows, results of operations or prospects.</p> <p>Eurohold Bulgaria strives to monitor the likelihood of the manifestation of macroeconomic risk and develops group measures to mitigate as much as possible the impact of the effects that the presence of this risk may have. However, the Group cannot completely exclude and limit its impact on the business, financial position, profits and cash flows at the group level. There is also the possibility that the occurrence of this risk may exacerbate other risks or a combination of risks.</p>

Macroeconomic forecast

Euro area GDP continued to grow in the fourth quarter of 2025, according to the latest Eurostat estimates. Real GDP grew by 0.2% quarter-on-quarter, leading to an average annual growth rate of 1.5% in 2025 (workday adjusted). This improvement compared to 2024, together with the fact that GDP growth was positive in all quarters of last year, underlines the resilience of the euro area economy in the face of a number of global challenges related to geopolitics and trade. GDP growth in the fourth quarter of 2025 was driven by stronger domestic demand, with positive contributions from all its components, while net trade balance and changes in inventories made small negative contributions. The increase in output was mainly driven by the services sector, especially in the 'information production and dissemination' sector. Meanwhile, manufacturing remains weak, as it has been directly affected by headwinds stemming from higher tariffs and geopolitical uncertainty.

Experts project economic growth to average 0.9% in 2026, 1.3% in 2027, and 1.4% in 2028. This represents a downward revision, particularly for 2026, and reflects the global impact of the war on commodity markets, real incomes, and confidence. At the same time, low unemployment, strong private sector balance sheets, and government spending on defense and infrastructure should continue to support growth.

Source: www.ecb.europa.eu

Macroeconomic risks observed in 2025

Military operations in Ukraine and the Middle East

The military conflicts in Ukraine and the Middle East give rise to possible manifestations of risks at a global level related to a decrease in economic activity and financial markets, problems with the supply chain, the growth of prices and inflation, etc.

The effects and economic consequences of the military actions between Russia and Ukraine and those in the Middle East cannot be fully assessed at this stage of development, but indicate an extremely serious impact on the global economy. Weaker economic activity globally or a further slowdown in the pace of world trade could also suppress growth in the euro area.

The continued development of military actions leads to significant economic damage to all sectors of the economy, both in Bulgaria and the EU, including the sectors and regions in which the Eurohold group operates. The management of Eurohold is monitoring the development of the military conflict between Russia and Ukraine with concern, and is assessing its impact on the Group's business, in order to take measures, decisions and specific actions to mitigate the impacts on the group. Eurohold Bulgaria AD, through its subsidiary Euroins Insurance Group AD, holds investments in two insurance companies in Ukraine.

As a result of the actions taken to limit potential risks to the group, at the end of 2022, the management of Eurohold Bulgaria and the subsidiary Euroins Insurance Group decided to release the insurance group from its participation in the companies in Belarus (100%) and Russia (associated participation 48.61%).

Macroeconomic forecast

According to the latest ECB Economic Bulletin, Issue 2/2026, the sharp increase in global energy commodity prices caused by the war is the result of a sharp decline in maritime transport through the Strait of Hormuz. An analysis of oil and gas prices shows a significant increase in the context of the war in the Middle East. Oil prices have risen sharply by 84% since the beginning of the period under review (18 December 2025). Following the US and Israeli strikes on Iran and the subsequent Iranian retaliation, oil prices rose to around USD 104 per barrel. This surge reflects concerns that supplies through the Strait of Hormuz, which accounts for around 20% of global oil supplies and is already disrupted, could be further disrupted or that Iranian oil production and regional energy infrastructure could be affected. Geopolitical risks also significantly affected European gas prices, which rose by 98%, as approximately 20% of global LNG supplies, mainly from Qatar, also transit the Strait of Hormuz. Gas prices were particularly vulnerable due to historically low levels of inventories in Europe. Also, the adverse effects on the global economy following the war in the Middle East stem mainly from the sharp rise in energy prices. Together with tighter financial conditions and increased uncertainty, this has had a negative impact on the global economy, which had previously been supported by increasing investment in artificial intelligence (AI) and growth-friendly economic policies. Other geopolitical tensions, in particular Russia's unjustified war in Ukraine, remain a major source of uncertainty.

Source: www.ecb.europa.eu

Risk of force majeure events

description	action
<p>Force majeure circumstances are all natural disasters and other cataclysms such as sudden climate changes, floods, earthquakes, civil disobedience, clashes, strikes, terrorist acts and military actions and the like, which are of an unforeseen nature. They may also be mechanical failures of the material base due to human or systemic error. The occurrence of such events may disrupt the usual activities of the Company until the damage caused is repaired. They may also lead to an unpredictable change in investor attitude and interest in the market for the equity and debt securities issued by the Company.</p>	<p>Force majeure events may also occur, which could have a strong impact on the overall macroeconomic and international environment. An example of such a risk is the coronavirus (COVID-19) epidemic declared a "pandemic" by the World Health Organization in early 2020, as well as the military conflict between Russia and Ukraine.</p>

Political risk

description	action
<p>Political risk reflects the influence of political processes in the country on the economic and investment process and, in particular, on the return on investments. The degree of political risk is determined by the probability of changes in an unfavorable direction of the long-term economic policy pursued by the government, which may have a negative impact on investment decisions. Other factors related to this risk are possible legislative changes and changes in the tax system concerning the economic and investment climate in the country.</p> <p>The Republic of Bulgaria is a country with political and institutional stability, based on modern constitutional principles such as a multi-party parliamentary system, free elections, ethnic tolerance and a clearly expressed system of separation of powers.</p> <p>Among the political risks are the successful continuation of Bulgaria's integration into the European Union (EU).</p>	<p>After our country joined the EU in early 2007, economic reforms were imposed in the name of our country's integration into the European Union. In the future, economic growth will depend on the political will to continue economic reforms, with the aim of introducing the best market practices of the EU in economic, political, social, legal and financial terms.</p> <p>On January 1, 2026, Bulgaria officially became the 21st member state of the eurozone.</p> <p>The political situation in Bulgaria in recent years has not been stable. As early as April 2021, the country was faced with the inability to form a regular and stable government. Although a regular government was elected in January 2025, uncertainty continues to be assessed as a major negative factor affecting economic activity and the business environment in Bulgaria.</p> <p>At present, the country is again in a situation of new early parliamentary elections after the cabinet that was elected in January 2025 resigned. The election of a caretaker cabinet and prime minister is imminent. The expectations for holding new early parliamentary elections are at the end of March or at the beginning of April 2026.</p> <p>In the fall of 2026, regular presidential elections will also be held. The President of the Republic of Bulgaria, Rumen Radev, resigned as president in January 2026 in order to actively enter party politics and participate in the upcoming elections. Until the end of the term, which expires at the end of 2026, the head of state will be Iliana Yotova - the current vice president.</p> <p>There is no certainty that new factors will not appear in the country that will give rise to social and political tension, lead to a significant and abrupt change in political and economic conditions, which may have a significant adverse effect on the business of the Company and its group.</p> <p>A potential political instability in the country and in Europe may have a significant adverse effect on the Group's activities, operating results and financial condition. Companies part of the group operates in the regions affected by the military conflict and in this sense the Group is also vulnerable to foreign policy risks and their effects on the economy of the country, the regions affected by the conflict and Europe as a whole.</p> <p>Given the uncertainty of the outcome of the dynamic political and economic situation, users of this Report should consider the presence of political risk in accordance with their own understanding and expectations.</p>

Country credit risk

description	action
<p>Credit risk represents the probability of a country's international credit ratings deteriorating.</p> <p>The implementation of a consistent and long-term economic policy in Bulgaria would be a valid reason for the potential increase in the country's credit rating.</p> <p>Credit ratings serve as a basis for measuring and determining the credit risk of a country.</p>	<p>A possible increase in the country's credit rating would have a favorable impact on the Eurohold economic group, expressed in the Group's financing opportunities. In the event of a decrease in Bulgaria's credit rating, as a result of unstable governance of the country, there may be a negative impact on the Group and on the cost of financing.</p> <p>Low credit ratings of the country may lead to higher interest rates, more difficult financing conditions for economic entities, including Eurohold.</p> <p><i>Regarding the impact on credit ratings: see Note 2.35, 'Disclosure of macroeconomic, geopolitical, and environmental factors that may affect the Group', from the Consolidated Annual Financial Statements for 2025</i></p>

The latest credit ratings awarded to Bulgaria are as follows:

Date	Agency	Long-term Foreign/local currency	Short-term Foreign/local currency	Perspective
27.03.2026	Fitch Ratings	BBB+ / BBB+	F1 / F1	Stable

Source: www.minfin.bg

Inflation Risk

description	influence
<p>Inflation risk is associated with the likelihood that inflation will affect real investment returns. The main risks related to the inflation forecast relate to the dynamics of international prices and the rate of economic growth in Bulgaria. International prices of raw materials and food products may rise more significantly as a result of political crises such as are currently available or an increase in demand. The limited supply of some agricultural goods and especially cereals internationally in connection with adverse climatic phenomena or force majeure circumstances may additionally cause higher inflation in the country.</p>	<p>In general, inflation can affect the amount of the Company's expenses, since part of the company's liabilities are interest-bearing. Their service is linked to the current interest rates, which also reflect the inflation rates in the country. Therefore, maintaining low inflation levels in the country is considered a significant factor for the Company's activity and for its economic group.</p> <p>At the present moment and in general, the currency board mechanism provides guarantees that the inflation in the country will remain under control and will not have an adverse impact on the economy of the country, and in particular on the activities of the Company and its group, and from there on its possibility to service its debt positions.</p> <p>However, the current geopolitical situation in Europe makes the outlook for inflation in the Eurozone very uncertain and depends crucially on the development of the military conflict, the impact of current sanctions and possible further measures.</p> <p>Given this, users of this Report should carefully consider and account for both current levels of inflation risk and future opportunities for its manifestation.</p>

Inflation and consumer price index for February 2026 (according to NSI data)

Consumer Price Index (CPI)		
Monthly inflation	February 2026 / January 2026	+0.4%
Annual inflation	February 2026 / February 2025	+3.3%
Inflation from early 2025	February 2026 / December 2025	+1.0%
Average annual inflation	March 2025- February 2026 / March 2024 - February 2025	+4.5%

Harmonized Index of Consumer Prices (HICP)		
Monthly inflation	February 2026/ January 2026	+0.2%
Annual inflation	February 2026/ February 2025	+2.1%
Inflation from early 2025	February 2026/ December 2025	+0.8%
Average annual inflation	March 2025- February 2026/ March 2024- February 2025	+3.3%

Price index for the small basket (PISB)		
Monthly inflation	February 2026	+0.6%
Annual change in inflation	February 2026/ December 2025	+2.9%

Source: www.nsi.bg

Macroeconomic forecasts for the Eurozone

The ECB staff macroeconomic projections for the euro area of February 2026 (Economic Bulletin, Issue 2/2026) reflect that, under the baseline scenario, headline inflation will average 2.6% in 2026, 2.0% in 2027 and 2.1% in 2028. Compared with the Eurosystem staff macroeconomic projections for the euro area of December 2025, inflation has been revised upwards, especially for 2026. The reason is that energy prices will be higher due to the war in the Middle East. In terms of inflation (excluding energy and food), experts forecast 2.3% in 2026, 2.2% in 2027 and 2.1% in 2028, respectively. This also exceeds the trajectory of the December 2025 forecasts, mainly due to the fact that higher energy prices will be reflected in this indicator.

Source: www.ecb.europa.eu

Currency risk

description	influence
<p>This risk is related to the possibility of depreciation of the local currency. For Bulgaria specifically, this is a risk of premature rejection of the conditions of the Currency Board at a fixed exchange rate of the national currency. On July 10, 2020, the European Central Bank announced that Bulgaria was officially accepted into the ERM II currency mechanism. The central exchange rate of the Bulgarian lev is fixed at 1 euro = 1.95583 leva. It was assumed that Bulgaria joins the currency mechanism with its existing currency board regime, as a unilateral commitment and without additional requirements to the ECB. The agreement on the participation of the Bulgarian lev in Currency Mechanism II (CM II) is accompanied by a firm commitment of the Bulgarian authorities to conduct prudent economic policies with the aim of preserving economic and financial stability and achieving a high degree of sustainable economic convergence.</p> <p>Any significant depreciation of the BGN may have a significant adverse effect on business entities in the country, including the Company. Risk also exists when the income and expenses of a business entity are formed in different currencies. The exposure of economic entities operating on the territory of Bulgaria to the US dollar, which is the main currency of a significant part of the world markets for raw materials and products, is particularly pronounced.</p>	<p>The Company's activity does not imply exposure to a significant currency risk, because almost all its operations and transactions are denominated in Bulgarian leva and euro, and the latter has a fixed exchange rate against the leva.</p> <p>Significant changes in the various exchange rates of subsidiaries outside Bulgaria, namely in North Macedonia, Ukraine, Georgia and Romania, respectively - Macedonian denar (MKD), Ukrainian hryvnia (UAH), Georgian lari (GEL) and Romanian leu (RON), whose exchange rate is determined almost freely in the local currency market would have a corresponding reflection in Eurohold's group results. The consolidated revenues of "Eurohold Bulgaria" AD will be exposed to currency risk depending on the movement of these currencies against the euro.</p> <p><i>Regarding foreign exchange risk analysis: see Note 2.32.1, 'Foreign Exchange Risk', from the Consolidated Annual Financial Statements for 2025.</i></p>

Interest rate risk

description	influence
<p>Interest rate risk is related to the possibility of changing the prevailing interest rates in the country. Its influence is expressed by the possibility that the net income of the companies will decrease as a result of an increase in the interest rates at which the Issuer finances its activity. This risk can be managed through the balanced use of different sources of financial resources.</p>	<p>The increase in interest rates, other things being equal, would affect the cost of the financial resource used by the Company in implementing various business projects. Also, it can affect the size of the company's expenses, since not a small part of the company's liabilities is interest-bearing and their servicing is related to current interest rates.</p> <p><i>Regarding interest rate risk analysis: see Note 2.32.2, 'Interest Rate Risk', from the Consolidated Annual Financial Statements for 2025.</i></p>

Macroeconomic forecasts for the Eurozone

The war in the Middle East has had a strong impact on global financial markets. Overall, financial conditions have tightened since the last meeting of the Governing Council on monetary policy on 5 February 2026. Stock markets declined and market interest rates in the euro area, especially short-term interest rates, rose significantly. In January 2026, bank lending rates to businesses and the cost of issuing market debt remained at 3.6%, while the average interest rate on new mortgages increased slightly to 3.4%. Bank lending to businesses grew at a slower annual rate of 2.8% in January, compared with 3.0% in December 2025. However, this was offset by increased corporate bond issuance, with the annual growth rate accelerating to 4.0%, compared with 3.5% in December. Mortgage lending increased by 3.0%, unchanged from December.

Source: www.ecb.europa.eu

Risk of high unemployment rates

description	influence
The risk associated with unemployment is characterized by a drop in the demand for labor force, influenced by the real aggregate demand in the economy, as a result of which the real purchasing activity of a part of the economic entities decreases.	High levels of unemployment can seriously threaten economic growth in the country, which, in turn, can lead to a contraction of consumption and a decrease in the revenues realized by economic entities in the country, including the revenues realized by the companies in the Eurohold group.

Data on unemployment in Bulgaria in 2025 (according to the latest data of NSI)

	Amendment 2025/ 2024	total	men	women
Unemployment rate in 2025	-0.7%	3.5%	3.7%	3.3%
Unemployed persons		106.9 thousand	59.3 thousand.	47.6 thousand.
The long-term unemployment rate		1.5%	1.6%	1.5%

Source: www.nsi.bg

The macroeconomic forecast of the BNB

Labor market conditions remain broadly stable despite continued weakness in labor demand. Employment and total hours worked increased by 0.2% and 0.6%, respectively, in the fourth quarter of 2025. The labor force expanded further in the fourth quarter of 2025, while January data showed a stabilization compared to the previous month. Meanwhile, the unemployment rate in January was 6.1%, down from 6.2% in December and remaining at historically low levels.

Source: www.bnb.bg

Macroeconomic Forecast for the Eurozone

The ECB staff macroeconomic projections for the euro area for February 2026 (Economic Bulletin, Issue 2/2026) indicate that additional fiscal support, the effects of the Next Generation EU programme, a resilient labour market and investments in digitalisation, as well as the impact of previous interest rate cuts, will help to sustain investment momentum in the coming quarters. Labour market conditions remain robust, despite the ongoing slowdown in labour demand. Unemployment fell to 6.1% in January from 6.2% in December, remaining at historically low levels.

Source: www.ecb.europa.eu

Regulatory risk

description	influence
<p>Regulatory risk is related to the impact of the existing regulatory framework or its change on the Company's activities. This regulatory framework includes the legislation in Bulgaria, the EU and the countries where the Eurohold group companies operate.</p> <p>The regulatory risk will be affected by the changes in the regulations regulating the activities of public companies in Bulgaria and the EU, which will impose additional requirements and restrictions on public companies. It may also concern sectoral legislation relating to subsidiaries.</p>	<p>The Eurohold Group operates in a highly regulated environment in various European countries. The possibility of more radical changes in the regulatory framework, in the interpretation or practice of applying the legislation, as well as in divergence in the legislation and regulations in Bulgaria and in the countries in which the Group operates, may have an adverse effect on the activity as a whole, the operational results, and her financial status.</p> <p>Regulatory risk may be related to potential fines and penalties resulting from violations of the regulatory framework, as well as impact on the Company's reputation, which may impact the share price.</p>

3 / Risk management and minimization mechanisms

The elements outlining the framework for managing individual risks are directly related to specific procedures for timely prevention and resolution of potential difficulties in the activities of Eurohold Bulgaria AD and its subsidiaries. They include ongoing analysis in the following areas:

- » market share, pricing policy, conducting marketing research and studies of market development and market share;
- » active management of investments in various sectors and industries;
- » comprehensive policy for managing the assets and liabilities of the company and the group in order to optimize the structure, quality and return on assets;
- » optimizing the structure of borrowed funds in order to ensure liquidity and reduce financial costs throughout the group;
- » effective management of cash flows at the group level;
- » optimization of costs for administration, management and external services;
- » human resources management.

The overall risk management is focused on minimizing potential adverse effects that could impact the Group's financial results. Financial risks are currently identified, measured, and monitored using various control mechanisms to determine appropriate pricing for the services and products offered by the companies within the Eurohold Group and for the borrowed capital they have attracted. Adequate assessment is carried out of market conditions, the investments made within the group, and the methods of maintaining available liquid assets, without allowing unjustified concentration of any particular risk.

The occurrence of unforeseen events, incorrect assessment of current trends, as well as numerous other micro- and macroeconomic factors, may affect the judgment of the company's management team.

The management of the following risks – 'Price Risk', 'Credit Risk', 'Liquidity Risk', 'Operational Risk', 'Insurance Risk', 'Reinsurance Risk', and 'Capital Risk Management' – can be found in the 'Appendices to the Consolidated Financial Statements for 2025', Note 2.32 'Risks Related to Financial Instruments'.

Information on the management of macroeconomic risks is available in Note 2.35 'Disclosure of Macroeconomic, Geopolitical, and Environmental Factors That May Affect the Group

1.10. Information on Ordinance № 2 of FSC

Information under Annex No. 2 of Regulation 2

- 1 / Information given in value and quantitative terms regarding the main categories of goods, products and/or services provided, indicating their share in the Company's sales revenue, as a whole, and the changes that occurred during the reporting financial year.

The consolidated revenues of Eurohold Bulgaria AD for 2025 are generated from the activities of the subsidiaries in the Eurohold group in the fields of energy, insurance and financial and investment activities.

Consolidated results	change	2025	2024
	%	thousand BGN	thousand BGN
Revenue			
Revenue from energy activities	+12.4%	2 571 393	2 287 499
Revenue from insurance activities, including:	+6.6%	677 443	635 798
- <i>insurance revenues</i>	+15.1%	605 865	526 592
- <i>commissions received under passive reinsurance</i>	-71.1%	6 676	23 096
- <i>incurred losses and change in the liability for claims made, reimbursed by reinsurers</i>	-34.5%	39 371	60 139
- <i>financial and investment income from insurance</i>	-1.7%	25 531	25 971
Income from financial and investment activities	-5.7%	2 168	2 299
Total operating income	+11.1%	3 251 004	2 925 596

Detailed information, given in value and quantitative terms, regarding the main categories of products and services by segment is shown in this report in section 1.5. "Review of the group results", as well as in section 1.6. "Presentation and business development of the subsidiaries".

- 2 / Information on revenues distributed by separate categories of activities, internal and external markets, as well as information on the sources of supply of materials necessary for the production of goods or the provision of services, reflecting the degree of dependence in relation to each separate seller or buyer/user, and in the event that the relative share of any of them exceeds 10 percent of the expenses or revenue from sales, information is provided about each person separately, about his share in sales or purchases and his connections with the Company.

Detailed information on consolidated revenues, allocated by individual categories of activities of the Eurohold Bulgaria AD group and distribution on domestic and foreign markets, is shown in this report in section 1.5. "Review of group results", as well as in section 1.6. "Presentation and business development of subsidiaries".

- » The energy business generates revenue only in the Bulgarian market.
- » The insurance business generates revenue in the following markets:
 - > Bulgaria; North Macedonia; Ukraine; Georgia; Romania – direct operations of subsidiaries
 - > Italy, Greece (branch), Spain, Poland, Germany – in these markets, Euroins Insurance AD operates under the line of "Insurance services distributed under the right of freedom of establishment and freedom to provide services".
- » Financial and investment activities - Bulgaria, Germany (as a member of the Frankfurt Stock Exchange - Deutsche Börse Xetra).

3 / Information on concluded material transactions

All significant transactions concluded in 2025 by the Eurohold Group are described as follows:

- > In the consolidated annual report of Eurohold Bulgaria AD in section 1.2 Significant events.
- > In the individual annual report of Eurohold Bulgaria AD in item 3 of section A-9 Annex No. 2 of Regulation 2.

4 / Information regarding the transactions concluded between the Company and related parties during the reporting period, proposals for concluding such transactions, as well as transactions that are outside of its usual activity or significantly deviate from the market conditions under which the issuer or its subsidiary is a party indicating the value of the transactions, the nature of the relationship and any information necessary to assess the impact on the Company's financial position.

As of the date of preparation of the Activity Report, there are no transactions or proposals for transactions with related parties that are essential for Eurohold or its subsidiary and are unusual in terms of type and conditions.

Within the Holding, transactions between the Parent Company and the subsidiaries, resulting from the nature of their main activity, are constantly carried out.

All transactions are concluded on the principle of fair value. The transactions between the holding company and the subsidiaries are typical, where the liquidity of the separate companies is managed through intra-group loans and an investment policy is carried out. The company lends to its subsidiaries for the purpose of working capital.

- » In connection with these transactions at a separate basis, as of 31.12.2025 and as of the comparable period 31.12.2024, the Company incurred income and expenses from and to related parties, as follows:

- > Related Party transactions

Regarding the Company's transactions with related parties - see: *Notes 3, 4, 5, 6, 7, 9 and 10* of the Annual Separate Financial Statement for 2025.

- > Balances with related parties

Regarding part transactions with subsidiaries and other related parties under common control for 2025 and the previous year 2024 are presented in Note 22 to the annual separate financial statements for 2025.

- > Non-cash transactions concluded by Eurohold Bulgaria AD with related parties

In 2025, the Company did not carry out investment and financial transactions that did not involve cash or cash equivalents and that are not reflected in the cash flow statement.

» For information on related party transactions at a consolidated level, see: *Note 41 to the Consolidated Annual Financial Statements for 2025*.

5 / Information on events and indicators of an unusual nature for the Company, having a significant impact on its activities, and the revenues and expenses incurred by it; assessment of their impact on the results in the current year.

During the reporting period, including the previous period, no events of an unusual nature for the Company outside its usual activities.

6 / Information on off-balance sheet transactions - nature and business purpose, indication of the financial impact of the transactions on the activity, if the risk and benefits of these transactions are significant for the Company and if the disclosure of this information is essential for assessing the financial condition of the Company.

Eurohold Bulgaria AD has not entered into off-balance sheet transactions.

As of 31.12.2025, there are lawsuits filed against companies in the group, which are not considered material to the financial position of the Group – see item 20 below.

The Company has provided Guarantees to related parties. The Company also received guarantees by related parties for its liabilities, as follows:

⇒ **Guarantees and warranties provided by the Group:**

- > Guarantees provided by EUROHOLD Bulgaria AD (parent company):

Business direction	Amount in	Amount in	EXPOSURE MATURITY (EUR'000)				after 2029
	BGN'000 as of 31.12.2025	BGN'000 as of 31.12.2024	2026	2027	2028	2029	
Ultimate parent company							
Bank loans for investment purposes	-	6 112	-	-	-	-	-
Group of leasing companies							
For financing of leasing activities - related persons until 30.06.2022	30 777	29 292	7 120	4 271	2 070	1 162	354
Group of automobile companies							
Loans for working capital - related persons until 30.06.2022	12 799	7 467	1 950	557	467	375	469
TOTAL:	43 576	42 871	9 070	4 828	2 537	1 537	823

- > As of 31.12.2025, the Group (in particular Eurohold Bulgaria AD) is a guarantor of bank guarantees with a total amount of BGN 3 879 thousand, issued in favor of third parties (related parties until 30.06.2022) with maturities until 2026.
- > In connection with the participation of IC Euroins AD through its branch in the Republic of Greece in the so-called friendly settlement agreement between the insurers offering mandatory "Third Party Liability" insurance on the territory of the Republic of Greece, a bank guarantee has been established in favor of the Association of Greek Insurers. As of 31 December 2025, the bank guarantee amounts to EUR 509 thousand (31 December 2024: EUR 540 thousand), with the funds blocked in a deposit account of the branch.
- > Insurers offering compulsory civil liability insurance shall submit a bank guarantee in accordance with the Statute of the National Bureau of Bulgarian Motor Insurers (NBBAZ). As of December 31, 2025 and December 31, 2024, IC Euroins AD, a subsidiary, shall provide a bank guarantee in the amount of EUR 600 thousand in favor of NBBAZ, with the funds securing the bank guarantee being blocked in the company's current account.
- > The subsidiary ERM West EAD has established a bank guarantee as of December 31, 2025 in favor of the Sofia Municipality in the amount of BGN 124 thousand for the restoration of sidewalks during investment activities (December 31, 2024 BGN 121 thousand).
- > (6) As of 31.12.2025, on the order of Electrohold Bulgaria EOOD, two bank guarantees were issued with a total amount of BGN 91 thousand (31.12.2024 – BGN 92 thousand) in favor of third legal entities.
- > Electrohold Trade EAD concluded a conditional bank loan on 09.09.2024 with an amount of BGN 44 495 thousand or its equivalent in euros, calculated at the applicable exchange rate of the Bulgarian National Bank. The commission for issuing bank guarantees is 0.25% per quarter or part thereof, charged on the amount of the guarantee. The amount drawn as of 31.12.2025 under the Conditional Bank Loan is BGN 36 628 thousand or its equivalent in euros, calculated at the applicable exchange rate of the Bulgarian National Bank (31.12.2024 - BGN 29 807 thousand).
- > Electrohold Sales EAD provides to the Bulgarian Independent Energy Exchange EAD (IBEX) a guarantee in the amount of BGN 8 000 thousand under a contract for participation in the organized electricity market, which covers obligations for payment of principal, penalties, interest, fees, fines and other amounts due under the relevant contractual relationship. Four bank guarantees under balancing contracts have been provided to ESO EAD in the total amount of BGN 4 082 thousand.
- > The total amount of the guarantees issued under Contract No. 00052/730/29.07.2024, concluded between Electrohold Sales EAD and UniCredit Bulbank AD, amounts to BGN 12 032 thousand, with guarantees in the amount of BGN 50 thousand being secured by the company's own funds.

⇒ **Guarantees and warranties received for the Group**

- > Established guarantee in favor of the Group (in particular Eurohold Bulgaria AD) by Milena Milchova Guencheva, procurator of Eurohold Bulgaria AD – BGN 3 300, maturity date 03/2026. Automatic renewal until the procurator is released from liability.

- > According to the Rules on the terms and conditions for providing access to the electricity transmission and distribution networks, which state that guaranteed collateral is required from customers eligible for transactions at freely negotiated prices, bank guarantees in the amount of BGN 3 129 thousand have been provided in favor of the Group (in particular ERM West EAD) as of 31.12.2025 (2024: BGN 3 165 thousand);
- > According to the amendments to the Renewable Energy Act in 2023, renewable energy producers are obliged to provide a guarantee during the connection procedure. The amount of valid guarantees as of 31.12.2025 is BGN 5 660 thousand in favor of the Group, in particular ERM West EAD. (2024: BGN 2 867 thousand);
- > Suppliers of ERM West EAD are issuers of bank guarantees in its favor for the performance of contracts concluded with them for the supply of materials and services. The amount of valid guarantees issued as of 31.12.2025 is BGN 16 373 thousand (as of 31.12.2024: BGN 3 879 thousand).
- > Clients of the Group (in particular Electrohold Trade EAD) have provided bank guarantees in favor of the Group for BGN 1 816 thousand (2024: BGN 1 304 thousand). The issued bank guarantees secure payments under contracts for the sale of electricity and balancing.
- > As of 31.12.2025, guarantees for the implementation of concluded contracts in the amount of BGN 1 189 thousand (2024: BGN 1 952 thousand) have been established in favor of the Group (in particular Electrohold IPS EOOD).

⇒ Stock Betting

- > In connection with a loan to a company from the Automotive Sub-Holding, which as of 31.12.2025 is not a related party, Eurohold Bulgaria AD has established a pledge of shares in a subsidiary.
- > In connection with financing under a package deal, a pledge of shares in a subsidiary has been established.
- > In connection with refinancing of loans in connection with a business combination, a pledge of shares in subsidiaries from the energy segment has been established.

7 / Information on the Company's shareholdings, its main investments in the country and abroad (in securities, financial instruments, intangible assets and real estate), as well as investments in equity securities outside its group of enterprises within the meaning of the Accounting and Sources Act / ways of financing.

Regarding information on the Company's shareholdings and its main investments in the country and abroad – see: *A.5 Business operations, item "Economic group"*.

Regarding information on the Company's equity interests: see: *Note 13. "Financial assets at fair value through profit or loss" of the Annual Separate Financial Statements for 2025*.

8 / Information on the loan agreements concluded by the Company, its subsidiary or the parent company, in their capacity as borrowers, indicating the terms of them, including the deadlines for repayment, as well as information on guarantees provided and commitments.

8.1 Loans concluded by Eurohold Bulgaria AD

⇒ Funds raised from financial and non-financial institutions:

Credit recipient	Bank Creditor	Parameters under loan contracts					obligation as of 31.12.2025. (BGN '000)		Maturity principal (BGN '000)		
		Amount in original currency	Unused limit as of 31.12.2025	Loan currency	Date: of Contract and Annexes	Maturity date	Interest rate	by interest	by principal	2026	after 2026
Eurohold Bulgaria AD	International Investment Bank	10 000 000	-	EUR	05/2018; 03/2022	03/2026	6.0% + 3m Euribor	1 903	7 530	*	*
Eurohold Bulgaria AD	International Investment Bank	7 000 000	-	EUR	01/2022	01/2029	5.0% + 3m Euribo	2 866	12 111	*	*
Total amount owed on bank loans:								4 769	19 641	-	24 410*

* At this stage, the repayment period of the loans cannot be predicted.

After the start of military operations against Ukraine and the subsequent imposition of international sanctions against Russia, no changes have been made to the terms of the loan agreements concluded by Eurohold. In view of the restrictions imposed by the EU against Russia, the Company does not service the loans, due to the bank being included in the list of entities controlled by Russia.

For more information – see: Note 18. Loans from financial and non-financial institutions from the Annual Separate Financial Statement for 2025.

⇒ Obligations under issued bond loans:

Bond loan parameters								obligation as of 31.12.2025. (BGN '000)		Maturity principal (BGN '000)	
Issuer	Type of bond	ISIN	Amount issued in original currency	Loan currency	Date of issue	Maturity date	Interest rate	at interest	by principal	2026	after 2026
Eurohold Bulgaria AD	EMTN Programme	XS1731768302	70 000 000	EUR	12/2017; 12/2022 extended	06/2026	6.5%	583	136 908	136 908*	-
Eurohold Bulgaria AD	EMTN Programme	XS1542984288	10 000 000	EUR	12/2016; 12/2021 restructured and extended	12/2026	8.00%	9	19 558	19 558*	-
Eurohold Bulgaria AD	Bond	BG2100013205	30 000 000	EUR	11/2020	11/2027	3.25%	182	58 675	-	58 675
Eurohold Bulgaria AD	Bond	BG2100002224	40 000 000	EUR	3/2022	03/2029	3.25%	794	78 205	-	78 205
Total amount of obligation under bond loans:								1 568	293 346	156 466	136 880

* The company's management has launched a process to refinance the bonds issued under the EMTN Programme maturing in 2026, working together with leading global investment banks to secure financing to repay the maturing obligations.

For more information on the issued bonds, including the collateral on them and the transactions with bonds - see: Note 17. Bond loans from the Annual Separate Financial Statements for 2025.

↳ Obligations for loans and assignments with related parties

Parameters under loan agreements with related parties								Amount of the obligation as of 31.12.2025. (BGN '000)		Maturity principal (BGN '000)	
Liable person	Creditor	Amount in original currency	Undrawn limit to 31.12.2025	Loan currency	Date: of Contract and Annexes	Maturity date	Interest rate	at interest	by principal	2026	after 2026
Liability under a loan agreement with related parties:											
Eurohold Bulgaria AD	Starcom Holding AD	40 000 000	-	BGN	12/2018 12/2024	12/2025	3.50%	112	13 345	13 457	-
Eurohold Bulgaria AD	Eastern European Electric Company II B.V.	38 172 656	-	EUR	06/2024 12/2024	12/2024	11.20%	8 966	74 659	-	74 659
Obligation under a Subordinated Debt Agreement with related parties:											
Eurohold Bulgaria AD	Starcom Holding AD	50 000 000	49 549 965	BGN	08/2021	08/2026	5.00%	98	433	-	433
Total amount of loan liability with related parties:								9 176	88 437	13 457	75 092

 Obligations for loans and assignments with unrelated parties

Parameters under loan agreements and assignments with unrelated parties								obligation as of 31.12.2025 (BGN '000)		Maturity principal (BGN '000)	
Liable person	Creditor	Amount in original currency	Undrawn limit to 31.12.2025	Loan currency	Date: of Contract and Annexes	Maturity date	Interest rate	at interest	by principle	2025	after 2025
Liability under assignment agreement with unrelated parties											
Eurohold Bulgaria AD	unrelated third party	2 126 000	-	EUR	03/2023 6/2025	05/2025	7%	751	4 158	4 158	-
Eurohold Bulgaria AD	unrelated third party	30 000 000	-	EUR	cession 11/2023	12/2027	-	-	62 036	-	62 036
Total amount of loan liability with unrelated parties:								751	66 194	4 158	62 036

8.2 Loans concluded by subsidiaries of Eurohold Bulgaria AD

⇒ Energy group

Parameters under bank loan contracts								obligation as of 31.12.2025. (BGN '000)		Maturity principal (BGN '000)	
Liable person	Creditor	Amount in original currency	Undrawn limit to 31.12.2025	Loan currency	Date: of Contract and Annexes	Maturity date	Interest rate	at interest	by principal	2026	after 2026
Liability under a bank loan agreement:											
EGW EAD	European Bank for Reconstruction and Development	98 000 000	-	EUR	11/2016 07/2021	04/2027	1.8% + 6M Euribor	154	23 150	4 961	18 189
EGW EAD	United Bulgarian Bank	39 116 000	-	BGN	03/2025	03/2028	Short- term interest rate of UBB + 2n30%	-	3 588	3 588	-
Eastern European Electric Company B.V.	Club loan	9 119 200	-	EUR	05.2025	05/2028	2.4% + 6M Euribor/ min. 2.4%	63	14 862	5 946	8 916
Eastern European Electric Company II B.V.	Holdco facility Agreement	83 000 000	-	EUR	06/2024 12/2024	9/2029	11%	948	147 665	-	147 665
Total bank loan liability:								1 165	189 265	14 495	174 770
Liability under a related party loan agreement:											
EGW EAD	Eastern European Electric Company B.V.	30 670 000	-	EUR	12/2018 12/2021	10/2027	3.5% + 6m Euribor	572	59 985	-	59 985
EGW EAD	Eastern European Electric Company B.V.	16 072 728	-	EUR	07/2021 07/2024	06/2029	3.20% + 6M Euribor	35	10 219	1 076	9 144
EGW EAD	Eastern European Electric Company B.V.	15 000 000	-	EUR	06/2024	06/2029	3.29% + 6M Euribor	93	27 871	2 934	24 937
Electrohold Bulgaria EOOD	Electrohold Trade EAD	40 000 000	-	BGN	02/2022 01/2024	01/2026	4.30%	1 267	40 000	40 000	-
Electrohold Bulgaria EOOD	EGW EAD	15 000 000	4 100 000	BGN	08/2023 11/2023	08/2028	4.80%	529	10 900	2 400	8 500

Electrohold IPS EOOD	Electrohold Bulgaria EOOD	15 000 000	4 100 000	BGN	08/2023 11/2023	08/2028	5.00%	551	10 900	2 400	8 500
Total loan liability to related parties:								3 047	159 875	48 809	111 066
Bond issue liability:											
European Electric Company B.V.	Rule 144 - XS3073621552; Reg S - XS3073101712	500 000 000	-	EUR	05/2025	05/2030	6.5%	40 228	977 915	-	977 915
Total amount of bond liability:								40 228	977 915	40 228	977 915

⇒ Insurance Group

Loan contract parameters								Obligation as of 31.12.2025 ('000 BGN)		Maturity principal ('000 BGN)	
Credit recipient	Bank Creditor	Amount in original currency	Undrawn limit to 31.12.2025	Loan currency	Contract and Annexes	Maturity date	Interest rate	at interest	by principal	2026	after 2026
Liability under a repo agreement to unrelated parties:											
Euroins Insurance Group AD	Starcom Holding AD	27 000 000	-	BGN	01/2025	Subordinated debt with indefinite maturity	5.00%	1 219	27 000	-	27 000
IC Euroins AD	Starcom Finance AD	25 000 000	-	BGN	06/2022; 12/2024	06/2032	6.00%	1 625	25 000	-	25 000
IC Euroins Georgia AD	Euroins Insurance Group AD	1 000 000	-	EUR	11/2024	Subordinated debt with indefinite maturity	7.0%	45	1 000	-	1 000
Total amount of loan liability to related parties:								2 889	53 000	-	53 000
Liabilities under loan agreements to unrelated parties:											
Euroins Insurance Group AD	Third party unrelated	30 000 000	-	BGN	01/2025	Subordinated debt with indefinite maturity	5.00%	1 355	30 000	-	30 000
Total amount of loan liability to unrelated parties:								1 355	30 000	-	30 000

- 9 / Information regarding the loan agreements concluded by the Company, by its subsidiary or parent company, in their capacity as lenders, including the provision of guarantees of any kind, including to related parties, with an indication of the specific conditions under them, including of payment deadlines and the purpose for which they were allocated.

9.1 Receivables of Eurohold Bulgaria AD under loan agreements where it is the lender

Parameters under loan agreements with related parties								obligation as of 31.12.2024. (BGN '000)		Maturity principal (BGN '000)	
Liabe person	Creditor	Amount in original currency	Undrawn limit to 31.12.2025	Loan currency	Date: of Contract and Annexes	Maturity date	Interest rate	at interest	by principal	2026	after 2026
Receivables under a loan agreement from related parties											
Eurohold Bulgaria AD	Starcom Holding AD	17 350 000	-	EUR	12/2024	09/2029	11.67%	4 246	33 934	-	33 934
Eurohold Bulgaria AD	Solars Energy AD	68 000 000	-	BGN	01/2025	01/2030	5.50%	2 576	67 728	-	67 728
Total amount of loan receivable from related parties:								6 822	101 662	-	101 662

9.2 Loan receivables provided by subsidiaries of Eurohold Bulgaria AD under loan agreements

⇒ Energy group

Parameters under loan agreements with related parties								Receivable as of 31.12.2025 (BGN '000)		Maturity principal (BGN '000)	
Creditor	Obliged party	Amount in original currency	Undrawn limit to 31.12.2025	Loan curren- cy	Date: of Contract and Annexes	Maturity date	Interest rate	at interest	by principal	2026	after 2026
Borrowing under a loan agreement from related parties:											
Eastern European Electric Company B.V.	ERM West EAD	30 670 000		EUR	12/2018; 12/2021	10/2027	3.5% + 6m Euribor	572	59 985	-	59 985
Eastern European Electric Company B.V.	ERM West EAD	16 072 728		EUR	07/2021 07/2024	06/2029	3.20% + 6m Euribor	35	10 219	1 076	9 144
Eastern European Electric Company B.V.	ERM West EAD	15 000 000		EUR	06/2024	06/2029	3.29% + 6M Euribor	93	27 871	2 934	24 937
Eastern European Electric Company B.V.	Eurohold Bulgaria AD	38 172 656		EUR	06/2024 06/2025	09/2029	11.20%	6 829	74 659	-	74 659
Electrohold Trade EAD	Electrohold Bulgaria EOOD	40 000 000		BGN	02/2022 01/2024	01/2025	4.53%	1 267	40 000	40 000	-
ERM West EAD	Electrohold Bulgaria EOOD	15 000 000	4 100 000	BGN	08/2023 11/2023	08/2028	4.80%	529	10 900	2 400	8 500
Electrohold Bulgaria EOOD	Electrohold IPS EOOD	15 000 000	4 100 000	BGN	08/2023 11/2023	08/2028	5.00%	551	10 900	2 400	8 500
Total receivables from related parties:								9 876	234 534	48 809	185 725
Borrowing under a loan agreement from unrelated parties:											
Electrohold Trade EAD	Third party unrelated	15 000 000	-	BGN	11/2023 10/2025	04/2026	4.25%	379	15 000	15 000	-
Electrohold Trade EAD	Third party unrelated	7 000 000	-	BGN	12/2023; 05/2025	05/2026	4.25%	217	3 500	3 500	-
Electrohold Trade EAD	Third party unrelated	12 500 000		BGN	12/2024 09/2025	03/2026	5.0%	159	2 500	2 500	-
Electrohold Trade EAD	Third party unrelated	9 779 150		BGN	01/2025 11/2025	05/2026	5.0%	478	9 779	9 779	-
Electrohold Trade EAD	Third party unrelated	5 000 000		BGN	06/2025 12/2025	06/2026	5.0%	148	5 000	5 000	-
Electrohold Trade EAD	Third party unrelated	5 600 000		BGN	07/2025	01/2026	5.0%	143	5 600	5 000	-
Electrohold Trade EAD	Third party unrelated	2 000 000		BGN	04/2025 07/2025	01/2026	4.25%	58	2 000	2 000	-
Electrohold Trade EAD	Third party unrelated	7 000 000	-	BGN	04/2025	04/2026	4.25%	177	7 000	7 000	-
Electrohold Trade EAD	Third party unrelated	5 000 000	-	BGN	10/2025 11/2025	05/2025	5.0%	44	5 000	5 000	-
Electrohold Bulgaria EOOD	Third party unrelated	5 000 000	-	EUR	03/2022 12/2024	06/2025	6.00%	595	9 779	9 779	-

Electrohold Bulgaria EOOD	Third party unrelated	6 000 000	-	BGN	01/2023 04/2024	04/2026	7.00%	250	6 000	6 000	-
Electrohold Bulgaria EOOD	Third party unrelated	4 889 575	-	BGN	10/2024 11/2024	05/2025	5.25%	254	4 890	4 800	-
Electrohold Bulgaria EOOD	Third party unrelated	1 000 000	700 000	BGN	08/2025	08/2026	5.0%	6	300	300	
Electrohold Sales EAD	Third party unrelated	4 000 000	-	BGN	01/2024 10/2024	04/2026	4.25%	245	4 000	4 000	-
Electrohold Sales EAD	Third party unrelated	6 300 000	-	BGN	03/2024	03/2026	5.25%	597	6 300	6 300	-
Electrohold Sales EAD	Third party unrelated	12 000 000	-	BGN	09/2024 10.2024	04.2026	5.25%	329	9 000	9 000	-
Electrohold Sales EAD	Third party unrelated	9 779 150	-	BGN	01/2025 11/2025	05/2026	5.00%	470	9 779	9779	
Electrohold Sales EAD	Third party unrelated	15 000 000	-	BGN	01/2024 11/2025	05/2026	5.00%	313	5 900	5900	
Electrohold Sales EAD	Third party unrelated	7 400 000	-	BGN	05/2024 11/2025	05/2026	5.00%	223	7 400	7 400	
Electrohold Sales EAD	Third party unrelated	4 000 000	-	BGN	06/2025 12/2025	06/2026	5.00%	113	4 000	4 000	
Electrohold Sales EAD	Third party unrelated	5 000 000	-	BGN	06/2025 12/2025	06/2026	5.00%	133	5 000	5 000	
Electrohold Sales EAD	Third party unrelated	2 000 000	-	BGN	07/2025 08/2025	02/2026	5.00%	47	2 000	2 000	
Electrohold Sales EAD	Third party unrelated	7 000 000	-	BGN	05/2025	05/2026	4.25%	193	7 000	7 000	
ERM West EAD	Third party unrelated	10 300 000	-	BGN	05/2024 12/2025	06/026	5.50%	615	7 300	7 300	-
ERM West EAD	Third party unrelated	11 000 000	-	BGN	06/2024 10/2025	04/2026	5.50%	733	11 000	11 000	-
ERM West EAD	Third party unrelated	4 000 000	-	BGN	06/2025 12/2025	06/2026	5.00%	113	4 000	4 000	
ERM West EAD	Third party unrelated	5 000 000	-	BGN	06/2025 12/2025	06/2026	5.00%	133	5 000	5 000	
ERM West EAD	Third party unrelated	6 000 000	-	BGN	05/2025 05/2025	05/2026	4.25%	154	6 000	6 000	-
Total receivables from unrelated parties:								7 319	170 027	170 027	-
Total amount of borrowings:								17 195	404 561	218 836	185 725

⇒ Insurance Group

Parameters under loan agreements with related parties								Receivable as of 31.12.2025 (BGN '000)	Maturity principal (BGN '000)		
Creditor	Obliged party	Amount in original currency	Undrawn limit to 31.12.2025	Loan currency	Date: of Contract and Annexes	Maturity date	Interest rate	at interest	by principal	2026	after 2026
Receivables under a repo agreement from related parties:											
Euroins Insurance Group AD	IC Euroins Georgia AD	1 000 000	-	EUR	11/2024	Subordinated debt with indefinite maturity	7.00%	45	1 000	-	1 000
Euroins Insurance Group AD	Starcom Holding AD	800 000	-	EUR	12/2025	06/2026	6.00%	3	800	800	-
Total amount of loan receivable from related parties:								48	1 800	800	1 000

⇒ Euro-Finance AD

Parameters under loan agreements with related parties								Receivable as of 31.12.2024 (BGN '000)		Maturity principal (BGN '000)	
Credit recipient	Bank Creditor	Amount in original currency	Undrawn limit to 31.12.2025	Loan currenc y	Date: of Contract and Annexes	Maturity date	Interest rate	at interest	by principal	2026	after 2026
Collection under contract for repo transactions from related parties:											
Euro-Finance AD	Starcom Holding AD	328 003	-	BGN	10/2024	04/2025	6.50%	5	328	328	-
Euro-Finance AD	Starcom Holding AD	460 003	-	BGN	4.12.2024	4.6.2025	6,50%	4	460	460	-
Euro-Finance AD	Starcom Holding AD	2 087 150	-	BGN	4.12.2024	4.6.2025	6,50%	10	2 087	2 087	-
Total receivables from repo transactions with related parties:								19	2 875	2 875	-
Receipt under a repo contract from unrelated parties											
Euro-Finance AD	An unrelated third party	550 080	-	BGN	7.2025	01/2026	6.50%	15	550	550	-
Euro-Finance AD	An unrelated third party	89 175	-	BGN	12/2025	06.2026	6.50%	1	89	89	-
Euro-Finance AD	An unrelated third party	852 621	-	BGN	12.2025	06/2026	6.50%	4	853	853	-
Euro-Finance AD	An unrelated third party	1 834 568	-	BGN	12/2025	05/2026	6.50%	4	1 835	1 835	-
Total receivables from repo transactions with unrelated parties:								24	3 327	3 327	-
Total amount of receivables under repo transactions:								43	6 202	6 202	-

10 / Information on the use of funds from a new issue of securities during the reporting period.

During the reporting period, the group issued bonds at the energy group level:

On May 15, 2025, Eastern European Electric Company B.V. (EEEC), a subsidiary of Eurohold Bulgaria AD and owner of the Electrohold Group, announced the successful completion of its first issue of guaranteed covered bonds worth EUR 500 million.

The bonds are five-year, maturing on May 15, 2030, secured, issued in Reg S/144A format and with an annual interest coupon of 6.5%.

The bonds are listed on the Luxembourg Stock Exchange, Euro MTF market segment, under ISIN XS3073101712 for Regulation S (outside the US) and under ISIN XS3073621552 for Rule 144A (US).

In the course of the financial transaction, EEEEC also received a debut credit rating from leading global rating agencies – Ba2 (stable outlook) from Moody's and BB (stable outlook) from Fitch.

EEEC's bonds were acquired by over 60 investors from 17 countries. The proceeds from the bond issue were used to repay in full an existing syndicated loan and related expenses, for general corporate purposes, as well as to make a dividend payment in connection with a partial early repayment of a loan of Eastern European Electric Company II B.V.

The successful implementation of this transaction is a reflection of the company's strategic vision and ambitions to expand its presence in the international debt capital markets.

11 / Analysis of the ratio between the achieved financial results, reflected in the financial report for the financial year, and previously published forecasts for these results.

There are no published and presented public forecasts for the consolidated profits of Eurohold Bulgaria AD.

12 / Analysis and evaluation of the policy on the management of financial resources, indicating the possibilities for servicing the obligations, possible threats and measures that the issuer has taken or is about to take in order to eliminate them.

The main activity of Eurohold Bulgaria AD, as a holding company, is to effectively manage the monetary resources accumulated in the entire structure and, accordingly, to distribute them depending on the needs of the separate subsidiaries. The Company's policy in this area is to provide financing only in the area of "parent subsidiaries" and

not "subsidiary - subsidiary". The management of the free financial resources of the subsidiaries is carried out in accordance with the regulatory requirements and in order to achieve a good return with reasonable risk-taking.

The investment program of Eurohold Bulgaria AD in 2025 has been implemented through own and borrowed funds.

In 2026, the two issued bonds from the EMTN Programme mature, respectively:

- June – EUR 70 000 000
- December – EUR 10 000 000

The management envisages liquidity management measures, including the rescheduling of liabilities, opportunities for refinancing through alternative financial institutions if necessary and the provision of additional financial resources. The management, together with leading global investment banks, has launched processes to secure financing in 2026 in order to repay the maturing liabilities. Other options have also been considered, including an increase in the share capital based on the unexercised warrants.

13 / Assessment of the possibilities for realization of the investment intentions with indication of the amount of the available funds and reflection of the possible changes in the structure of financing of this activity.

Regarding information regarding the planned business policy, including upcoming transactions of material importance for the company's activities – see: 1.7. "Strategy and future development".

14 / Information on changes during the reporting period in the basic principles of management of the Company and its group of enterprises within the meaning of the Accounting Act.

During the reporting period, there was no change in the basic management principles of the Company and the companies of its economic group.

15 / Information on the main characteristics of the internal control system and risk management system applied by Eurohold in the process of preparing the financial statements.

Eurohold Bulgaria AD and the companies of the economic group have a well-established and functioning system for risk management and internal control, which guarantees the effective functioning of the systems for accounting and financial reporting and for disclosure of information. The internal control system is established and operated in order to identify the risks associated with the activities of the Group and support their effective management.

The main features of the internal control system are the following:

⇒ **Control environment:**

- built on the basis of integrity and ethical behavior;
- availability of experienced management with direct participation in the business processes of the Company and critical review of the activity;
- the organizational structure is consistent with the nature of the business and ensures the division of responsibilities;
- the levels of competence are tailored to the specific positions;
- hierarchy and clear rules, rights, obligations and levels of reporting;
- the policy of delegation of powers and responsibilities;
- human resources policies and practices are addressed to the recruitment of competent and reliable staff.
- **Risk management** - a process for identifying, assessing and controlling potential events or situations that may adversely affect the achievement of the Company's objectives through direct participation of management in the activity;
- **Control activities** - control activities aimed at minimizing the risk and increasing the probability that the goals and objectives of the Group will be achieved. Such are the procedures for:
 - approval and permission in decision making (authorization);
 - preliminary control for legality, carried out by the executive director immediately before signing the decision taken;
 - complete, accurate, accurate and timely accounting of all operations (information processing);
 - operational control and review of the results of the work, carried out daily by the executive director in the assignment and implementation of the work;
 - division of responsibilities

- **Information and communication** - availability of effective and reliable information and communication systems, ensuring the collection and dissemination of complete, reliable and reliable information, horizontal and vertical communication from and to all levels, as well as a timely reporting system.
- **Monitoring** - there is a system for current monitoring and evaluation of controls, and in case of deviations, corrective and corrective measures are taken.

16 / Information on changes in the Management and Supervisory Boards during the reporting financial year.

In 2025, there were no changes in the Company's councils, as well as in the persons appointed under the power of attorney contract.

17 / Information on the amount of remuneration, rewards and / or benefits of each of the members of the management and supervisory bodies for the reporting financial year and its subsidiaries, regardless of whether they were included in the Company's expenses or result from the distribution of profits, including:

- 1) amounts received and non-monetary remuneration;
- 2) contingent or deferred remuneration incurred during the year, even if the remuneration is due at a later date;
- 3) amount due from the Company or its subsidiaries for the payment of pensions, retirement benefits or other similar benefits.

In 2025, the members of the Management and Supervisory Boards received the following remuneration from Eurohold Bulgaria AD and its subsidiaries, as follows:

Rewards received by the members of the Supervisory and Management Boards and the Procurator for 2025	Eurohold Bulgaria AD	from subsidiaries	TOTAL
Supervisory Board	139 121	1 536 868	1 675 989
Assen Christov	14 640	1 040 849	1 055 489
Dimitar Dimitrov	7 200	425 741	432 941
Radi Georgiev	<i>no remuneration agreed and paid for 2025</i>	70 278	70 278
Kustaa Äimä	<i>no remuneration agreed and paid for 2025</i>	<i>no remuneration agreed and paid for 2025</i>	<i>no remuneration agreed and paid for 2025</i>
Louise Gabrielle Roman	69 281	<i>no remuneration agreed and paid for 2025</i>	69 281
Ivaylo Angarski	48 000	<i>no remuneration agreed and paid for 2025</i>	48 000
Management Board	196 320	1 502 616	1 698 936
Kiril Boshov	24 000	714 699	738 699
Assen Minchev	172 320	300 000	472 320
Velislav Christov	<i>no remuneration agreed and paid for 2025</i>	487 917	487 917
Razvan Lefter	<i>no remuneration agreed and paid for 2025</i>	<i>no remuneration agreed and paid for 2025</i>	<i>no remuneration agreed and paid for 2025</i>
Procurator	13 320	160 249	173 569
Milena Guentcheva	13 320	160 249	173 569

Kustaa Lauri Äimä, Velislav Christov and Razvan Lefter do not have an agreement with Eurohold for the payment of a monthly remuneration for their work as Members of the Supervisory Board and the Management Board, therefore such was not voted at the General Meeting of Shareholders and was not paid during the historical periods under review in any form.

The members of the Management Board and the Supervisory Board were not paid remuneration and/or benefits in kind during the specified period.

Eurohold Bulgaria, as well as its subsidiaries, do not set aside amounts for the payment of pensions, retirement compensation or other similar benefits to the members of the Management Board and the Supervisory Board, as well as to the Procurators of the company.

The members of the Management Board and the Supervisory Board receive their remuneration based on concluded management contracts and control contracts with the Company. The current contracts of the members of the

Management Board and the Supervisory Board with "Eurohold Bulgaria" AD are valid until the termination of the performance of the respective position.

"Eurohold Bulgaria" AD has adopted a policy for the remuneration of the members of the Supervisory and Management Boards. This policy regulates the basic rules for determining the remuneration of the persons who hold positions as members of the supervisory and management board of the public company on the occasion of the performance of their powers in the exercise of managerial and supervisory functions in the company. The remuneration policy was developed based on the requirements of the Law on the Public Offering of Securities and Ordinance № 48 of the Financial Supervision Commission of March 20, 2013 (amended and supplemented, SG № 61 of 10.07.2020) for the remuneration requirements with a view to creating a transparent and fair internal organizational framework for the formation of the remunerations of the members of the supervisory board and the management board of "Eurohold Bulgaria" JSC. As of the date of preparation of the Activity Report in the company, the function of the Remuneration Committee is performed by the Supervisory Board.

The prepared Remuneration Report for 2025 with detailed information on compliance with the Remuneration Policy and information on the amount of remuneration received by each of the members of the management and supervisory bodies for the reporting financial year, paid by Eurohold Bulgaria and its subsidiaries, is available on the website of Eurohold Bulgaria AD www.eurohold.bg, section Investor Information.

- 18 /** For public companies - information on shares of the Company held by the members of the management and control bodies, procurators and senior management, including shares held by each of them separately and as a percentage of shares of each class, as well as provided to them by The Company's options on its securities - type and amount of securities on which the options are based, price of exercising the options, purchase price, if any, and term of the options.

Information on this point is provided in this report in item 1.8 "Corporate Governance" - Information under Art. 247 of the Commercial Act.

The members of the Management and Supervisory Boards do not hold options on the issued securities of the Company.

- 19 /** Information on the arrangements known to the company (including after the end of the financial year), as a result of which in the future there may be changes in the relative share of shares or bonds held by current shareholders or bondholders.

As of the reporting period and after the end of the financial year of the Company, no agreements are known from which changes in the relative share of shares and bonds held by the current shareholders or bondholders may occur.

- 20 /** Information on pending court, administrative or arbitration proceedings concerning liabilities or receivables of the Company in the amount of at least 10 percent of its equity; if the total value of the liabilities or receivables of the Company in all initiated proceedings exceeds 10 percent of its equity, information is provided for each proceeding separately.

> Parent company

As of 31.12.2025, there are no significant lawsuits filed against the Parent Company Eurohold Bulgaria AD.

> Financial and investment activities

As of December 31, 2025, there are no significant lawsuits filed against the investment intermediary "Euro-Finance" AD.

> Insurance business

On October 1, 2025, Euroins Insurance Group AD received an order from the European Court of Human Rights to register, respectively initiate, a case on the complaint filed by Euroins Romania and Euroins Insurance Group AD regarding the deprivation of Euroins Romania of the right of access to court following the actions of the Romanian courts in the bankruptcy proceedings.

By a decision dated September 30, 2025, published on October 24, 2025, the International Center for Settlement of Investment Disputes in Washington (ICSID) rejected the Romanian government's request to terminate the arbitration case filed by Eurohold Bulgaria AD (Eurohold) and Euroins Insurance Group AD (EIG) due to the withdrawal of the license by the Romanian authorities and the resulting bankruptcy proceedings against Euroins Romania. The claim has a legal basis - non-compliance with the bilateral Agreement for the Mutual Promotion and Mutual Protection of Investments between Bulgaria and Romania, signed back in 1994 and is worth over 500 million euros. On November 7, 2025, Eurohold Bulgaria AD (Eurohold), Euroins Insurance Group AD (EIG) and

Starcom Holding AD, together with their direct shareholders, filed a second claim with ICSID in the case with Euroins Romania due to the Romanian state's failure to comply with its obligations under the Romanian Investment Promotion Act (GEO No. 92/1997; Law No. 241/1998). On November 24, 2025, ICSID filed a second case with a claim value of over 575 million euros. With the two claims in Washington, the total amount of the claim against the Romanian state now amounts to over 1 billion euros.

> **Energy business**

The energy business companies are parties to a number of lawsuits, but they are not material to the Group as a whole. The more significant ones as of 31.12.2025 are:

Electricity Distribution Networks West EAD

Provisions for legal claims and proceedings by RES for access to the electricity distribution network
 In 2012, numerous legal proceedings were initiated on complaints by producers of electricity from renewable energy sources, who asked the court to annul Decision No. Ts-33/14.09.2012 and those for whom, although they appealed the decision, it did not enter into force for them.

Other provisions for legal claims

The remaining amount of the recognized provisions for legal claims and proceedings includes various cases in which the Company participates as a plaintiff or defendant, totaling BGN 5 118 thousand (2024: BGN 4 540 thousand), each of which is of insignificant individual amount.

Electrohold Sales EAD

As of 31.12.2025, Electrohold Sales EAD has a provision for legal claims in the amount of BGN 732 thousand (31.12.2024: BGN 675 thousand) based on the probable outcome of several legal disputes that are at different stages, but are currently unresolved.

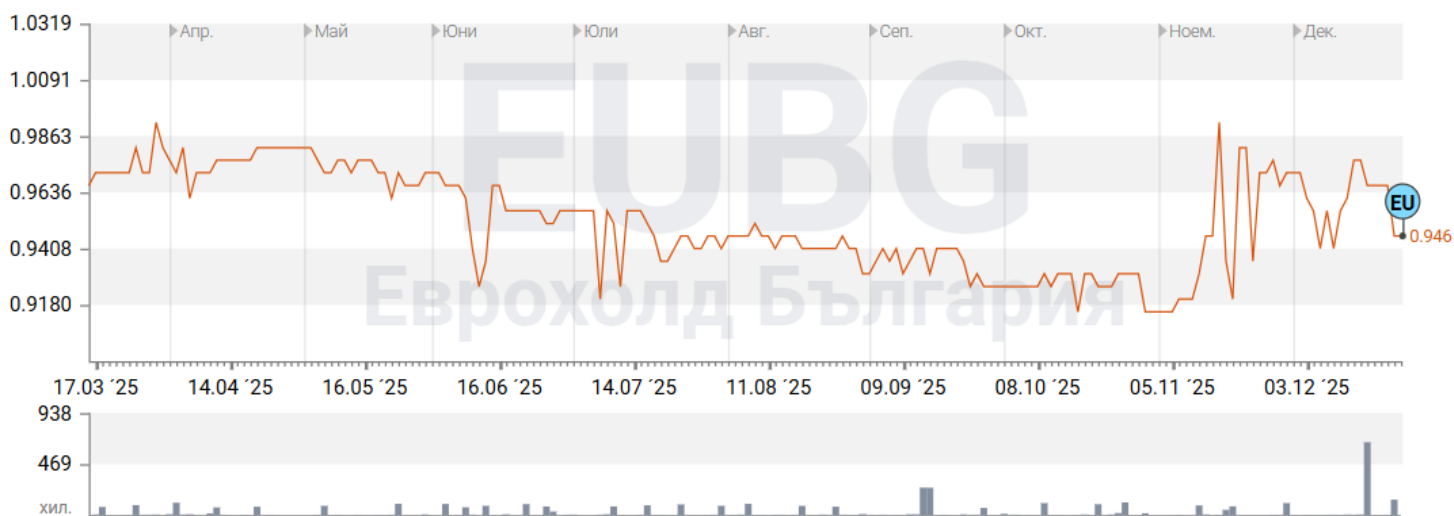
Electrohold Bulgaria EOOD

As of 31.12.2025, Electrohold Bulgaria EOOD is a defendant in seven lawsuits with a total amount of claims of BGN 306 thousand. According to the assessment of the procedural representatives, the claims are unfounded and unlawful and are expected to be dismissed in full. The Company does not expect any cash outflows in connection with the outcome of the cases.

21 / Changes in the share price of Eurohold Bulgaria AD

⇒ **Trading on the Bulgarian Stock Exchange**

All shares of Eurohold Bulgaria AD are registered for trading on the Main Market on Bulgarian Stock Exchange (BSE-SOFIA), Standard Segment, with stock exchange code - **EUBG**.



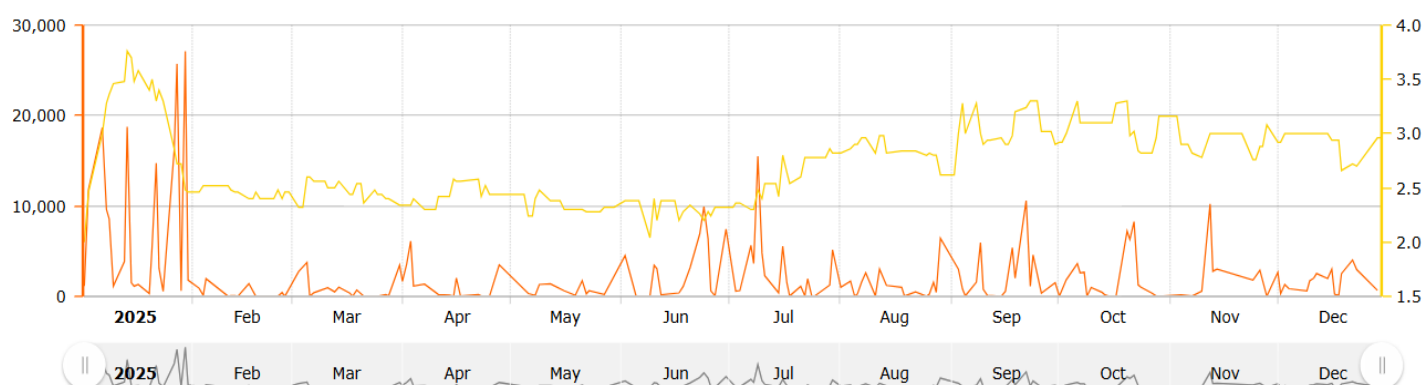
The graph shows the price movement of Eurohold Bulgaria AD shares on the Bulgarian Stock Exchange for the period 01.01.2025 - 31.12.2025 (respectively the first and last stock exchange quotation for the reporting year 2025).

- Starting price: BGN 1.8899 (01.01.2025)
- Last price: BGN 1.8500 (31.12.2025)
- Maximum price: BGN 1.9400 (14.11.2025)
- Minimum price: BGN 1.7900 (05.11.2025)
- Percentage change: -2.1111%
- Value change: BGN -0.0399

Trading on the Warsaw Stock Exchange

All shares of Eurohold Bulgaria AD are registered for trading on the Warsaw Stock Exchange (GPW), Main Stock Market, with stock code – **EHG**.

EUROHOLD (BG1100114062) ▼



The graph shows the price movement of Eurohold Bulgaria AD shares on the Warsaw Stock Exchange for the period 01.01.2025 – 31.12.2025.

- Opening price: PLN 2.46 (03.01.2024)
- Last price: PLN 2.96 (29.12.2024)
- Maximum price: PLN 3.76 (14.01.2024)
- Minimum price: PLN 2.04 (09.06.2024)
- Percentage change: +20.3252%
- Value change: +0.50 PLN

22 / Sustainability report, under Art. 41 of the Accountancy Act (AA), for financial statements on an individual basis.

Eurohold Bulgaria AD is not obliged to prepare a Sustainability Report under Art. 41 of the Law on a stand-alone basis.

As of January 1, 2024, Eurohold Bulgaria AD, as a parent company of a large group, falls within the scope of Directive (EU) 2022/2464 of 14.12.2022 Corporate Sustainability Reporting Directive (CSRD) with regard to sustainability reporting on a consolidated basis.

In November 2025, the European Parliament adopted a proposal in principle to amend Directive (EU) 2022/2464 (“CSRD”) in connection with the “Omnibus I” package on simplified sustainability reporting. As a result, the current European Sustainability Reporting Standards (ESRS) will be simplified and the disclosure requirements will be

reduced - through less qualitative and quantitative data. The aim of this facilitation is to reduce the administrative burden for companies. The simplified ESRS have not yet been adopted by the European Commission.

The legislation of Directive (EU) 2022/2464 was implemented in the provisions of the Accounting Act in 2024 and requires Eurohold Bulgaria AD to include sustainability-related information in the consolidated activity report and consolidated group sustainability report.

The application of the requirements for preparing a sustainability report has been postponed by an amendment to the Accounting Act, published in the State Gazette No. 115 of 30 December 2025. The deadlines have been postponed by another year, with the first year for submitting sustainability reports being in 2027 for the financial year 2026.

2

Consolidated corporate governance statement

CONSOLIDATED CORPORATE GOVERNANCE STATEMENT OF

EUROHOLD GROUP FOR 2025

(According to the provisions of Art. 100n, para. 8 of the Public Offering of Securities Act)

I. Information regarding compliance, as appropriate, by Eurohold Bulgaria AD with the Corporate Governance Code approved by the Commission or another corporate governance code (Art. 100n, para. 8, item 1, letters a/, b/ and c/ of the POSA)

Eurohold Group, through its parent company Eurohold Bulgaria AD, complies as appropriate with the National Corporate Governance Code (NCGC), adopted by the National Commission on Corporate Governance (last amended in July 2024) and approved as a corporate governance code under Article 100n, paragraph 8, item 1 in connection with paragraph 7, item 1 of the Public Offering of Securities Act (POSA) by the Financial Supervision Commission dated in November 2025, and carries out its activities in full accordance with the principles and provisions of the Code.

Eurohold Bulgaria AD adheres to the recommendations set out in the National Corporate Governance Code, guided by best practices in the field of corporate governance.

Eurohold Bulgaria AD does not implement any significant additional practices beyond those stipulated in the National Corporate Governance Code.

II. Explanation by Eurohold Bulgaria AD which parts of the Corporate Governance Code under item 1, letter "a" or letter "b" it does not comply with and what are the grounds for this, respectively when the issuer has decided not to refer to any of the rules of the Corporate Governance Code - grounds for this (Art. 100n, para. 8, item 2 of the POSA)

Corporate guidelines

In 2025, the activities of the Management Board and the Supervisory Board of the parent company Eurohold Bulgaria AD were carried out in full compliance with the National Corporate Governance Code. The corporate governance considers that there are no parts of the National Corporate Governance Code that the company does not comply with.

The Code is applied based on the "comply or explain" principle. This means that the company complies with the Code, and in cases of deviation, the management must explain the reasons for this. (NCGC, Preamble).

The Group's corporate governance respects the rights of shareholders and ensures equal treatment of all shareholders, including minority and foreign shareholders. The management is committed to protecting their rights and facilitating their exercise within the limits permitted by applicable legislation and in accordance with the company's constitutional documents. The management ensures timely information to all shareholders regarding their rights. Each member of the Supervisory and Management Boards, in carrying out their duties and in accordance with the company's goals and strategies, as well as in the interest of the shareholders, is guided by the principles of transparency, independence, and accountability. The rights of stakeholders are recognized, and timely and accurate disclosure of information is ensured on all matters related to the company, its operational results, investments in enterprises, financial position, and management.

Eurohold Bulgaria AD operates under a two-tier governance system. The governing bodies are the Management Board (MB) and the Supervisory Board (SB). The company's Articles of Association define the governance structure, composition, and functions of the members of the Supervisory and Management Boards.

Management Board

The Management Board of Eurohold Bulgaria AD consists of four individuals.

⇒ Functions and responsibilities

The functions and duties of the members of the Management Board of Eurohold Bulgaria AD, in the context of the National Corporate Governance Code, include:

- managing the company in accordance with the established vision, objectives, and strategies of the company, as well as the interests of the shareholders.
- monitoring the company's performance and initiating management changes if necessary.
- treating all shareholders equally, acting in their interest and with the diligence of a prudent businessman.
- conducting their duties guided by generally accepted principles of integrity, managerial, and professional competence. the management board has adopted and complies with an ethical code.
- striving to achieve sustainable development goals by developing and implementing the policy for stakeholder engagement approved by the supervisory board.
- ensuring and controlling the establishment and functioning of the risk management system, including internal control and internal audit, and timely informing the supervisory board appropriately about its actions.
- encouraging and ensuring that subsidiary companies apply the principles of sustainable development at the group level.
- establishing the company's financial and information system in accordance with the guidelines provided by the supervisory board and ensuring its reliable operation.
- coordinating its actions with the supervisory board regarding the company's business plan, material transactions, and all other operations and activities defined in the company's governing documents.
- informing and reporting on its activities to the supervisory board, providing the required information within the set deadlines and formats.

⇒ Structure and competence

The main powers and functions of the Management Board are regulated by the Company's Articles of Association and the adopted Rules of Procedure of the Management Board, which are in accordance with the National Corporate Governance Code. Members of the Management Board are elected for a term of 5 years and may be re-elected without limitation.

The structure and number of members of the Management Board of Eurohold Bulgaria AD ensure the effective operation of the company.

When proposing new members of the Management Board of Eurohold Bulgaria AD, the principles of matching the candidates' competence with the nature of the company's activities are observed.

The management delegation agreements concluded with the members of the Management Board of Eurohold Bulgaria AD specify their duties and tasks, the criteria for determining their remuneration, their loyalty obligations to the company, and the grounds for dismissal.

The competencies, rights, and obligations of the members of the Management Board of Eurohold Bulgaria AD comply with the requirements of the law, the company's constitutional documents, and the standards of good professional and managerial practice.

⇒ Remuneration

In accordance with legal requirements and good corporate governance practices, the amount and structure of the remuneration of the members of the Management Board of Eurohold Bulgaria AD take into account:

- a) The duties and contributions of each member of the Management Board of Eurohold Bulgaria AD to the company's activities and results'
- b) The ability to select and retain qualified and loyal executives;
- c) The necessity to align the interests of the members of the Management Board of Eurohold Bulgaria AD with the long-term interests of the company.

Additional incentives are specifically defined or definable and are linked to clear and concrete criteria and indicators regarding the company's results and/or achievement of goals previously set by the Supervisory Board of Eurohold Bulgaria AD, in accordance with the adopted Remuneration Policy.

Eurohold Bulgaria AD may provide additional incentives to the members of the Management Board in the form of shares, stock options, and other appropriate financial instruments.

The disclosure of information on the remuneration of the members of the Management Board of Eurohold Bulgaria AD complies with legal norms and the company's constitutional documents. Shareholders have easy access to the adopted corporate policy for determining the remuneration and bonuses of the members of the Management Board of Eurohold Bulgaria AD, as well as information about their annual remuneration and any additional incentives, if applicable.

⇒ Conflict of interest

The members of the Management Board of Eurohold Bulgaria AD avoid and do not allow any real or potential conflict of interest.

Procedures for avoiding and disclosing conflicts of interest are regulated in the company's constitutional documents.

Members of the Management Board of Eurohold Bulgaria AD promptly disclose conflicts of interest and ensure that shareholders have access to information regarding transactions between the company and members of the Management Board of Eurohold Bulgaria AD, as well as related parties, through submission of a declaration under Article 114b of the Public Offering of Securities Act (POSA).

The Management Board of Eurohold Bulgaria AD guarantees that all transactions with related parties are approved and conducted in a manner that ensures reliable management of conflicts of interest and protects the interests of the company and its shareholders.

Every conflict of interest is disclosed to the Supervisory Board of Eurohold Bulgaria AD. Members of the Management Board inform the Supervisory Board whether they have a direct, indirect, or third-party significant interest in any transactions or matters that have a direct impact on the company.

Supervisory board

The Supervisory Board of Eurohold Bulgaria AD consists of six individuals.

⇒ Functions and duties

The functions and tasks of the members of the Supervisory Board of Eurohold Bulgaria in the context of the National Corporate Governance Code are as follows:

- appoints, directs, and supervises the Management Board of Eurohold Bulgaria AD in accordance with the division of functions within the two-tier management structure.
- provides guidance to the Management Board on defining the company's vision, objectives, strategy, and the interests of shareholders and stakeholders, including in the context of sustainable development, and monitors their implementation to ensure alignment with the company's economic, social, and environmental priorities.

- guides the Management Board of Eurohold Bulgaria AD in establishing a risk management system, including internal control and internal audit, the financial-information system, and supervises their functioning.
- conducts an annual evaluation of the Management Board's activities and the performance of each member.
- treats all shareholders and stakeholders equally, acts loyally in their interest and with the diligence of a prudent manager.
- members of the Supervisory Board must have access to necessary information about the company's activities to fulfill their duties.
- controls compliance with laws and the rules set forth in the company's constitutional documents.
- carries out its activities with effective information exchange with the company's Management Board.

⇒ Appointment and dismissal of the members of the Management Board

The Supervisory Board of Eurohold Bulgaria AD appoints and dismisses the members of the Management Board of the company in accordance with legal requirements, the company's articles of association, the principles of continuity and sustainability of the work of the Management Board and the standards of good corporate governance practice.

The policy of the Supervisory Board of Eurohold Bulgaria AD regarding remuneration guarantees effective management of the company in the interest of the shareholders.

⇒ Structure and competence

The composition of the Supervisory Board of Eurohold Bulgaria AD guarantees the independence and impartiality of the decisions and actions of its members.

The number of members of the Supervisory Board, including the number of independent members and the distribution of tasks between them is regulated in the company's articles of association.

Independent members act in the best interest of Eurohold Bulgaria AD and the shareholders impartially and without bias. The number of consecutive mandates is limited.

The members of the Supervisory Board shall have appropriate knowledge and experience required by their position, with at least one of them having financial expertise. They shall also be informed about new trends in the field of corporate governance and sustainable development.

After the election of new members of the Supervisory Board of Eurohold Bulgaria AD, they are introduced to the main legal and financial issues related to the company's activities. The training of the members of the Supervisory Board of Eurohold Bulgaria AD is their ongoing commitment.

The members of the Supervisory Board of Eurohold Bulgaria AD must have the necessary time to perform their tasks and duties. The members of the Supervisory Board may hold management positions in other companies, and the number of companies in which members may participate should be determined in the company's articles of association.

The procedures for selecting new members of the Supervisory Board of Eurohold Bulgaria AD take into account the requirements for continuity and sustainability of the functioning of the Supervisory Board of the company.

⇒ Remuneration of the members of the Supervisory Board

The Supervisory Board, in its capacity as a remuneration committee, develops a clear and specific policy for the remuneration of the members of the Management Board and the Supervisory Board, which is approved by the General Meeting of Shareholders. The policy defines the principles for the formation of the amount and structure of remuneration and should comply with the regulatory requirements in terms of structure and content.

The General Meeting of Shareholders determines the remuneration of the members of the Supervisory Board.

The remuneration of the members of the Supervisory Board corresponds to their activities and duties and is not tied to the results of the company's activities.

The remuneration of the independent members is only basic without additional incentives and reflects their participation in meetings, as well as the performance of their tasks to supervise the actions of the executive management of Eurohold Bulgaria AD and to participate effectively in the work of the company.

The members of the Supervisory Board are not compensated for their activities with shares or options and other additional incentives.

The disclosure of information on the remuneration of the members of the Supervisory Board is in accordance with the legal norms and the company's articles of association. Shareholders have easy access to remuneration information.

Conflict of interest

The members of the Supervisory Board avoid and do not allow any real or potential conflict of interest.

The procedures for avoiding and disclosing conflicts of interest are regulated in the company's articles of association.

The members of the Supervisory Board shall immediately disclose conflicts of interest and provide shareholders with access to information on transactions between Eurohold Bulgaria AD and members of the Supervisory Board or persons related to it by submitting a declaration under Article 114b of the Public Offering of Securities Act.

The Supervisory Board of Eurohold Bulgaria AD ensures that all related party transactions are approved and implemented in a manner that ensures reliable management of conflicts of interest and protects the interests of the company and its shareholders.

Committees

The work of the Supervisory Board of Eurohold Bulgaria AD may be assisted by committees, as the Supervisory Board determines the need for their establishment.

The establishment of committees is based on a written structure, scope and tasks, mode of operation and reporting procedures.

In accordance with the requirements of the current legislation and based on the criteria defined by it, the Supervisory Board of Eurohold Bulgaria AD approves the proposal of the Management Board to the General Meeting of Shareholders of the company for the election of an Audit Committee in a composition that meets the legal requirements and the specific needs of Eurohold Bulgaria AD.

In 2009, the first Audit Committee of Eurohold Bulgaria AD was established, elected by the General Meeting of Shareholders of the company on 26.05.2009. The composition of the current Committee was elected at a meeting of the General Meeting held on 30.06.2017 with a five-year mandate. Its activities are in accordance with the Statute of the Audit Committee approved by the General Meeting. The Audit Committee reports annually to the General Meeting of Shareholders on the results of its activities.

Audit and internal control

The corporate management of Eurohold Bulgaria AD, based on a written recommendation from the audit committee, presents to the General Meeting its proposal for the selection of an auditor, guided by the established requirements for professionalism.

The corporate management of Eurohold Bulgaria AD, with the assistance of the audit committee, ensures compliance with applicable law regarding the independent financial audit.

A rotation principle is applied in the proposals and selection of an external auditor.

The Audit Committee provides oversight of internal audit activities and monitors the overall relationship with the external auditor, including approving non-audit services provided by the company's auditor, if any.

Eurohold Bulgaria AD has an established internal control system that identifies the risks associated with the company's activities and supports their effective management. The internal control system guarantees the effective functioning of the reporting and information disclosure systems.

Protection of shareholders' rights

The corporate management of Eurohold Bulgaria AD ensures equal treatment of all shareholders, including minority and foreign shareholders. It protects their rights, as well as facilitates their exercise within the limits permitted by the current legislation and in accordance with the provisions of the company's articles of association. The corporate management of Eurohold Bulgaria AD ensures that all shareholders are informed about their rights, financial results and corporate events, through the information disclosure system and the company's website.

General meeting of shareholders

In connection with the holding of a general meeting of bondholders, the corporate management:

- informs all shareholders about the rules under which general meetings of shareholders are convened and held, including voting procedures.
- provides sufficient and timely information regarding the date and place of the general meeting, as well as complete information regarding the issues that will be considered and decided at the meeting.
- maintains a database with contacts of its shareholders owning 5% or more of the company's capital.
- ensures the right of all shareholders to express their opinions and ask questions during a general meeting.
- enables shareholders with voting rights to exercise their right to vote at the General Meeting of Shareholders in person or through representatives. Eurohold Bulgaria AD receives and accepts as valid proxies electronically at the following e-mail address: investors@eurohold.bg , and the electronic messages must be signed with a universal electronic signature (UES) or a qualified electronic signature (QES) by the principal and must be accompanied by an electronic document (electronic image) of the power of attorney with a notarized signature, which must also be signed with a universal electronic signature (UES) or a qualified electronic signature (QES) by the principal.
- exercises effective control by creating the necessary organization for the voting of authorized persons in accordance with the instructions of the shareholders or in the manner permitted by law.
- guarantees the equal treatment of all shareholders and the right of each shareholder to express his or her opinion on the items on the agenda of the General Meeting, and for this purpose strictly follows the rules for organizing and conducting the meetings of the General Meeting.
- organizes the procedures and order for conducting the General Meeting of Shareholders in a manner that does not make voting unnecessarily difficult or expensive.
- takes actions to encourage the participation of shareholders in the general meeting, including, if necessary, providing the opportunity for remote attendance.
- makes every effort to ensure that all members of the management attend the meetings of the general meeting, except in cases of demonstrable excusable reasons.

⇒ Materials for the General Meeting of Shareholders

The texts in the written materials related to the agenda of the General Meeting are always specific and clear, without misleading the shareholders. All proposals regarding major corporate events are presented as separate items on the agenda of the General Meeting, including the proposal for profit distribution.

The Company maintains a special section on its website regarding shareholders' rights and their participation in the General Meeting of Shareholders.

The corporate management provides assistance to shareholders, who have the right under the current legislation to include additional issues and propose solutions on issues already included in the agenda of the General Meeting.

The corporate management guarantees the right of shareholders to be informed about the decisions made at the General Meeting of Shareholders by publishing full minutes of the meetings held.

The corporate management of Eurohold Bulgaria AD guarantees equal treatment of shareholders of the same class.

As of the date of preparation of this declaration, all shares of Eurohold Bulgaria AD are of one class – ordinary, registered, dematerialized, with voting rights. Each share gives the right to 1 vote at the General Meeting of Shareholders, the right to a dividend and the right to a liquidation share, commensurate with the nominal value of the share. The issuer's capital does not include securities that are not admitted to trading on a regulated market.

The corporate management of Eurohold Bulgaria AD ensures the provision of sufficient information to investors regarding the rights conferred by all shares of each class, in the event that the company issues share of another class, prior to their acquisition.

Within the limits permitted by the current legislation and in accordance with the provisions of the company's articles of association, the corporate management of Eurohold Bulgaria AD does not prevent shareholders, including institutional shareholders, from consulting with each other on issues relating to their fundamental shareholder rights, in a manner that does not allow for abuse.

The corporate management of Eurohold Bulgaria AD does not allow transactions with shareholders with controlling rights that violate the rights and/or legitimate interests of the other shareholders, including under the terms of self-dealing. In this type of transaction, an explicit decision of the Management Board is required, and interested parties are excluded from voting. In case of indications of exceeding the statutory thresholds under Art. 114, para. 1 of the Public Offering of Securities Act, the Management Board prepares a reasoned report and initiates the convening and holding of a General Meeting of Shareholders, at which the transactions will be put to a vote.

Disclosure of information

In the information disclosure process, corporate management:

- approves a policy for disclosing information in accordance with legal requirements and structural acts.
- in accordance with the approved information disclosure policy, creates and maintains a system for disclosing financial and non-financial information that guarantees equality of the recipients of the information (shareholders, stakeholders, investment community) and does not allow abuse of inside information.
- ensures that the information disclosure system provides complete, timely, accurate and understandable information that enables objective and informed decisions and assessments.
- promptly discloses the company's capital structure and agreements that lead to the exercise of control in accordance with established rules for disclosure of information.
- has approved and controls compliance with internal rules for preparing annual and interim reports and the procedure for disclosing information.

- has adopted internal rules that ensure the timely disclosure of any material periodic and incidental information regarding the company, its management, its operational activities, and its shareholder structure.
- Adopts rules that ensure annual disclosure of non-financial information on a consolidated basis in accordance with national legislation and applicable European law. The corporate management includes non-financial reporting in its annual reports by disclosing: how and to what extent the company's activities can be qualified as environmentally sustainable, including what proportion of its turnover is the result of products and services that are related to economic activities qualified as environmentally sustainable, while what proportion of its capital expenditure and operating expenditure is associated with assets and processes that are related to economic activities qualified as environmentally sustainable.
- As part of the information disclosure system, the management of Eurohold Bulgaria AD maintains a bilingual company website www.eurohold.bg – in Bulgarian and English, with approved content, scope and periodicity of the information disclosed through it. The content of the website fully covers the recommendations of the National Corporate Governance Code.
- Monitors the periodic disclosure of information regarding corporate governance in accordance with the "comply or explain" principle.
- ensures the disclosure of any material periodic and incidental information about the company through channels that provide equal and timely access to the relevant information by users. Eurohold Bulgaria AD uses a single point for electronic disclosure of information, thus the information reaches the public, the Financial Supervision Commission and the regulated securities market simultaneously and in an uncorrected form.

Stakeholders. Sustainable development

To achieve sustainable development and interaction with stakeholders, the corporate management of Eurohold Bulgaria AD:

- is committed to establishing specific actions and policies regarding the company's sustainable development, including the disclosure of information related to the climate and social aspects of their operations.
- ensures effective interaction with stakeholders, provides guidance, approves and controls the policy for engaging stakeholders. Stakeholders are groups of individuals on whom the company directly affects and who in turn can influence its activities, including suppliers, customers, employees, creditors, public pressure groups and others. The company identifies who the stakeholders are with regard to its activities based on their degree and spheres of influence, role and attitude to its sustainable development.
- In its policy towards stakeholders, it complies with legal requirements, guarantees respect for the rights of stakeholders established by law or by virtue of mutual agreements with the company. The management of Eurohold Bulgaria AD, adhering to good corporate governance practices, complies with stakeholders in accordance with the principles of transparency, accountability and business ethics and protection of human rights.
- The management of Eurohold Bulgaria AD guarantees sufficient information to all interested parties regarding their legally established rights.
- In accordance with the established policy towards stakeholders, it should prepare and approve rules for taking into account the interests of stakeholders, which ensure their involvement in resolving certain issues requiring their position, which rules ensure the balance between the development of the company and the economic, social and environmentally friendly development of the environment in which it operates.
- Maintains effective relations with stakeholders, and in accordance with legal norms and good international practice for disclosing information of a non-financial nature, the company informs about economic, social and environmental issues concerning stakeholders, including the fight against corruption, working with employees, suppliers and customers, the company's social responsibility, environmental protection and human rights violations.

- Guarantee the right to timely and regular access to relevant, sufficient and reliable information about the company when stakeholders participate in the corporate governance process.

III. Description of the main characteristics of the internal control and risk management systems of Eurohold Bulgaria AD in relation to the financial reporting process (Art. 100n, para. 8, item 3 of the POSA)

Eurohold Bulgaria AD has a developed and functioning risk management and internal control system, which guarantees the effective functioning of the accounting and financial reporting systems and for information disclosure. The internal control system is also developed and functions with a view to identifying the risks accompanying the Company's activities and supporting their effective management.

Internal control and risk management aim to provide a reasonable degree of assurance regarding the achievement of the holding's strategic objectives in terms of achieving efficiency and effectiveness of operations, reliability of financial statements, compliance with and implementation of existing legal and regulatory frameworks. Internal control and risk management is carried out by the management and supervisory bodies, as well as by the heads of the holding's structural divisions and the executive directors of the subsidiaries.

Eurohold Bulgaria AD has adopted and applies rules and procedures regulating the effective functioning of the accounting and financial reporting systems and disclosure of information by the company. The rules describe in detail the different types of information created and disclosed by the company, the processes of internal document flow, the different levels of access to the types of information of the responsible persons and the deadlines for processing and management of information flows.

The established risk management system ensures the effective implementation of internal control in the creation and management of all company documents, including financial statements and other regulated information that the Company is obliged to disclose in accordance with legal provisions.

One of the main objectives of the implemented internal control and risk management system is to assist management and other stakeholders in assessing the reliability of the company's financial statements.

The annual individual financial statements and the annual consolidated financial statements of Eurohold Bulgaria AD are subject to an independent financial audit, through which an objective external opinion is achieved on the manner in which they are prepared and presented. The Company prepares and maintains its accounting records in accordance with International Financial Reporting Standards adopted by the European Union (EU).

The risk management policy is implemented in an integrated manner and in accordance with all other policies and principles regulated in the internal acts of Eurohold Bulgaria AD.

A detailed description of the risks inherent in the activities of Eurohold Bulgaria AD is contained in the annual activity report for 2025.

IV. Information under Article 10, paragraph 1, letters "c", "d", "f", "h" and "i" of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids (Article 100n, paragraph 8, item 4 of the Public Offering of Securities Act)

The members of the Supervisory Board and the Management Board of Eurohold Bulgaria AD provide information under Article 10, paragraph 1, letters "c", "d", "f", "h" and "i" of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids:

Par. 1, point "c"	Significant direct or indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC.	Eurohold Bulgaria AD holds significant direct or indirect shareholdings, which are described in detail in the "Business Operations" section of the Company's Activity Report for 2025.
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Par.1, b. "d"	Holders of all securities with special rights of control and a description of those rights	There are no shares that give special control rights.
Par. 1, point "e"	Any restrictions on voting rights, such as restrictions on voting rights of holders of a certain percentage or number of votes, deadlines for exercising voting rights or systems whereby, through cooperation with the company, the financial rights attached to the securities are separated from the ownership of the securities;	There are no restrictions on the voting rights of holders of a certain percentage or number of votes, deadlines for exercising voting rights or systems whereby, through cooperation with the company, the financial rights attached to the securities are separated from the ownership of the securities.
Par. 1, b. "h"	The rules governing the appointment or replacement of board members and amendments to the articles of association	The rules governing the appointment or replacement of members of the Management Board and the Supervisory Board and the introduction of amendments to the Articles of Association are set out in the organizational acts of Eurohold Bulgaria AD, the adopted regulations for the work of the two bodies.
Par. 1, point "i"	The powers of the board members, and in particular the right to issue or buy back shares;	The powers of the members of the Management Board and the Supervisory Board are regulated in the Articles of Association of Eurohold Bulgaria AD and the adopted regulations for the work of the two bodies.

V. Composition and functioning of the administrative, management and supervisory bodies and their committees (Art. 100n, para. 8, item 5 of the POSA)

Eurohold Bulgaria AD has a two-tier management system. The Supervisory Board and the Management Board act jointly for the benefit of the shareholders and take into account the stakeholders.

As of 31 December 2025, the Company is represented and managed by Kiril Ivanov Boshov and Assen Minchev Minchev, Executive Members of the Management Board, and Milena Gencheva - Procurator, jointly by the two executive directors or by one executive director and a procurator.

Management Board

The Management Board of Eurohold Bulgaria AD consists of four individuals, namely:

- Kiril Ivanov Boshov – Chairman, Executive Member;
- Assen Minchev Minchev – Executive Member;
- Velislav Milkov Christov – Member;
- Razvan Stefan Lefter – Member.

Supervisory board

The Supervisory Board of Eurohold Bulgaria AD consists of six individuals, namely:

- Assen Milkov Christov – Chairman;
- Dimitar Stoyanov Dimitrov – Deputy Chairman;
- Louis Gabriel Roman - Member
- Radi Georgiev Georgiev – Member;
- Ivaylo Angarski – Independent member;
- Kustaa Lauri Ayma – Independent Member.

The Management Board and the Supervisory Board of Eurohold Bulgaria AD have adopted and implemented regulations for the work of the two bodies, which determine their powers and manner of work in order to ensure their effective activity within the framework of the two-tier management system of the company, in accordance with the internal organizational acts, the requirements of the law and the protection of the interests of the shareholders.

Committees

Audit Committee

In 2009, the first Audit Committee of Eurohold Bulgaria AD was established, elected by the General Meeting of Shareholders of the company on 26.05.2009. The composition of the current Committee was elected at a meeting of the General Meeting held on 30.06.2017 with a five-year mandate. Its activities are in accordance with the Statute of the Audit Committee approved by the General Meeting. The Audit Committee reports annually to the General Meeting of Shareholders on the results of its activities.

The Audit Committee consists of three individuals, namely:

- Ivan Georgiev Mankov – Chairman;
- Dimitar Stoyanov Dimitrov – Member;
- Rositsa Mihaylova Pencheva – Member.

Remuneration Committee

The function of the Remuneration Committee is performed by the Supervisory Board of the company, in accordance with the resolution adopted on 30.09.2020 by the General Meeting of Shareholders of Eurohold Bulgaria AD. new Remuneration Policy. The Supervisory Board reports to the General Meeting of Shareholders for the exercise of its functions as a Remuneration Committee.

VI. Description of the diversity policy applied to the administrative, management and supervisory bodies of the issuer in relation to aspects such as age, gender or education and professional experience, the objectives of this diversity policy, the manner of its application and the results during the reporting period; where such a policy is not applied, the declaration contains an explanation of the reasons for this (Art. 100n, para. 8, item 6 of the POSA)

Diversity policy

Eurohold Bulgaria AD does not have an explicit policy regarding the diversity of the members of the Supervisory and Management Boards, managers and employees.

However, Eurohold Bulgaria, as well as the companies part of the Eurohold economic group, when carrying out the overall activities of the companies, hold to me principles of on:

- » equality,
- » impartiality,
- » avoiding any forms of discrimination and
- » providing equal opportunities,

In the internal regulations of the companies part of Eurohold, there is no division by gender, age, nationality, race, ethnicity, religion, people in disadvantaged positions, and any other form of illegal and unfair discrimination.

The main criteria and principles applied in the selection and evaluation of the members of the management and supervisory bodies of Eurohold Bulgaria AD regarding individuals without introducing any restrictions related to age, gender, nationality and education are:

- » to be legally competent;
- » have appropriate qualifications and education, management skills, professional experience, and competence;
- » have knowledge of the regulations and requirements of the specific sector segment in which the Company operates;
- » have a good reputation;
- » to be independent and objective in expressing opinions and making decisions.

The management structure is defined in the company's articles of association. The members of the Supervisory Board are elected by the General Meeting of Shareholders and this is the right and prerogative of the shareholders. Accordingly, the Supervisory Board appoints the members of the Management Board. The remuneration of the members of the Supervisory Board and the Management Board are determined by the General Meeting of Shareholders and are paid only in accordance with the adopted Remuneration Policy of the company. The determination of the remuneration of the members of the Supervisory Board and the Management Board are consistent with the size, internal organization, as well as the nature, scope and complexity of the activities carried out in the company and the group of "Eurohold Bulgaria" AD. The members of the Management Board and the Supervisory Board may be re-elected without restriction.

This corporate governance declaration of Eurohold Bulgaria AD is an integral part of the Annual Activity Report for 2025, which has been approved by the Management Board of the company.

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Other information

Other information

Channels for disclosure of information

All financial statements and materials thereto, submitted to the Financial Supervision Commission and the Bulgarian Stock Exchange AD, can be found in full on the website of Eurohold Bulgaria AD www.eurohold.bg, where internal information is available at the following link: <https://www.eurohold.bg/internal-information-645.html>,

as well as on the website of the selected information media "Service Financial Markets" EOOD at the following internet address: www.x3news.com, where the inside information is available at the following link: <http://www.x3news.com/?page=News&uniqid=62440eab53bbd>

The management of Eurohold Bulgaria AD believes that there is no other information that has not been publicly disclosed by it and that would be important for shareholders and investors when making an investment decision.

Investor relations director's details

Galya Alexandrova Georgieva

Sofia 1592, Blvd. Christopher Columbus 43.
Tel.: (+359 2) 965 15 63; +359 89 999 2394.
e-mail: investors@eurohold.bg
g_georgieva@eurohold.bg

Approval of the consolidated annual activity report for 2025

This consolidated annual activity report contains:

- § Message to all shareholders and stakeholders
- 1 Business review and performance
- 2 Consolidated information on key non-financial indicators
- 3 Other information

was approved by the Management Board of Eurohold Bulgaria AD on April 9, 2026

06 April 2026

Eurohold Bulgaria AD, Sofia

ASEN MINCHEV
Executive Director



MILENA GENCHEVA
PROCURATOR




B

Consolidated financial
statements 2025

Consolidated statement of profit or loss and other comprehensive income for 2025

<i>In thousand BGN</i>	Note	2025	2024
Continuing operations			
Revenue from energy business	3	2 571 393	2 287 499
Expenses for energy business	4	(2 084 721)	(1 824 355)
Gross profit from energy business		486 672	463 144
Insurance revenue	5	605 865	526 592
Insurance service expenses	6	(512 909)	(490 481)
Net result from reinsurance contracts	7	(42 896)	(25 333)
Net finance and investment income from insurance	8	3 633	13 472
Gross profit from insurance business		53 693	24 250
Commission income from asset management and brokerage		2 168	2 299
Expenses for asset management and brokerage		(245)	(393)
Gross profit from asset management and brokerage		1 923	1 906
Gross profit		542 288	489 300
Other operating income	10	172 002	122 441
Gains on transactions with financial instruments, net	11	6 253	12 137
Dividend income	9	111	118
Administrative expenses	12	(272 025)	(256 129)
Net impairment loss on financial assets	13	(2 438)	(2 136)
Other operating expenses	14	(67 806)	(60 200)
EBITDA		378 385	305 531
Depreciation and amortisation expenses	15	(125 257)	(117 206)
EBIT		253 128	188 325
Finance income	16	14 662	4 746
Finance costs	17	(138 093)	(140 827)
Foreign exchange gain/(loss)	18	397	(751)
Share of profit of equity-accounted investments	29	111	2 515
EBT		130 205	54 008
Income tax expenses	19	(24 081)	(20 835)
Net profit for the year from continuing operations		106 124	33 173
Discontinued operations			
Net profit for the year from discontinued operations	39	-	545
Net profit for the year		106 124	33 718
Net profit/(loss), attributable to:			
Owners of the parent		102 943	33 834
Non-controlling interest		3 181	(116)
<i>Earnings per share, in BGN</i>	37.3	0.408	0.129
<i>Earnings per share from continuing operations, in BGN</i>	37.3	0.408	0.127
<i>Earnings per share from discontinued operations, in BGN</i>	37.3	-	0.002

Prepared by: 
/Tsvetelina Cherescharova-Doycheva/
Date: 6.4.2026

Represented by:  /Asen Minchev, Executive Director/  /Milena Guentcheva, Procurator/

These consolidated financial statements were approved by the Management Board of Eurohold Bulgaria AD on 9.4.2026.

Auditor's report issued by:
Grant Thornton OOD, audit firm, registration N° 032
Mariy Apostolov, managing partner
Silvia Dinova, registered auditor responsible for the audit



**Consolidated statement of profit or loss and other comprehensive income for 2025
(continued)**

<i>In thousand BGN</i>	<i>Note</i>	2025	2024
Net profit for the year		106 124	33 718
Other comprehensive income/(loss)			
<i>Items that will be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		(2 696)	(249)
Cash flow hedging		189	(18 025)
<i>Items that will not be reclassified to profit or loss:</i>			
Net loss from remeasurement of defined benefit plans		(1 565)	(778)
Other comprehensive loss for the year, net of taxes		(4 072)	(19 052)
Total comprehensive income for the year, net of taxes		102 052	14 666
Total comprehensive income/(loss) for the year attributable to:			
Owners of the parent		99 289	15 018
Non-controlling interest		2 763	(352)
		102 052	14 666

Prepared by:


/Tsvetelina Cheresheva-Doycheva/
Date: 6.4.2026

Represented by:


/Asen Minchev, Executive Director/


/Milena Guentcheva, Procurator/

These consolidated financial statements were approved by the Management Board of Eurohold Bulgaria AD on 9.4.2026.

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Mariy Apostolov, managing partner

Silvia Dinova, registered auditor responsible for the audit



Consolidated statement of financial position as at 31.12.2025

<i>In thousand BGN</i>	<i>Note</i>	31.12.2025	31.12.2024
ASSETS			
Cash and cash equivalents	20	281 795	193 288
Fixed-term deposits at banks	21	39 442	32 879
Reinsurance contract assets held	22	141 961	194 016
Reinsurance contract assets issued	22	1 594	52
Insurance contract assets	22	444	345
Trade and other receivables	23	573 571	585 812
Financial assets	27	890 342	533 034
Inventories	26	43 062	36 144
Property, plant and equipment	24	1 027 277	956 269
Intangible assets	25	86 882	89 049
Investments accounted for using the equity method	29	11 100	10 989
Goodwill	31	116 883	116 883
Deferred tax assets	28	6 706	7 188
TOTAL ASSETS		3 221 059	2 755 948

Prepared by: 
/Tsvetelina Cheresheva-Doycheva/
Date: 6.4.2026

Represented by:  /Asen Minchev, Executive Director/  /Milena Guentcheva, Procurator/


These consolidated financial statements were approved by the Management Board of Eurohold Bulgaria AD on 9.4.2026.

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Silvia Dinova, registered auditor responsible for the audit



**Consolidated statement of financial position as at 31.12.2025
(continued)**

<i>In thousand BGN</i>	Note	31.12.2025	31.12.2024
EQUITY AND LIABILITIES			
Equity			
Share capital	37.1	260 500	260 500
Treasury shares	37.1	(77)	(77)
Share premium reserve		144 030	144 030
Other components of equity	37.2	130 241	130 241
General reserves		7 641	7 641
Cash flow hedge reserve		-	(18 025)
Revaluation and other reserves		(8 340)	(13 335)
Accumulated loss		(277 527)	(311 361)
Profit for the current year		102 943	33 834
Equity attributable to owners of the parent		359 411	233 448
Non-controlling interest		33 167	36 918
Total equity		392 578	270 366
Subordinated debt	32	82 433	25 408
LIABILITIES			
Bank and non-bank loans	33	213 159	1 122 654
Bond liabilities	34	1 254 407	238 567
Trade and other payables	35	751 562	584 296
Derivative financial instruments	38	-	18 025
Insurance contracts liabilities	36	507 648	459 922
Reinsurance contracts liabilities	36	5 250	19 810
Deferred tax liabilities	28	14 022	16 900
Total liabilities		2 746 048	2 460 174
Total liabilities and subordinated debt		2 828 481	2 485 582
TOTAL EQUITY AND LIABILITIES		3 221 059	2 755 948

Prepared by: 
/Tsvetelina Cheresharova-Doycheva/
Date: 6.4.2026

Represented by:  /Asen Minchev, Executive Director/  /Milena Guentcheva, Procurator/


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Silvia Dinova, registered auditor responsible for the audit




Consolidated statement of cash flows for 2025

<i>In thousand BGN</i>	Note	2025	2024
Operating activities			
Profit for the year before tax from continuing operations:		130 205	54 008
Profit for the year before tax from discontinued operations:		-	545
Adjustments for:			
Depreciation and amortisation	15	125 257	117 206
Foreign exchange gain		(397)	751
Dividend income		(111)	(118)
(Increase)/decrease of insurance and reinsurance assets and liabilities, net		83 580	41 108
Share of (profit)/loss from investments accounted for using the equity method		(111)	1 668
Gain on sale of investments		(13 382)	(16 211)
Net investment income (interest income and expense)		118 449	118 164
Other non-cash adjustments		5 177	(6 312)
Operating profit before change in working capital		448 667	310 809
Change in trade and other receivables		(143 558)	(124 408)
Change in inventories		(6 918)	(12 469)
Change in trade and other payables and other adjustments		131 363	(29 857)
Cash generated from operating activities		429 554	144 375
Interest received		4 231	4 205
Income tax paid		(19 773)	(20 639)
Net cash flows from operating activities		414 012	127 941
Investing activities			
Payments for property, plant and equipment		(171 432)	(125 728)
Proceeds from sale of property, plant and equipment, and intangible assets		3 387	5 209
Loans granted		(308 680)	(109 808)
Repayment of loans granted, including net investment in finance lease		140 878	33 271
Interest received on loans granted		2 490	8 786
Payment for purchased of financial assets		(599 468)	(189 308)
Proceeds from sale of financial assets		557 703	204 040
Loss of control of subsidiaries		-	(186)
Dividends received		83	69
Effect of exchange rate changes		(35)	(32)
Other proceeds from /(payments for) investing activities, net		8 964	(136 926)
Net cash flows used in investing activities		(366 110)	(310 613)

Prepared by: 
/Tsvetelina Cheresheva-Doycheva/
Date: 6.4.2026

Represented by:  /Asen Minchev, Executive Director/  /Milena Guentcheva, Procurator/

These consolidated financial statements were approved by the Management Board of Eurohold Bulgaria AD on 9.4.2026.

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Silvia Dinova, registered auditor responsible for the audit



Consolidated statement of cash flows for 2025 (continued)

<i>In thousand BGN</i>	Note	2025	2024
Financing activities			
Proceeds from issue of warrants	37.2	-	130 241
Received loans incl.	33	1 190 788	338 423
- <i>Proceeds from bonds issued</i>	34	969 114	-
Repayment of loans	33	(1 143 319)	(309 516)
Lease repayments		(14 552)	(12 637)
Other proceeds from financing activities, net		7 688	2 670
Net cash flows from financing activities		40 605	149 181
Net change in cash and cash equivalents		88 507	(33 491)
Cash and cash equivalents at the beginning of the year	20	193 288	226 779
Cash and cash equivalents at the end of the year	20	281 795	193 288

Prepared by:


/Tsvetelina Cheresharova-Doycheva/
Date: 6.4.2026

Represented by:

 /Asen Minchev, Executive Director/  /Milena Guentcheva, Procurator/

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Silvia Dinova, registered auditor responsible for the audit



Consolidated statement of changes in equity for 2025

<i>In thousand BGN</i>	Share capital	Share premium	General reserves	Cash flow hedge reserve	Revaluation and other reserves	Other components of equity	Retained earnings/(losses)	Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
At 1 January 2024	260 423	144 030	7 641	-	846	-	(307 757)	105 183	19 907	125 090
Change in non-controlling interest due to transactions with no change in control	-	-	-	-	(13 390)	-	-	(13 390)	17 326	3 936
Issuance of warrants (Note 37.2.)	-	-	-	-	-	130 241	-	130 241	-	130 241
Transactions with owners	-	-	-	-	(13 390)	130 241	-	116 851	17 326	134 177
Profit for the year	-	-	-	-	-	-	33 834	33 834	(116)	33 718
Other comprehensive loss	-	-	-	(18 025)	(791)	-	-	(18 816)	(236)	(19 052)
Total comprehensive (loss)/income	-	-	-	(18 025)	(791)	-	33 834	15 018	(352)	14 666
Other changes	-	-	-	-	-	-	(3 604)	(3 604)	37	(3 567)
At 31 December 2024	260 423	144 030	7 641	(18 025)	(13 335)	130 241	(277 527)	233 448	36 918	270 366
At 1 January 2025	260 423	144 030	7 641	(18 025)	(13 335)	130 241	(277 527)	233 448	36 918	270 366
Change in non-controlling interest due to transactions with no change in control	-	-	-	-	5 703	-	-	5 703	(6 774)	(1 071)
Change in non-controlling interest due to transactions with a change in control	-	-	-	-	-	-	-	-	2	2
Transactions with owners	-	-	-	-	5 703	-	-	5 703	(6 772)	(1 069)
Profit for the year	-	-	-	-	-	-	102 943	102 943	3 181	106 124
Other comprehensive loss	-	-	-	189	(3 843)	-	-	(3 654)	(418)	(4 072)
Total comprehensive (loss)/income	-	-	-	189	(3 843)	-	102 943	99 289	2 763	102 052
Reclassification of cash flow hedge reserve to profit or loss for the year	-	-	-	17 836	-	-	-	17 836	-	17 836
Other changes	-	-	-	-	3 135	-	-	3 135	258	3 393
At 31 December 2025	260 423	144 030	7 641	-	(8 340)	130 241	(174 584)	359 411	33 167	392 578

Prepared by:

/Tsvetelina Cherescharova-Doycheva/
Date: 6.4.2026

Represented by:

/Asen Minchev, Executive Director/

/Milena Guentcheva, Procurator/

These consolidated financial statements were approved by the Management Board of Eurohold Bulgaria AD on 9.4.2026.

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Silvia Dinova, registered auditor responsible for the audit

Consolidated statement of profit or loss by business segments for 2025

		2025	2025	2025	2025	2025	2025
	Note	Consolidated	Energy business	Insurance business	Finance-investment activity	Parent company	Eliminations
In thousand BGN							
Continuing operations							
Revenue from energy business	3	2 571 393	2 576 696	-	-	-	(5 303)
Expenses for energy business	4	(2 084 721)	(2 084 721)	-	-	-	-
Gross profit from energy business		486 672	491 975	-	-	-	(5 303)
Insurance revenue	5	605 865	-	616 496	-	-	(10 631)
Insurance service expenses	6	(512 909)	-	(518 141)	-	-	5 232
Net result from reinsurance contracts held	7	(42 896)	-	(42 896)	-	-	-
Net finance and investment income from insurance	8	3 633	-	6 245	-	-	(2 612)
Gross profit from insurance business		53 693	-	61 704	-	-	(8 011)
Commission income from asset management and brokerage		2 168	-	-	2 798	-	(630)
Expenses for asset management and brokerage		(245)	-	-	(245)	-	-
Gross profit from asset management and brokerage		1 923	-	-	2 553	-	(630)
Gross profit		542 288	491 975	61 704	2 553	-	(13 944)
Other operating income	10	172 002	32 237	13 850	30	125 885	-
Gains on transactions with financial instruments, net	11	6 253	5 188	-	1 006	55	4
Dividend income	9	111	-	-	111	1 562	(1 562)
Administrative expenses	12	(272 025)	(262 209)	(9 031)	(2 951)	(6 575)	8 741
Net impairment expenses/loss on financial assets	13	(2 438)	(1 663)	-	(26)	(770)	21
Other operating expenses	14	(67 806)	(1 110)	(20 579)	-	(46 117)	-
EBITDA		378 385	264 418	45 944	723	74 040	(6 740)
Depreciation and amortisation expenses	15	(125 257)	(119 519)	(5 175)	(363)	(200)	-
EBIT		253 128	144 899	40 769	360	73 840	(6 740)
Finance income	16	14 662	15 823	-	728	6 592	(8 481)
Finance costs	17	(138 093)	(115 484)	(6 195)	(219)	(27 938)	11 743
Foreign exchange gain	18	397	-	269	93	36	(1)
Share of profit of equity-accounted investments	29	111	-	111	-	-	-
EBT		130 205	45 238	34 954	962	52 530	(3 479)
Income tax expenses	19	(24 081)	(18 162)	(5 810)	(109)	-	-
Net profit for the year from continuing operations		106 124	27 076	29 144	853	52 530	(3 479)
Discontinued operations							
Net profit for the year from discontinued operations	39	-	-	-	-	-	-
Net profit, attributable to:		106 124	27 076	29 144	853	52 530	(3 479)
Owners of the parent		102 943	27 095	28 252	853	52 530	(5 787)
Non-controlling interest		3 181	(19)	892	-	-	2 308

Consolidated assets and liabilities by business segments as at 31.12.2025

Total assets		3 221 059	2 324 602	1 001 167	30 673	896 164	(1 031 547)
Total liabilities and subordinated debt		2 828 481	1 817 360	644 469	7 732	494 482	(135 562)

Consolidated statement of profit or loss by business segments for 2024

		2024	2024	2024	2024	2024	2024
	Note	Consolidated	Energy business	Insurance business	Finance-investment activity	Parent company	Eliminations
In thousand BGN							
Continuing operations							
Revenue from energy business	3	2 287 499	2 287 618	-	-	-	(119)
Expenses for energy business	4	(1 824 355)	(1 824 355)	-	-	-	-
Gross profit from energy business		463 144	463 263	-	-	-	(119)
Insurance revenue	5	526 592	-	535 306	-	-	(8 714)
Insurance service expenses	6	(490 481)	-	(490 481)	-	-	-
Net result from reinsurance contracts held	7	(25 333)	-	(25 333)	-	-	-
Net finance and investment income from insurance	8	13 472	-	14 791	-	-	(1 319)
Gross profit from insurance business		24 250	-	34 283	-	-	(10 033)
Commission income from asset management and brokerage		2 299	-	-	3 016	-	(717)
Expenses for asset management and brokerage		(393)	-	-	(393)	-	-
Gross profit from asset management and brokerage		1 906	-	-	2 623	-	(717)
Gross profit		489 300	463 263	34 283	2 623	-	(10 869)
Other operating income	10	122 441	43 649	10 670	328	67 794	-
Gains on transactions with financial instruments, net	11	12 137	8 109	-	873	3 106	49
Dividend income	9	118	26 111	-	118	623	(26 734)
Administrative expenses	12	(256 129)	(244 603)	(10 942)	(2 687)	(6 285)	8 388
Net impairment expenses/loss on financial assets	13	(2 136)	(2 625)	-	(28)	366	151
Other operating expenses	14	(60 200)	(3 062)	(14 638)	-	(42 500)	-
EBITDA		305 531	290 842	19 373	1 227	23 104	(29 015)
Depreciation and amortisation expenses	15	(117 206)	(111 586)	(5 113)	(306)	(201)	-
EBIT		188 325	179 256	14 260	921	22 903	(29 015)
Finance income	16	4 746	6 480	-	815	883	(3 432)
Finance costs	17	(140 827)	(110 004)	(12 122)	(206)	(23 538)	5 043
Foreign exchange gain/(loss)	18	(751)	-	(924)	217	(44)	-
Share of profit of equity-accounted investments	29	2 515	-	2 515	-	-	-
EBT		54 008	75 732	3 729	1 747	204	(27 404)
Income tax expenses	19	(20 835)	(20 165)	(485)	(185)	-	-
Net profit for the year from continuing operations		33 173	55 567	3 244	1 562	204	(27 404)
Discontinued operations							
Net profit for the year from discontinued operations	39	545	-	545	-	-	-
Net profit, attributable to:		33 718	55 567	3 789	1 562	204	(27 404)
Owners of the parent		33 834	55 567	4 280	1 562	204	(27 779)
Non-controlling interest		(116)	-	(491)	-	-	375

Consolidated assets and liabilities by business segments as at 31.12.2024

Total assets		2 755 948	2 120 358	882 707	29 900	824 519	(1 101 536)
Total liabilities and subordinated debt		2 485 582	1 591 622	552 461	6 250	475 367	(140 118)

Notes to the annual consolidated financial statements for 2025

Notes to the annual consolidated financial statements for 2025

1. GENERAL INFORMATION ABOUT THE GROUP

1.1 Scope of activity

The main activity of Eurohold Bulgaria AD (Parent Company) and its subsidiaries (the Group) consists of energy, insurance, financial and investment activities.

Eurohold Bulgaria AD has UIC 175187337 and is headquartered in Bulgaria Sofia, Iskar region, 43 Christopher Columbus Blvd.

The Parent company has the following scope of activity: acquisition, management, assessment and sale of shares in Bulgarian and foreign companies, acquisition, management and sale of bonds, acquisition valuation and sale of patents, assignment of licenses for use of company patents, in which the Parent Company participates, as well as financing of companies in which the Parent Company participates.

Founded in 1996, Eurohold Bulgaria AD is a public joint-stock company, established pursuant to Article 122 of the Law on Public Offering of Securities and Article 261 of the Commercial Law.

Eurohold Bulgaria AD operates in Bulgaria, Romania, North Macedonia, Ukraine, Georgia and Greece. The company is the owner of a large number of subsidiary companies in the Insurance, Energy and Financial-investment sectors.

The company was registered in the Sofia City Court under corporate file 14436/2006 and was formed through the merger of Eurohold AD registered under corporate file № 13770/1996 as per the registry of Sofia City Court, and Starcom Holding AD, registered under corporate file № 6333/1995 as per the registry of Sofia City Court. During 2024 the name of the Parent company has not been changed.

The governing bodies of the company are the General meeting of shareholders, the Supervisory Board /two-tier system/ and the Management Board comprising the following members as at 31.12.2025:

Supervisory Board:

Asen Milkov Christov, Bulgaria – Chairman;
Dimitar Stoyanov Dimitrov, Bulgaria – Deputy Chairman;
Radi Georgiev Georgiev, Bulgaria – Member;
Kustaa Lauri Ayma, Finland – Independent Member;
Ivaylo Krasimirov Angarski, Country: Bulgaria - Independent member;
Louis Gabriel Roman, USA – Independent Member.

Management Board:

Kiril Ivanov Boshov, Bulgaria - Chairman, Executive Member;
Asen Mintchev Mintchev, Bulgaria – Executive Member;
Velislav Milkov Hristov, Bulgaria – Member;
Razvan Stefan Lefter, Romania – Member.

As of 31.12.2025 Eurohold Bulgaria AD is represented and managed by Kiril Ivanov Boshov and Asen Minchev Minchev, Executive Directors, and Milena Milchova Guentcheva - Procurator, only jointly by the two executive directors or by one executive director and the procurator.

The Audit Committee supports the work of the Management board and plays the role of those charged with governance who monitor and supervise the Parent company's internal control, risk management and financial reporting system.

As of 31.12.2025, the Audit Committee of the Parent company comprises the following members:

Ivan Georgiev Mankov, Bulgaria– Chairman;
Dimitar Stoyanov Dimitrov, Bulgaria – Member;
Rositsa Mihaylova Pencheva, Bulgaria – Member.

The number of employees in the Group as of 31.12.2025 is 4 294 (31.12.2024 – 4 550).

1.2. Structure of the economic group

Eurohold Bulgaria AD is controlled by Starcom AD, the ultimate parent company and a public company. The shares of Eurohold Bulgaria AD are traded on the Bulgarian and Warsaw Stock Exchanges. The company holds publicly traded bonds (*Note 34*) and warrants (*Note 37.2*).

The investment portfolio of Eurohold Bulgaria AD comprises of 3 economic sectors: energy, insurance and Asset management and brokerage.

Companies involved in the consolidation:

Energy sector		
Company	% of participation in the share capital	% of participation in the share capital
	31.12.2025	31.12.2024
ELECTROHOLD GREEN EOOD, Bulgaria* (no activity)	100.00%	100.00%
Indirect participation through Eastern European Electric Company II B.V, NL*:	100.00%	100.00%
Eastern European Electric Company III B.V., The Netherlands, owned by Eastern European Electric Company II B.V., The Netherlands	100.00%	100.00%
Eastern European Electric Company B.V. (EEEC B.V.), The Netherlands, owned by Eastern European Electric Company III B.V., The Netherlands	100.00%	100.00%
Electrodistribution Grid West EAD and/or Electrorazpredelitelni mreji Zapad EAD, Bulgaria, owned by EEEC B.V., the Netherlands	100.00%	100.00%
Electrohold ICT EAD, Bulgaria through Electrodistribution Grid West EAD	100.00%	100.00%
Electrohold Sales EAD, owned by EEEC B.V., the Netherlands	100.00%	100.00%
ENERGOTO LTD, Bulgaria through Electrohold Sales EAD (<i>newly incorporated company – 24.10.2025</i>)*	100.00%	-
ELECTROTO LTD, Bulgaria through Electrohold Sales EAD (<i>newly incorporated company – 22.10.2025</i>)*	100.00%	-
Electrohold Bulgaria EOOD, Bulgaria owned by EEEC B.V., the Netherlands	100.00%	100.00%
Electrohold EPC EOOD, Bulgaria through Electrohold Bulgaria EOOD	100.00%	100.00%
EPC Electric OOD, Bulgaria through Electrohold EPC EOOD (<i>newly incorporated company – 8.7.2025</i>)*	60.00%	-
Electrohold Trade EAD, Bulgaria owned by EEEC B.V., the Netherlands	100.00%	100.00%
Free Energy Project Oreshets EOOD, Bulgaria, owned by EEEC B.V., the Netherlands	100.00%	100.00%
Bara Group EOOD, Bulgaria, owned by EEEC B.V., the Netherlands	100.00%	100.00%

* direct participation

In 2024, the Group (specifically Electrohold EPS EOOD) entered into a joint arrangement with MIG-23 EOOD for the establishment of a civil partnership under the Obligations and Contracts Act – DZZD “EM”. The Group participates as the lead partner with a 60% interest. Under the agreement, the parties combine their efforts for the preparation and submission of a bid, as well as for the execution of a contract in the event of winning a public procurement procedure announced by a state-owned enterprise. The contract for the joint operation was awarded in March 2025 (*Note 30*).

* On 8 July 2025, a subsidiary operating in the energy sector, EPC Electric OOD, was newly incorporated. The Group’s participation, through Electrohold EPC EOOD, amounts to 60%. The principal activities of the subsidiary include pre-project and project studies, design and engineering of energy infrastructure facilities; construction, reconstruction and building-repair activities of energy infrastructure facilities; project management, remanagement of technologies and projects, technical control and supervision of the implementation of energy infrastructure facilities; as well as consulting services.

In October 2025, two new companies in the energy business – ENERGOTO LTD (UIC 208541554) and ELECTROTO LTD (UIC 208538693) – were newly incorporated, both wholly owned by Electrohold Sales EAD. These entities were established for marketing purposes, commercial representation and intermediation, as well as for the provision of consulting services. The establishment of these companies aims to strengthen the market presence of Electrohold Sales EAD in the context of full market liberalisation.

Insurance Sector

Company	% of participation in the share capital 31.12.2025	% of participation in the share capital 31.12.2024
Euroins Insurance Group AD (EIG AD)*	92.08%	90.10%
Insurance Company Euroins AD, Bulgaria through EIG AD	99.33%	99.15%
Euroins Romania Asigurare-Reasigurare S.A., Romania – through EIG AD – <i>loss of control (Note 2.29.6)</i>	98.57%	98.57%
Euroins Osiguruvanje AD, North Macedonia through EIG AD	93.36%	93.36%
Insurance Company Euroins Life EAD, Bulgaria through EIG AD	100.00%	100.00%
European Travel Insurance PrAT, Ukraine through EIG AD	99.99%	99.99%
Euroins Ukraine PrAT, Ukraine through EIG AD	95.39%	92.73%
Euroins Ukraine PrAT, Ukraine through European Travel Insurance PrAT, Ukraine	5.74%	5.74%
ECLAIM - Sole Proprietorship for Claims Settlement Services PC, Greece (former name Euroins Claims M.I.K.E., Greece) through EIG AD	-	-
Insurance Company Euroins Georgia AD, Georgia through EIG AD	50.04%	50.04%
Shardeni 2017 Ltd., Georgia with the activity of renting and operating own real estate Shardeni 2017 Ltd., through EIG AD	100.00%	100.00%
PHOENIX MGA SERVICES S.R.L., Romania through EIG AD – <i>consulting services for insurance</i>	100.00%	100.00%
IC PHOENIX Re AD (<i>previous name EIG Re AD</i>), Bulgaria – <i>associate</i>	30.07%	30.07%

* direct participation

Finance Sector - Asset management and brokerage

Company	% of participation in the share capital 31.12.2025	% of participation in the share capital 31.12.2024
Euro-Finance AD, Bulgaria*	99.99%	99.99%

* direct participation

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of Compliance with IFRS and Application of the Going Concern Principle

The consolidated financial statements of Eurohold Bulgaria AD have been prepared in compliance with the IFRS Accounting Standards, developed and published by the International Accounting Standards Board, as adopted by the European Union. For the purposes of paragraph 1, point 8 of the Supplementary Provisions of the Accounting Act, applicable in Bulgaria, the term "IFRS Accounting Standards adopted by the EU" means International Accounting Standards (IAS) adopted in accordance with Regulation (EC) 1606/2002 of the European Parliament and the Council.

The Parent company also prepares separate financial statements in which its investments in subsidiaries are presented at cost in accordance with IAS 27 "Separate Financial Statements". The separate financial statements of Eurohold Bulgaria AD were approved for issue on 26.03.2025.

The annual consolidated financial statements have been prepared in Bulgarian leva (BGN), which is the functional currency of the Group. All amounts are presented in thousand Bulgarian leva (BGN '000) (including the comparative information for 2024), unless otherwise stated.

Going concern principle

The consolidated financial statements have been prepared in compliance with the going concern principle. As of the date of preparation of these annual consolidated financial statements, management has analyzed the indebtedness of the Group and the possibilities for its servicing. The forecasts made for the future development of the Group include the continued financial support from the majority shareholder and take into account the expected return from each company in the Group's structure, as well as redistribution of free financial resources within Eurohold Group. The management has also analyzed the additional options, as well as the possibilities to refinance part of the Group's short-term obligations.

Based on the above, management is confident that the Group will continue its activities and repay its obligations without undertaking any significant changes in its activities.

2.2 New standards, amendments to standards and interpretations

2.2.1 New standards, interpretations and amendments effective 1 January 2025, which are approved for implementation by the EU

The Group applies the following new standards, amendments to standards and interpretations that became effective during the period, as follows:

- *Lack of exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates*

The amendments to IAS 21 clarify how an entity should assess whether a currency is exchangeable and how to determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of financial statements to understand how a currency's lack of exchangeability into another currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendment did not have a material impact on the Group's financial statements.

2.2.2 1.5.2. Standards, amendments and interpretations that have not yet entered into force and are not applied from an earlier date by the Group

As of the date of approval of the annual consolidated financial statements, new standards, amendments and interpretations to existing standards have been published, but have not entered into force or have not been adopted by the EU for the financial year beginning on 1 January 2025, and have not been applied from an earlier date by the Group. All standards and amendments are expected to be adopted in the Group's accounting policy in the first period beginning after the date of their entry into force. Information on the standards that are expected to have a significant effect on the Group's financial statements is presented below:

IFRS 18 Presentation and Disclosure in Financial Statements, effective from 1 January 2027, adopted by the EU

IFRS 18 aims to improve the way in which entities disclose their financial statements, with a focus on information about financial performance in the statement of profit or loss. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from 1 January 2027. Entities are permitted to apply IFRS 18 earlier. IFRS 18 replaces IAS 1 Presentation of Financial Statements. The requirements in IAS 1 that are not changed have been transferred to IFRS 18 and other standards. IFRS 18 will affect all entities in all industries. Although IFRS 18 will not affect the way in which entities measure financial performance, it will affect the way in which entities present and disclose financial performance. IFRS 18 aims to improve financial reporting by:

- requiring additional defined interim amounts in the statement of profit or loss. Adding defined subtotals to the income statement makes it easier to compare companies' financial results and provides a consistent starting point for investors to analyze.
- requiring disclosure of management-defined performance measures. Requiring companies to disclose management-defined performance measures increases discipline in their use and transparency in their calculation.

- adding new principles for grouping (aggregation and disaggregation) of information. Specifying requirements for whether information should be in the main financial statements or in the notes and providing principles for the level of detail required improves the effective communication of information.

Management is in the process of assessing and analyzing the possible financial effects of the application of IFRS 18.

The following new standards, amendments and interpretations of existing standards, which have also been issued but are not yet effective, are not expected to have a material impact on the Company's separate financial statements:

- *Annual Improvements, effective from 1 January 2026, adopted by the EU;*
- *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), effective from 1 January 2026, adopted by the EU;*
- *IFRS 19 Non-Publicly Reporting Subsidiaries: Disclosures, effective from 1 January 2027, not yet adopted by the EU.*
- *Amendments to IFRS 19 Non-Publicly Reporting Subsidiaries: Disclosures, effective from 1 January 2027, not yet adopted by the EU*
- *Amendments to IAS 21 Translation into a Hyperinflationary Presentation Currency, effective from 1 January 2027, not yet adopted by the EU.*

2.3 Comparative information

The consolidated financial statements have been presented in accordance with IAS 1 "Presentation of Financial Statements". The Group agreed to present the consolidated statement of profit or loss and other comprehensive income in a single statement.

The consolidated statement of financial position presents two comparative periods when the Group:

- a) applies accounting policies retrospectively;
- b) retrospectively recalculates items in the consolidated financial statement; or
- c) reclassifies items in the consolidated financial statement.

and this has a *material effect* on the information in the consolidated statement of financial position at the beginning of the prior period.

In order to achieve a presentation in the annual consolidated financial statements that provides more relevant information about the nature of the Group's principal activities and the effects of transactions and other events or conditions on the Group's financial position, certain comparative information in the current report has been presented differently compared to the consolidated financial statements for 2024. In the consolidated statement of profit or loss and other comprehensive income, income from secured deposit premiums for 2024 in the amount of BGN 34 061 thousand has been reclassified from the line item "Other operating income" to the line item "Insurance revenue" in the comparative period for 2024.

2.4 Basis for consolidation

Subsidiaries

The Group's consolidated financial statements include those of the parent company and all of its subsidiaries as of 31 December 2025. Subsidiaries are all entities that are under the control of the parent company. Control exists when the parent is exposed to, or has rights to, variable returns from its interest in the investee and has the ability to influence those returns through its power over the investee.

All transactions and balances between Group companies are eliminated on consolidation, including unrealized gains and losses on transactions between Group companies. Where unrealized losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit and loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

When the Group ceases to have control of a subsidiary, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value of any investment retained in the former subsidiary at the date of loss of control is considered fair value on initial recognition of a financial asset in accordance with IFRS 9 Financial Instruments or, where applicable, at cost on initial recognition of an investment in an associate or jointly venture, "which are subsequently accounted for using the equity method. In addition, any amounts recognized in other comprehensive income in respect of that subsidiary are reported on the same basis as would be necessary if the Group had directly disposed of the related assets or liabilities (eg reclassified to profit or loss or carried away directly in retained earnings in accordance with the requirements of the relevant IFRS).

The profit or loss on disposal is calculated as the difference between i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and ii) the previous carrying amount of the assets including goodwill and liabilities of the subsidiary and any non-controlling interest.

Associates

Entities in which the Group holds between 20% and 50% of the voting rights and is able to exercise significant influence, but does not have control, are classified as associates. Investments in associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised in the consolidated statement of financial position at cost and subsequently adjusted to reflect the Group's share of changes in the net assets of the associate after the acquisition date. Goodwill related to the associate is included in the carrying amount of the investment and is not amortised.

The consolidated statement of profit or loss and other comprehensive income reflects the Group's share of the results of operations of the associate. The Group recognises dividend income from an associate in profit or loss in its consolidated financial statements when the right to receive the dividend is established.

Joint Arrangements

Joint arrangements can be classified as joint ventures or joint operations. The classification depends on the rights and obligations of the parties to the arrangement.

A *joint venture* is an arrangement whereby the parties that have joint control have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method.

A *joint operation* is an arrangement whereby the parties with joint control have rights to the assets and obligations for the liabilities relating to the arrangement. In joint operations, the Group recognizes its share of the assets, liabilities, revenues, and expenses related to the joint arrangement, based on its rights and obligations, rather than as an investment in a separate entity.

2.5 Business combinations

Business combinations are accounted for using the acquisition method, including business combinations involving entities or businesses under common control that are currently outside the scope of IFRS 3 and do not contain guidance on them in existing IFRSs. According to IAS 8, in the absence of a standard or interpretation that is specifically applicable to an operation, other event or condition, management uses its own judgment to develop and implement an accounting policy.

The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

The acquisition method involves the recognition of the acquiree's identifiable assets and liabilities, including contingent liabilities, regardless of whether they were recorded in the financial statements prior to acquisition. On initial recognition, the assets and liabilities of the acquired subsidiary are included in the consolidated statement of financial position at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies.

For each business combination, the Group measures at the acquisition date each component of non-controlling interest in the acquiree that is a present ownership interest and entitles its holder to a proportionate share of the acquiree's net assets in the event of liquidation either at fair value; or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interest are measured at fair value or, if applicable, on the basis specified in another IFRS.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of a) fair value of consideration transferred, b) the recognized amount of any non-controlling interest in the acquiree and c) in business combination achieved in stages on acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair value of any identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognized in profit or loss immediately.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have been previously recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if the interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period which cannot exceed one year from the acquisition date or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Any contingent consideration to be transferred by the acquirer is measured at fair value at the acquisition date and included as part of the consideration transferred in a business combination. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, is recognized in accordance with IFRS 9 "Financial Instruments" either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill.

The self-recognised goodwill of the acquisition of subsidiaries shall be compulsorily tested for impairment at least once a year. Losses on goodwill impairments are not recovered in the aftermath. Gains or losses on sale (disposal) of a subsidiary of the Group shall also include the carrying amount of goodwill deducted for the company sold (exempted).

Each recognised goodwill is determined to belong to an entity generating cash receipts as early as a business combination is realised, and this entity is applied in carrying out the impairment tests. In determining cash-generating entities, account shall be taken of the sites from which future economic benefits were expected in the acquisition in the business combination and in the case of which the goodwill itself arose.

2.6 Transactions with non-controlling interest

Non-controlling operations are treated by the Group as transactions with entities owning the equity instrument of the Group. The effects of the sale of units of the Parent Company without loss of control to non-controlling interests are not treated as components of the Group's current profit or loss but as movements in the components of its equity. Conversely, in the case of purchases by the Parent Company of non-controlling interests of any non-controlling interests, any difference between the amount paid and the corresponding share of the net book value of the subsidiary's net assets is recognized directly in the consolidated statement of changes in equity, usually to the "unallocated profit / (uncovered loss)" line.

When the Group ceases to have control and significant influence, any remaining minority investment as a share in the capital of the company concerned is remeasured at fair value, the difference to carrying amount being recognized in current profit or loss, respectively all amounts previously recognized in other components of comprehensive income are accounted for, as in the case of a direct exemption operation, of all those associated with the initial investment (in the subsidiary or associate).

2.7 Functional and reporting currency

Transactions in foreign currency are reported in the functional currency of the respective company by the Group at the official exchange rate as of the date of the transaction (announced fixing of the Bulgarian National Bank). Foreign exchange gains and losses arising from the settlement of these transactions and the revaluation of foreign currency positions at the end of the reporting period are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the transactions (not revalued). Non-monetary items measured at fair value in a foreign currency are translated at the exchange rate at the date that the fair value was determined.

The functional currency of the individual companies of the Group has not changed during the reporting period.

In the consolidated financial statements, all assets and liabilities are translated into Bulgarian levs at the closing rate as of the date of the consolidated financial statements. Income and expenses are translated into the presentation currency of the Group at the average exchange rate for the reporting period. Foreign exchange differences lead to an increase or decrease in other comprehensive income and are recognized in the allowance for translation into equity. In case of disposal of a net investment in a foreign operation, the accumulated foreign exchange differences from restatements recognized in equity are reclassified to profit or loss and recognized as part of the gain or loss on the sale. Goodwill and adjustments related to the determination of fair values at the acquisition date are treated as assets and liabilities of the foreign enterprise and are translated into BGN at the closing rate.

2.8 Insurance contracts, insurance revenue and insurance service expenses

2.8.1 Insurance contracts – recognition and measurement

Classification of insurance contracts

Contracts under which the Group accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder or another beneficiary if a specified uncertain future event adversely affects the policyholder are classified as insurance contracts.

Insurance risk is risk, other than financial risk, transferred from the policyholder to the issuer of a contract. Financial risk is the risk of a possible future change in one or more specified variables, such as interest rate, security price, market price, foreign exchange rate, price index, credit rating or credit index, or other variable, provided that in the case of a non-financial variable, the variable is not specific to a party to the contract. Insurance contracts may also transfer some financial risk.

Contracts under which the transfer of insurance risk to the Group from the policyholder is not significant are classified as investment contracts.

Identification of insurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts issued or held by the Group.

When identifying contracts within the scope of IFRS 17, the Group assesses whether a group or sequence of contracts should be treated as a single contract and whether embedded derivatives, investment components and distinct goods or services components should be separated and accounted for under other applicable standards. For insurance and reinsurance contracts, the Group does not expect these requirements to result in significant changes.

Contracts with discretionary participation features (DPF)

A discretionary participation feature may exist in both insurance and investment contracts. A contract with a discretionary participation feature provides the policyholder with a contractual right to receive additional benefits, in addition to guaranteed minimum payments.

The discretionary participation feature may represent a significant portion of the total contractual benefits, the amount and timing of which are determined at the discretion of the issuer, and which, in accordance with the contractual terms, are based on:

- the performance of a specified pool of contracts or a specified type of contract;
- realised and/or unrealised investment returns on a specified pool of assets held by the issuer; or
- the profit or loss of the entity issuing the contract.

The discretionary participation feature in such contracts is accounted for as a liability for future distribution of income, as part of the liability for remaining coverage.

Level of aggregation

Under IFRS 17, insurance contracts and insurance contracts with an investment component are grouped together for valuation purposes. Contract groups are defined by first identifying portfolios of contracts, each of which includes contracts subject to similar risks and managed together. Contracts issued in a different product aggregate groups, in different currencies and in different countries of operations will be grouped and valued separately. Each portfolio is then divided into annual cohorts (i.e. by year of issue), and each annual cohort into three groups:

- any contracts that are onerous upon initial recognition;
- all contracts which, upon initial recognition, are not likely to become onerous subsequently; and
- all remaining contracts in the annual cohort.

When a contract is recognized, it is added to an existing group of contracts or, if the contract does not meet the conditions for inclusion in an existing group, it forms a new group to which future contracts can be added.

Groups of reinsurance contracts are created so that one contract is only included in one group.

Contract boundaries

Under IFRS 17, the measurement of a group of contracts includes all future cash flows within each contract in the group. The period covered by the premiums within the contract limits is the "Coverage Period".

Boundaries of issued (re) insurance contracts

For insurance (reinsurance) contracts issued, cash flows are within the boundaries of the contract if they arise from material rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or has a material obligation to provide services (including insurance coverage and investments services). The material obligation to provide services ends when:

- The Group has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or
- The Group has the practical opportunity to reassess the risks of the portfolio that contains the contract and can determine a price or level of benefits that fully reflect the risks of this portfolio, and the pricing up to the date of the reassessment does not take into account the risks that refer to periods after the revaluation date.

Some of the Group's issued short-term contracts have annual terms that are guaranteed to be renewable each year for a limited period (up to three years). Currently, the Group accounts for these contracts as annual contracts because there is no practical ability to assess the risks of policyholders on an individual contract or portfolio level at their renewal.

Boundaries of purchased/held reinsurance contracts

For reinsurance contracts, cash flows are within the boundaries of the contract if they arise from material rights and obligations that exist during the reporting period in which the Group is obligated to pay amounts to the reinsurer or has a material right to receive services from the reinsurer.

The purchased/held reinsurance contracts of the Group cover the risk under (re)insurance contracts issued within one year on the basis of the risk-attachment principle, and provide rights to both the Group and the reinsurer to terminate the cover on new contracts in certain limited circumstances with appropriate notice. Currently, the valuation of these reinsurance contracts is generally consistent with that of issued (re)insured contracts and covers only those contracts already issued and reinsured at the valuation date. According to IFRS 17, however, the cash flows arising from the (re)insured (underlying) contracts, which are expected to be issued and the risk on them to be transferred after the reporting date, may be within the limits of the purchased reinsurance contracts and are taken into account at the assessment.

Evaluation of contracts

IFRS 17 introduces a valuation model based on the present value of future cash flows expected to occur when the Group fulfills the contracts, a risk adjustment and a contractual service margin.

All the Group's insurance contracts and all reinsurance contracts are classified as contracts without direct participation characteristics.

A general assessment model

On initial recognition, the Group measures a group of contracts (mostly related to the insurance products Loans and Guarantees) as the total amount of:

- (a) fulfilment cash flows, which include estimates of future cash flows adjusted to reflect the value of money in time and associated financial risks and adjustment for non-financial risk; and
- (b) contractual service margin. Fulfilment cash flows do not reflect the Group's default risk.

The Group's objective in estimating future cash flows is to determine the expected value. Cash flows are discounted to derive an expected present value. All cash flows are discounted using risk-free yield curves published by EIOPA, without additional liquidity adjustments.

The non-financial risk adjustment for a group of contracts, determined separately from other estimates, is the compensation that the Group would require to assume a certain level of uncertainty about the amount and timing of cash flows that arise from non-financial risk.

Contractual service margin on a group of contracts represents the unearned profit that the Group will recognize as it provides services under those contracts.

The carrying amount of a group of contracts at each reporting date is the sum of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC). The liability for remaining coverage includes:

- (a) the fulfilment cash flows that relate to services to be provided under the contracts in future periods and
- (b) any remaining contractual service margin at that date.

The liability for incurred claims includes the cash flows to settlement of claims incurred and expenses that have not yet been paid, including claims that have been incurred but not yet reported to the Group.

Cash flows from performance of groups of contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the non-financial risk adjustment. Changes in cash flows from performance are recognized as follows:

- Changes that relate to future service – adjustments in contract service margin or reported in insurance result in profit or loss if the group is onerous;
- Changes related to current or past services – recognition in the result of insurance services in profit and loss;
- Effects of changes in the value of money over time, financial risk and/or changes in cash flows – recognized as financial income or expenses related to the insurance activity.

The contractual service margin is subsequently adjusted only for changes in fulfilment cash flows that relate to future services. Contractual service margin at each reporting date represents the profit in the group of contracts not yet recognized in profit or loss, as it relates to future servicing of the contracts.

A simplified assessment model

On initial recognition of each group of non-life insurance contracts, the carrying amount of the liability for remaining coverage is measured at the premiums earned on initial recognition. The Group has elected to recognize insurance acquisitions cash flows as expenses when incurred.

Subsequently, the carrying amount of the remaining coverage liability is increased by any discretionary participation features received and it is reduced by the amount recognized as insurance revenue for services rendered and additionally takes into account the effect of the time value of money.

If at any time, before and during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Group recognizes a loss in profit or loss and will increase the liability for the remaining coverage to the extent that current estimates of the performance cash flows that relate to the remaining coverage exceed the carrying amount of the remaining coverage liability.

Premium allocation method (simplified model) is a simplified valuation model in IFRS 17 that is applicable to insurance and reinsurance contracts that meet the eligibility criteria:

- a term of up to one year or as a result of a test of the reserves under a common model and under a simplified model it is clear that the reserves estimated under both models are approximately the same and;
- not to be onerous.

The Group applies the simplified model to the main part of its insurance portfolio, excluding groups of onerous contracts.

2.82.2 Reinsurance contracts

In the ordinary course of business, the Group cedes risk to reinsurers in order to reduce net losses by diversifying its risk. The reinsurance activity does not cancel the direct obligation of the Group to the insured party.

Ceding commissions and claims recovered are presented in the statement of profit or loss and other comprehensive income and the statement of financial position at their gross value.

Contracts where a substantial insurance risk is transferred are accounted for as insurance contracts. The amounts recoverable under them are recognized in the same year in which the corresponding indemnity arose.

The recoverable amount of receivables under reinsurance contracts is assessed for impairment at each balance sheet date. These assets are impaired if there is objective evidence as a result of an event occurring after its initial recognition that the Group will not be able to recover all amounts owed, and that the effect of the event on the amount the Group should receive from the reinsurer may be reliably measured.

The Group applies the same accounting policies for valuing a group of reinsurance contracts by applying the simplified model. The effect of the reinsurer's default risk is assessed at each reporting date and the effect of changes in default risk is assessed in the expected cash flows.

The non-financial risk adjustment will represent the amount of risk transferred by the Group to the reinsurer.

Held reinsurance contracts

Assets under held/purchased reinsurance contracts include balances owed by reinsurance companies for ceded insurance liabilities. Reimbursements from reinsurers are assessed in a manner that follows the liability assessment methods for unpaid or paid claims relating to the reinsured policies.

The assets under held/bought reinsurance contracts corresponding to the liability for claims made is based on the Group's statistics and assumptions about the shares of these assets in outstanding and paid claims for the last eight years.

The valuation of purchased reinsurance contracts is generally consistent with that of issued (re)insurance contracts and covers only direct insurance contracts that have already been issued and reinsured at the valuation date. According to IFRS 17, however, the cash flows arising from the reinsurance (underlying) contracts, which are expected to be issued and the risk on them to be transferred after the reporting date, may be within the limits of the purchased reinsurance contracts and are taken into account in the valuation.

2.8.3 Liability for remaining coverage

Remaining coverage liability represents liabilities under existing insurance contracts for insured events that have not yet occurred, i.e. the liability relates to the unexpired portion of the coverage period. In view of the above, by its nature the liability for remaining coverage corresponds to an unearned premium reserve and the reserve for unexpired risks under IFRS 4 or the Best estimate of the premium reserve - under the Solvency II Directive.

To estimate the remaining coverage liability, the Group has chosen to use:

- Premium allocation approach - for contracts with a coverage period of one year or less;
- General model – for groups of contracts identified as losing.

For issued contracts to which the premium allocation approach is applied, the Group assumes that there are no onerous contracts in the portfolio at initial recognition.

The liability for remaining coverage estimated under the common model is composed of the following elements:

- present value of future cash flows;
- adjustment for non-financial risk, and;
- contract service margin - represents the unrealized contract profit that will be recognized in the future.

Performance cash flows include the following items:

- current assessment of expected future cash inflows and outflows;
- an adjustment reflecting the time value of money and other financial risks, such as liquidity and currency risk and an explicit risk adjustment for non-financial risk.

For issued contracts to which the premium allocation approach is applied, the Group assumes that there are no onerous contracts in the portfolio at initial recognition.

Furthermore, the Group does not expect significant variability in performance cash flows that would affect the measurement of the remaining coverage liability in the pre-claiming period under the insurance contracts that have been issued.

Considering the above, the Group expects that the simplification will result in a valuation of the remaining coverage liability for the group that will not differ materially from the valuation that would be achieved by applying the requirements of the Common Model.

The book value of a group of contracts at each reporting date is the sum of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC).

The Remaining coverage liability includes: (a) fulfilment cash flows related to services, that would be provided under future periods and (b) each remaining service margin at that date. The liability for incurred claims includes the cash flows to settle incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported to the Group.

The fulfilment cash flows of groups of contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the non-financial risk adjustment. Changes in fulfilment cash flows are recognized as follows:

- Changes related to future services - adjustments in the service margin or reported in the insurance result in profit or loss if the group is onerous;
- Changes related to current or past services – recognition in the result of insurance services in profit and loss;
- Effects of the change in the value of money over time, financial risk and/or changes in cash flows – recognized as financial income/or expenses related to the insurance activity.

The contractual service margin is subsequently adjusted only for changes in fulfilment cash flows that relate to future services. Contract servicing margin at each reporting date represents the profit in the group of contracts not yet recognized in profit or loss as it relates to future servicing of the contracts.

On initial recognition of each group of non-life insurance contracts, the carrying amount of the remaining coverage obligation is measured at the premiums earned on initial recognition. The Group has elected to recognize cash flows from insurance acquisitions as expenses when incurred.

Subsequently, the carrying amount of the remaining coverage obligation is increased by any additional premiums received and reduced by the amount recognized as insurance revenue for services rendered and additionally takes into account the effect of the time value of money.

If at any time before and during the coverage period facts and circumstances indicate that a group of contracts is onerous, then the Group will recognize a loss in the current result and increase the liability for the remaining coverage to the extent that the current estimates of the performance cash flows that relate to the remaining coverage exceed the carrying amount of the remaining coverage liability.

The Group recognizes the obligation for incurred claims on a group of contracts to the extent of the cash flows from servicing the insurance contracts related to incurred claims. Future cash flows are discounted.

2.8.4 Liability for incurred claims (LIC)

Claims incurred in respect of non-life insurance include claims and handling costs incurred during the financial year together with the change in the claims liability.

Liabilities for incurred claims represent liabilities in relation to claims for insured events that have already occurred, including those for which no claim has yet been made, as well as the related insurance costs.

The reinsurance activity does not cancel the direct obligations of the Group to the insured persons.

Assets under purchased reinsurance contracts (reinsurance assets) include the balance owed by reinsurance companies for ceded insurance liabilities.

Recoveries from reinsurers are estimated in a manner similar to that for claims liabilities associated with reinsured policies.

The group applies the same accounting policies for valuing a group of reinsurance contracts by applying the simplified model. The effect of the reinsurer's default risk is assessed at each reporting date and the effect of changes in default risk is assessed in the expected cash flows.

The non-financial risk adjustment represents the amount of risk transferred to the reinsurer.

2.8.5 Insurance revenue

The application of International Financial Reporting Standard 17 (IFRS 17) is essential for an insurance company. It regulates the way in which the income from insurance contracts must be reported and disclosed.

When the Group applies the premium allocation approach, insurance income for the period represents the amount of expected premium income that has been allocated to the period. The Group allocates expected premium receipts to each service period under an insurance contract on the basis of elapsed time. In the event that the expected pattern of release of risk during the coverage period differs significantly from the pattern of the elapsed time, then the Group allocates the expected income from premiums based on the expected time parameters of the costs incurred for insurance services. If there is a change in the facts and circumstances, the Group changes the allocation base as appropriate.

2.8.6 Insurance service result

Costs that are directly attributable to the fulfilment of the contracts will be recognized in profit or loss as insurance service costs, generally when incurred. The costs that are not directly related to the fulfilment of the contracts will be presented outside the insurance service result.

The Group does not separate the changes in the adjustment for non-financial risk between the insurance service result and the insurance finance income or expense. Any changes in the adjustment for non-financial risk recognized in profit or loss are included in the insurance service result.

2.8.7 Insurance finance income and expenses

Under IFRS 17, changes in the carrying amounts of groups of contracts arising from the effects of the time value of money, financial risk and changes in these will normally be presented as insurance finance income or expense and will be presented as part of the statement of profit and loss.

2.9 Revenue from energy segment and other income

Revenue from contracts with customers is recognized when the control of the goods or services is transferred to the client in an amount that reflects the remuneration the Group expects to be entitled to in exchange for those goods or services.

The Group recognizes revenue when (or is) satisfied the obligation to perform, under the terms of the contract, by transferring the promised product or service to the client. An asset (product or service) is transferred when (or as) a customer has control over that asset.

Sales are made under contracts with clients. Sales contracts with customers meet the criteria set out in IFRS 15. Typically, the Group expects to collect the remuneration for contracts with clients.

The transaction price is the amount of consideration the Group expects to be entitled to in exchange for the customer's transfer of the promised goods or services, except for amounts collected on behalf of third parties (eg value added tax). The consideration promised in the contract with the client may include fixed amounts, variable amounts, or both.

The Group examines whether there are other promises in client contracts that are separate performance obligations for which part of the transaction price should be allocated.

When determining the transaction price, the account is taken of the impact of variable remuneration, including price discounts, the existence of significant components of funding, non-monetary remuneration and remuneration payable to the client (if any).

In the contracts of the Group companies, there are discounts that the client receives at the sale and which are reported as a reduction of the total price. In accordance with the requirement of IFRS 15, all discounts are reported as a reduction in sales revenue, at the same time as recognizing the sale proceeds of the goods for which the respective discounts are due.

Services revenue

Services revenue are recognized in the period in which the services are provided. The group transfers control over the service over time and therefore satisfies the obligation to execute and recognizes revenue over time. If by the end of the reporting period, the service contract has not been fully implemented, revenue is recognized using the inputs method based on actual time spent on work, over the total expected service delivery time.

In cases where the services provided by the Group exceed the payment, an asset is recognized under the contract. If payments exceed the services provided, a liability under a contract is recognized.

Revenue from sale of current assets

Revenue from sale of short-term assets and material are recognized when the control of the assets sold is transferred. Delivery occurs when the assets have been shipped to the customer, the risks of potential losses are transferred to the buyer and/or he has accepted the assets in accordance with the sale contract.

Revenue of energy segment

Revenue of energy business comes from:

- Services for access to and transmission along the electricity distribution grid.
- Services for the connection of new customers to the electricity distribution grid.
- Services for survey, repair and maintenance of the electricity distribution grid and commercial metering devices.
- Revenue from the sale of electricity on open and regulated markets
- Balancing services.
- Revenue from construction services for building energy installations.

Services for access to and transmission along the electricity distribution grid

Upon the sale of services for access to and transmission along the electricity distribution grid, control over the services is transferred over the period of their rendering, since the customer received and consumes the rewards simultaneously with receiving the service. Sales revenue is recognised over time, and the contract progress (stage of completion) is measured based on the quantity consumed over a period (on a monthly basis). This method has been determined as the most appropriate one to measure progress, since services are provided on a monthly basis according to customers' expectations and requirements according to an established practice in the sector and constitute part of a series, therefore, it best describes the Group's activity with respect to the transfer of control and satisfaction of performance obligations. Prices are regulated by the state.

Services for the connection of new customers to the electricity distribution grid

Upon the sale services for the connection of new customers to the electricity distribution grid, certain investments are carried out in connection to expanding the network to the connection point. Connection services are performed based on two types of contracts. In the first case, investments are realised by the Group and in the second case – by the customers (users). In both types of contracts, customers owe an access fee for connection.

The Group has analysed the criteria for recognition of revenue and has concluded that control over the service for connection to the electricity distribution grid is transferred to the customer at a point in time, when the construction of assets for the purpose of connection is completed and the assets are commissioned. Therefore, revenue from the access fee is recognised at this point in time. Prices are regulated by the state.

Services for survey, repair and maintenance of the electricity distribution grid and commercial metering devices

For these services, control is transferred to the customer over time, in the period of their provision, since the customer simultaneously obtains and consumes the rewards from the Group's activity. Sales revenue is recognised over time, by measuring the fulfilment of the Group's performance obligations (stage of completion). In order to measure progress (stage of completion), the Group uses the output approach based on the volume of works performed.

Balancing services

As of 1 June 2014, the balancing market in the country was launched. From that date, Group companies in their capacity as "coordinator of a special balancing group", "coordinator of a standard balancing group" and "coordinator of a combined balancing group" submit daily schedules to the Energy System Operator EAD (ESO EAD) for estimated amounts of electricity for sale under its various licenses, as well as daily schedules to NEK EAD for estimated quantities for the purchase of electrical energy from producers.

Revenue is recognized over time, with contract progress (stage of completion) measured based on the quantity consumed over time (on a monthly basis).

Revenue from construction services for building energy installations

A company from the Group offers services for the construction of standard projects for 5KW, 10KW and 15 KW photovoltaic systems for own consumption.

In the case of contracts for construction services, the Group identified different goods and services that need to be provided in order for the contract to be fulfilled. The goods and services however are not distinct in the context of the contract, since the Group's promise to transfer separate goods and services is not distinct from the other promises in the contract. The Group provides a significant service of integration of separate goods and services within a single installation for which the contract has been concluded. The Group accounts for a single obligation under each contract.

The Group is usually entitled to consideration for the work performed to date, which should at least compensate it for the costs incurred, plus a reasonable profit if the contract is determinate due to reasons other than the Group's default (legally enforceable right to payment). The transfer of control and recognition of revenue from construction services is recognised over time by measuring the stage of performance by the Group (stage of completion). In order to measure progress (stage of completion), the Group uses the output method based on bills of quantities/performance protocols for work performed to date and/or key stage completed (portion of the actual contract fulfilment). This method has been determined as the most appropriate one, since the customer controls the asset while it is being created/improved. The customer controls assets in progress, the completed outcome stays with the customer upon contract termination, and the customer may amend the project specifications during the contract.

Revenue from the sale of electricity on open and regulated markets

The Group sells electricity to corporate and household customers at regulated and freely negotiated prices. As from 1 October 2020, the electricity to household customers is at regulated prices (End Supplier license) only. The Group sells electricity to other Traders in accordance with the Energy Act and the Electricity Trading Rules.

Electricity sales constitute uninterrupted supplies (series) with constant and repetitive character and constitute a single performance obligation, since:

1. the integrated supply includes multiple distinct time periods (usually a month);
2. the goods (electricity) are essentially the same, because the customer obtains constant reward therefrom for each separate time period (each month); and
3. control is transferred over time, since the customer receives and consumes the goods simultaneously with their provision.

Revenue is recognized over time, and the contract's progress (stage of completion) is measured based on the volume consumed over time (on a monthly basis). This method has been determined as most suitable to measure progress, since the good – electricity, is provided on a monthly basis according to customers' expectations and requirements based on the practice established in the country's sector and form part of a series, therefore, it best describes the Group's activity of transfer of control and satisfaction of obligations.

Principal vs. agent, net or gross presentation

The Group is the principal when controlling the promised product or service before transferring it to the customer. The Group is an agent if the Group's obligation to perform is to arrange the delivery of the goods or services from a third party.

The signs that it is the principal includes:

- The Group has the primary responsibility for implementing the promise to provide a particular good or service;
- There is a risk to the Group's inventory before the specific good or service is transferred to the customer or after the transfer of the client's control;
- The Group has discretion in determining the price of the particular good or service.

The distribution company from the Group provides services for access to the high-voltage electricity grid (HV) and transmission along the high-voltage electricity grid (HV), as well as the services for collecting a fee for access to the electricity distribution grid for producers of energy from renewable sources, which is payable by solar and wind energy producers connected to the electricity transmission and electricity distribution grid. With respect to these services, the subsidiary has concluded that it does not control the services before, during and after their provision to the customers and its obligation is rather to collect the amounts due by customers on behalf of a third party (the Electricity System Operator – ESO), which is legislatively regulated. Therefore, the Group has decided to present the revenue and costs from these transactions net in the consolidated statement of comprehensive income.

As of 01.07.2021, Renewable energy producers with a capacity greater than or equal to 0.5 MW are obliged to sell the electricity they produce on the Bulgarian National Energy Exchange (IBEX). Within the Group there are two types of contracts with such RES producers. Normally, it sells on their behalf to the IBEX the quantities according to a daily schedule of electricity produced. The Group buys the same monthly quantity of electricity produced, at the average selling price reached on the exchange, from the RES producers. Remuneration is received in the form of a commission, which is calculated on the basis of the quantities of energy sold for the past period (on a monthly basis) on behalf of the relevant RES producers on the IBEX. Also, as of 01.10.2019, there is another type of contracts with RES producers, whereby it sells the electricity generated by them to the IBEX and buys the energy generated by them at a fixed price. For these sales, the Group bears the price risk of the sale of electricity. The other obligations and conditions of the second type of contracts are identical to the first type of contracts.

The Group has determined that it typically does not control the commodity before it is transferred to the IBEX and is unable to direct the use or obtain the benefit of the commodity, particularly under the first type of RES contract, because:

- it does not have primary (overriding) responsibility for meeting performance obligations;
- it cannot determine the amount of energy produced;
- it has no discretion in price negotiations.

Due to the above, the Group has determined that in the performance of these contracts it acts as an agent.

The sales revenue under these contracts is recognized at the amount of the fee (net remuneration) that the Group retains after paying to the other party the consideration received for the electricity volumes sold on the IBEX.

Under the Electricity Trading Rules and EWRC's price decisions, through the sales of electricity, the Group collects from its customers amounts due to third parties in relation to:

- grid service fees determined at EWRC prices in favour of the distribution companies;
- the "Obligation to Society" component at a price set by the EWRC in favour of the Energy System Security Fund (ESSF); According to the current price decisions of the EWRC in 2023 the price of the "Obligation to Society" component is BGN zero;
- fees for electricity supply disconnection and re-connection to customers under the Trader license in favour of distribution companies.

The Group does not exercise control and cannot control or determine the amounts described hereinabove, nor does it receive consideration for these sales, since it pays to third parties the full amount of the payment collected from customers. Therefore, the Group has determined that its obligation is rather to collect the amounts due by customers on behalf of third parties, which is a statutory obligation.

Therefore, it has elected to present revenue and expenses related to these transactions net in the statement of profit or loss and other comprehensive income.

Other income

Other income includes operations that are incidental to the Group's core activities and are income or income that are recognized under other standards and are outside the scope of IFRS 15.

The following table provides information about the material conditions and related policies for recognizing other earnings.

Income	Recognition of revenue/income in accordance with	Recognition approach
Net gain on the sale of property, plant and equipment and intangible assets	IAS 16 IAS 38	Gains or losses arising on the disposal of property, plant, equipment or intangible asset as a result of a sale are included in profit or loss when the asset is derecognised. The asset is derecognised at the time the control is transferred to the sold asset.
Rental income	IFRS 16	Lease income from operating leases is recognized as income on a straight-line basis over the lease term unless the Group's management considers that another systematic basis reflects the timing model in which the lessor's benefit is reduced leased asset.
Surplus assets and asset liquidation	Conceptual framework	Revenue from surplus assets are recognized when surpluses are established.
Income from insurance events	Conceptual framework	Revenue is recognized when the Group's right to receive the payment is established.
Income from penalties		Revenue is recognized when the Group's right to receive the payment is established.
Gain on written-off liabilities	IFRS 9	Revenue from write-offs is recognized when the liability expires or the creditor waives its rights.
Government grants	IAS 20	Grants awarded by the State are recognized when there is reasonable assurance that they will be received and that all applicable conditions are met. Government grants are recognized in profit or loss on a systematic basis during the periods in which the Group recognizes as an expense the related costs that the grant is intended to offset. <i>Note 10. Other operating revenue</i>

Interest income

Interest income is accounted for using the effective interest method, which is the percentage that accurately discounts the expected future cash payments for the expected term of the financial instrument or for a shorter period, where appropriate, to the carrying amount of the financial asset. Interest income is included in the financial income in the consolidated statement of profit or loss and other comprehensive income.

Dividend income shall be recognized when the right to receive them is established. In the consolidated statement of profit or loss and other comprehensive income, the dividends declared for the financial year by the subsidiaries are recognized as internal estimates and eliminated and therefore do not participate in the formation of the financial result.

The financial revenue generated by Eurohold Group generated stems from:

- investment operations;
- positive differences from operations with financial instruments and currency exchange operations;
- fee and commission income;
- dividends;
- interest on loans granted.

2.10 Expenses

Expenses in the Group are recognized at the time they are incurred and based on the principles of accrual and comparability.

Administrative expenses are recognized as expenses incurred during the year that are related to the management and administration of the Group companies, including expenses related to administrative staff, management staff, office and other external services.

Finance costs include costs arising from investment operations, negative financial operations and currency exchange rate differences, interest expense on bank and commercial loans and debt securities, and charges for fees and commissions.

Prepayments (deferred expenses) are deferred for recognition as current expense over the period in which the contracts to which they relate are met.

Other operating revenue and other operating expenses include items of a minor nature in respect of the core business of the Group companies

2.11 Interest

Interest income and expense are recognized in the consolidated statement of profit or loss and other comprehensive income using the effective interest method. The effective interest rate is the one that accurately discounts the expected future cash payments and proceeds over the life of the financial asset or liability to the carrying amount of the asset or liability. The effective interest rate is determined at the initial recognition of the financial asset or liability and is not subsequently adjusted.

The calculation of the effective interest rate includes all commissions received or paid, transaction costs, as well as discounts or premiums that are an integral part of the effective interest rate.

Transaction costs are intrinsic costs directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income and expense presented in the annual consolidated statement of profit or loss and other comprehensive income includes: Interest recognized on an effective interest rate basis on financial assets and liabilities measured at amortized cost.

Unearned financial income (interest) represents the difference between the gross and net investment in the lease, the gross investment in the lease being the amount of the minimum lease payments and the unguaranteed residual value accrued to the lessor. Interest income from lease transactions (financial income) is allocated over the term of the lease and is recognized on a constant periodic rate of return on the lessor's net investment.

2.12 Fees and commissions

Fees and commissions income and expense that are an integral part of the effective interest rate for a financial asset or liability are included in the calculation of the effective interest rate.

Other fee and commission income, including fees for logistics services, insurance and other intermediation, are recognized through the performance of the related services.

Other charges for fees and commissions related mainly to banking services are recognized on receipt of the related services.

2.13 Asset management and brokerage

Asset management and brokerage activities related to transactions in financial instruments are carried out by the licensed investment intermediary Euro-Finance AD. They are classified as financial assets and are included either in the investment portfolio or the trading portfolio.

Financial assets are initially recognised at fair value, adjusted for transaction costs, except for financial assets measured at fair value through profit or loss and trade receivables that do not contain a significant financing component. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognised in profit or loss as incurred.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets for which a business model "held for contractual cash flows" or a business model "held for collection and sale" is not applicable, as well as financial assets whose contractual cash flows are not only principal and interest payments are reported at fair value through profit or loss. All derivative financial instruments are reported in this category except for those that are designated and effective as hedging instruments and for which hedge accounting requirements apply.

Changes in the fair value of assets in this category are reflected in profit or loss. The fair value of financial assets in this category is determined using either quoted market prices or using valuation techniques in the absence of an active market. This category classifies the securities from the trading portfolio and the equity instruments of the investment portfolio of the firm.

According to the Risk Management Rules of the investment intermediary, subsequent valuation of financial instruments from the trading book is made on a daily basis, at easily accessible closing prices from an independent source such as stock prices or prices from market information systems, quotes from independent brokers with good reputation. In the market valuation, the more conservative of the Buy and Sell rates is used unless the investment intermediary is significant to the market participant for the respective financial instrument and can close its position at an average market price.

When market valuation is not possible, the company uses a model to evaluate its positions and portfolios.

A subsequent valuation of its assets in the trading book under the following procedures:

/1/ For Bulgarian and foreign shares and rights admitted to trading on a regulated securities market in the Republic of Bulgaria as well as Bulgarian shares and rights admitted for trading on a regulated market in Member States:

a/ at the last price of a transaction concluded with them, announced in the stock exchange bulletin, if the volume of the transactions concluded with them for the day is not less than 0.02 per cent of the volume of the respective issue or reaches the estimated volume.

b/ if a price can not be determined under (a) - the arithmetic mean of the highest bid price or short selling respectively of the orders that are valid at the time of closing the regulated market on the estimated day, and the last price of a transaction concluded with the relevant securities for the same day.

c/ in the event that for the valuation day there are no deals with securities of the respective issue, the average of the highest bid or short selling offer respectively, valid at the moment of closing the regulated market for the assessed day, and the weighted average price of the last prices of the transactions concluded with the relevant securities and the traded volumes within the last 30-day period.

d/ If it is not possible to apply the valuation methods in a-c as well as for the non-traded shares, the post evaluation shall be based on the net book value of the assets.

/2/ For units of collective investment undertakings not traded on a regulated market, including in cases of temporary suspension of redemption:

a/ at the last announced redemption price.

b/ at the last designated and announced issue value per unit, less the amount of the unit-redemption and redemption costs provided for under the fund rules, in cases where the collective investment scheme has not reached the minimum amount of the net asset value

/3/ for derivative financial instruments - in the order indicated in /1/, and in case of impossibility to apply this method of valuation - by an appropriate model for valuation of derivative financial instruments.

/4/ for Bulgarian and foreign bonds, as well as government securities issued pursuant to BNB Ordinance No. 5 - by the method of discounted future net cash flows with a discount factor consisting of a risk-free rate and a risk premium.

/5/ for foreign securities admitted for trading on internationally recognized and liquid regulated securities markets abroad:

- a/ at the last price of a transaction concluded with them on the relevant market on the day of valuation;
- b/ if it is not possible to apply the valuation method under "a", the valuation shall be made at the "buy" or "sell" price, upon closing of the market on the day of the valuation announced in the electronic securities price information system;
- c/ if it is impossible to apply the assessment method under letter b) the valuation shall be made at the last price of a transaction concluded with them within the last 30-day period;

/6/ In cases where there is no trading on a regulated market in working days for the country, the valuation valid for the day of the last trading session shall be accepted. In the subsequent assessment of bonds under the first sentence, the accrued interest for the respective days shall also be reported.

Price sources are regulated securities markets - the Bulgarian Stock Exchange and foreign regulated markets where the relevant securities are traded. Quotation sources can be recognized by world news agencies such as REUTERS, BLOOMBERG, and so on.

Quotation sources can be recognized by world news agencies such as REUTERS, BLOOMBERG, and so on.

2.14 Segment reporting

An operating segment is a component of the Group that engages in revenue-generating activities and costs, including income and expense, that relate to transactions with each other of the Group's other components.

For management purposes, the Group is organized into business units based on the products and services they provide and includes the following reportable segments:

Energy:

- o Sales of electricity;
- o Electricity transmission;
- o Electricity generation;
- o Information, communication, technological and other services.

Insurance:

- o Insurance Services

Financial services:

- o Asset management and brokerage

The essential policies regarding energy business are set out in *Note 2.9 Revenue from energy segment and other income*.

The essential policies regarding insurance business are set out in *Note 2.8 Insurance contracts, insurance revenue and insurance service expenses*.

The accounting policies applicable to the Group's asset management and brokerage activities are disclosed in *Note 2.13 Asset management and brokerage*

2.15 Non-current assets and liabilities classified as a held for sale and discontinued operations

When the Group intends to sell a non-current asset or a group of assets (a disposal group), and if sale within 12 months is highly probable, the asset or disposal group is classified as 'held for sale' and presented separately in the consolidated statement of financial position.

Liabilities are classified as "held for sale" and presented as such in the consolidated statement of financial position if they are directly associated with a disposal group.

Assets classified as "held for sale" are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some 'held for sale' assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's accounting policy for those assets. Once classified as 'held for sale', the assets are not subject to depreciation or amortization.

Gain or loss from discontinued operations

A discontinued operation is a component of the Group that has either been disposed of or is classified as held for sale and:

- represents a certain type of main activity or covers activities from a certain geographical area;
- is part of a separate agreed plan for the sale of a certain type of main activity or of activities from a certain geographical area; or
- represents a subsidiary acquired for the purpose of subsequent sale.

Profit or loss from discontinued operations, as well as components of profit or loss from prior periods, are presented as a single amount in the consolidated statement of profit or loss/statement of profit or loss and other comprehensive income. This amount, which includes the profit or loss after tax from discontinued operations and the profit or loss after tax resulting from the valuation and write-off of assets classified as held for sale, is analyzed in *Note 39. Disposals and discontinued operations*.

The disclosure of discontinued operations from the previous year relates to all operations that have been discontinued as of the date of the consolidated financial statements for the most recently presented period. In the event that activities that were presented as discontinued in a previous period are resumed in the current year, the relevant disclosures for the previous period should be amended.

2.16 Tax

Corporate income tax

Current tax comprises the amount of tax to be paid on the expected taxable profit for the period based on the effective tax rate applicable at the date of preparation of the consolidated statement of financial position and any adjustments to past tax payable.

Current taxes on profits of Bulgarian companies in the Group are determined in accordance with the requirements of Bulgarian tax legislation - the Corporate Income Tax Act. The nominal tax rate for Bulgaria in 2025 is 10% (2024: 10%).

Subsidiaries abroad are taxed according to the requirements of the relevant tax laws by country at the following tax rates:

Country	Tax rate	
	2025	2024
Bulgaria	10%	10%
Romania	16%	16%
North Macedonia	10%	10%
Ukraine	18%	18%
Georgia	15%	15%
Greece	22%	22%
Netherlands	25%	25%

Deferred tax assets and liabilities are also measured at these rates.

Global Minimum Tax – Pillar Two Rules

The requirements of Pillar Two of the international tax framework have been transposed into Bulgarian legislation and became effective as of 1 January 2024. During the period, the Group performed a preliminary assessment of the applicable tax legislation to determine its potential exposure to Pillar Two top-up tax liabilities.

The Group is subject to the Domestic Top-up Tax under art.260a²⁵ of the Bulgarian Corporate Income Tax Act. The top-up tax relates to the Group's operations in Bulgaria, where the statutory corporate income tax rate is 10%. During the period, the Group recognised a current tax expense of BGN 6 172 thousand in relation to the top-up tax (2024: BGN 4 693 thousand).

The assessment was performed based on currently available information concerning the operations of the entities within the "Starcom Holding" AD Group and the applicable effective tax rates. Since the effective tax rate of the Bulgarian entities is below 15% and they do not qualify for transitional relief, a top-up tax under Pillar Two was accrued.

The Group continues to monitor developments in Pillar Two legislation in the jurisdictions in which it operates to assess the potential future impact on its consolidated operating results, financial position, and cash flows.

Deferred tax

Deferred tax is calculated by applying the balance sheet method to all temporary differences between the carrying amount of the financial statements and the amounts for tax purposes.

Deferred tax is calculated on the basis of the tax rate that is expected to be incurred when the asset is realized or the liability is settled. The effect on deferred tax on change in tax rates is recognized in the consolidated statement of profit or loss and other comprehensive income except when it relates to amounts previously accrued or accounted for directly in equity.

A deferred tax asset is recognized only to the extent that it is probable that future profits will be available against which unused tax losses or tax credit can be utilized. Deferred tax assets are reduced in line with the decrease in probability of tax benefits.

Due to the scale of the economic activity of the Starcom Holding AD Group, to which Eurohold Bulgaria AD belongs, the Group entities are subject to a Domestic Top-up Corporate Income Tax under the Corporate Income Tax Act, effective from 1 January 2024. The Group entities have applied the exception for the recognition of deferred tax assets and liabilities related to income taxes arising from Pillar Two (paragraph 4A of IAS 12) and the related disclosure exemption in the annual financial statements.

2.17 Property, plant and equipment

Items of property, plant and equipment are measured at cost less the amount of accrued depreciation and any impairment losses.

The Group has set a materiality threshold of BGN 700 below which the assets acquired, despite having the characteristics of a fixed asset, are reported as current period expense at the time they are acquired.

Initial acquisition

Initial valuation of items of property, plant and equipment is carried out:

- At acquisition cost, which includes: the purchase price (including customs duties and non-recoverable taxes), all direct costs of bringing an asset into working condition in accordance with its intended purpose - for assets acquired from external sources;
- At fair value: for those received as a result of a free transaction;
- Under assessment: accepted by the court, and all direct costs of bringing an asset into working condition in accordance with its purpose - for assets received as an in-kind contribution.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are included in the acquisition cost (cost) of that asset. All other borrowing costs are reported as current expenses in profit or loss for the period.

Subsequent measurement

The Group's approach to subsequent measurement of property, plant and equipment is the cost model under IAS 16, the historical cost of acquisition, less accumulated depreciation and accumulated impairment losses.

Subsequent costs

Subsequent repair and maintenance costs are recognized in the consolidated statement of profit or loss and other comprehensive income at the time they are performed unless there is clear evidence that their performance will result in increased economic benefits from the use of the asset. Then these costs are capitalized at the asset's carrying amount.

Gains and losses on sale

In the case of a sale of tangible fixed assets, the difference between the carrying amount and the sale price of the asset is recognized as a gain or loss in the consolidated statement of profit or loss and other comprehensive income.

Write-off of tangible fixed assets on the balance sheet is at the time of sale or when the asset is definitively disposed of and after the write-off the asset is not expected to have any other economic benefits.

2.18 Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and recognized separately. For the purposes of the impairment test, goodwill is allocated to each cash-generating unit of the Group (or group of cash-generating units) that is expected to benefit from the business combination, whether or not other assets or liabilities of the acquired company is allocated to these units. Goodwill is measured at cost less accumulated impairment losses.

When a cash-generating unit is written off, the relevant portion of goodwill is included in determining the gain or loss on write-off.

2.19 Intangible assets

Intangible assets are stated at cost, including all duties paid, non-refundable taxes and direct costs incurred in preparing the asset for use.

Subsequent measurement is performed at cost less accumulated amortisation and impairment losses.

Subsequent expenditures in respect of other intangible assets after their initial recognition are recognized in the consolidated statement of profit or loss and other comprehensive income in the period in which they are incurred unless due to them the asset can generate more than originally intended future economic benefits and these expenditures can be reliably measured and assigned to the asset. If these conditions are met, the amount of the expenditures made is added to the cost of the asset.

A materiality threshold of BGN 700 is applied, below which the acquired assets, despite having the characteristics of a fixed asset, are reported as a current expense at the time of their acquisition.

The carrying amount of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not exceed their recoverable amount.

The gain or loss on disposal of the the intangible asset is determined as the difference between the disposal proceeds, and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss and other comprehensive income in line "Other operating income / costs", net.

2.20 Depreciation and amortization methods

The Group applies a straight-line depreciation method. Depreciation of assets begins in the month following the month of acquisition. The land and assets under construction are not depreciated. Useful life by group of assets is consistent with: physical wear and tear, specifics of the equipment, future intentions for use, and the assumed obsolescence.

The estimated useful life by asset class is as follows:

Asset group	Useful life in years
Property, plant and equipment	
Buildings	25-50
Machinery and equipment	2-25
Vehicles	2-6
Business inventory	3-25
Computers	2-5
Intangible assets	
Software	2
Other intangible assets	5-7
Right-of-use assets	
Right-of-use assets recognised in accordance with IFRS 16 Leases	over the shorter of the asset's life and the lease term on a straight-line basis

2.21 Impairment tests on goodwill, other intangible assets and property, plant and equipment

In calculating the amount of impairment, the Group defines the smallest identifiable group of assets for which separate cash flows (unit generating cash flows) can be determined. As a result, some of the assets are subject to an impairment test on an individual basis and others on a cash-generating unit basis. Goodwill refers to the cash-generating units that are likely to benefit from the business combination and which represent the lowest level in the Group at which management monitors goodwill.

Cash-generating units to which goodwill is attributed are tested for impairment at least annually. All other separate assets or cash-generating units are tested for impairment when events or changes in circumstances indicate that their carrying amount can not be restored.

An impairment loss is the amount by which the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. To determine the value in use, the Group's management calculates the expected future cash flows for each cash-generating unit and determines the appropriate discount factor in order to calculate the present value of those cash flows. The data used in the impairment testing are based on the last approved budget of the Group, adjusted if necessary to eliminate the effect of future reorganizations and significant asset improvements. The discount factors are determined for each individual cash-generating unit and reflect their respective risk profile, assessed by the Group's management.

Impairment losses on a cash-generating unit are allocated to the reduction of the carrying amount first of the goodwill attributable to that unit and then to the other assets of the unit in proportion to their carrying amount. With the exception of goodwill for all of the Group's assets, management subsequently assesses whether there is any indication that an impairment loss recognized in prior years may no longer exist or be reduced. An impairment loss recognized in a prior period is reversed if the recoverable amount of the cash-generating unit exceeds its carrying amount.

2.22 Lease

The Group as a lessee

The Group assesses whether the contract represents or contains elements of a Lease if, under this agreement, the right to control the use of an asset for a specified period of time is transferred for consideration. If it is established that the lease agreement recognizes the Group as an asset with a right of use and a corresponding obligation at the date on which the leasing asset is available for use.

A reassessment of whether a contract represents or contains elements of a lease is made only if the terms and conditions of the contract change.

Leasing assets and liabilities are initially measured at present value.

Leasing liabilities include the net present value of the following lease payments:

- fixed payments (including substantially fixed payments) minus any lease incentive receivables;
- variable lease based on an index or interest initially measured by the index or rate at the commencement date;
- amounts expected to be paid by the Group under guarantees of residual value;
- the cost of exercising a purchase option if the Group has reason to exercise that option, and
- payments of penalties for termination of the lease if the lease term reflects the fact that the Group exercises this option

Lease payments that are made under reasonably defined extension options are also included in the liability measurement. The valuation of a lease contract with an option to extend the lease term should be taken plus 1 year to the fixed period. The Group acknowledges that this is the minimum for which there is assurance that an option contract may be extended.

The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The Group applies a three-step approach in determining the incremental borrowing rate based on:

- Yield of 10-years Government Bonds calculated as an average for the the last 3 years;
- financing spread adjustment - loans to new enterprises, non-financial corporations in local currency, to determine the initial initial interest rate for a period of 3 years (for real estate) or the average interest rate on financial leasing to unrelated persons for the last 3 years (for vehicles);
- specific lease adjustment related to the specific asset (at the discretion of each individual asset).

Applicable differential rates in the Group:

	Buildings - Bulgaria	Buildings - Greece	Buildings- Georgia	Buildings - North Macedonia	Vehicles - Bulgaria	Vehicles - North Macedonia
Incremental borrowing rate	4.05 %	4.54 %	7.03 %	5.81%	5.34 %	6.17 %

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

The Group adopts the threshold for recognition right-of-use assets of BGN 10,000.00, taking the price of the asset as new.

2.23 Pension and other obligations to staff under labor and social legislation

The employment and social security relations with the employees of the Group are based on the provisions of the Labor Code and the provisions of the current insurance legislation for the companies operating in Bulgaria, the Romanian Code - for the companies in Romania, the labor legislation for the companies in Ukraine, of labor law for companies in Northern Macedonia.

Short-term employee benefits

Liabilities for short-term employee benefits are measured on an undiscounted basis and are recognized as an expense when the related service is provided. Liabilities are recognized for the amount expected to be paid on a short-term cash bonus or profit-sharing plan if the Group has a legal or constructive obligation to pay that amount as a result of past service provided by an employee and the liability may be evaluated reliably.

The Group recognizes as an obligation the undiscounted amount of estimated expense paid annual leave expected to be paid to employees in exchange for their work for the past reporting period.

Defined contribution plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net liability for defined benefit plans is calculated by forecasting the amount of future benefits that employees have earned in return for their services in the current and prior periods, and this income is discounted to determine its present value.

A defined contribution plan is a post-employment benefit plan under which the Group pays contributions to another person and has no legal or constructive obligation to pay additional amounts thereafter. The Government of Bulgaria is responsible for providing pensions under defined contribution plans.

Expenses on the Group's commitment to pay installments under defined contribution plans are recognized in profit or loss on an ongoing basis.

Termination benefits

Termination benefits are recognized as an expense when the Group has committed itself clearly, without any real possibility of withdrawal, with a formal detailed plan either to terminate a business relationship before the normal retirement date or to provide termination benefits as a result of a proposal, made to encourage voluntary departure.

Termination benefits for voluntary departure are recognized as an expense if the Group has made a formal offer for voluntary termination, and it is probable that the offer will be accepted and the number of acceptances can be estimated reliably. If benefits are due more than 12 months after the end of the reporting period, they are discounted to their present value.

2.24 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, current bank accounts, demand deposits and deposits up to 3 months, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows

The consolidated cash flow statement shows the Group's cash flows for operating, investing and financing activities during the year, changes in cash and cash equivalents for the year, cash and cash equivalents at beginning and end of the year.

Operating cash flows are calculated as a result for the year, adjusted for non-monetary operating positions, changes in net working capital and corporate tax.

Cash flows from investing activities include payments in connection with the purchase and sale of fixed assets and cash flows associated with the purchase and sale of businesses and activities. Purchase and sale of other securities that are not cash and cash equivalents are also included in investing activities.

Cash flows from financing activities include changes in the size or composition of share capital and related costs, borrowing and repayment of interest-bearing loans, purchase and sale of own shares and payment of dividends.

2.25 Financial assets and liabilities

Recognition and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual terms of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the financial asset and substantially all the risks and rewards are transferred.

Financial liabilities are derecognized when the obligation specified in the contract is fulfilled or expires.

Classification and initial measurement of financial assets

Financial assets are initially measured at fair value, adjusted for transaction costs, except for financial assets at fair value through profit or loss (FVTPL) and trade receivables that do not have a significant financial component. The initial measurement of financial assets at fair value through profit or loss is not adjusted for transaction costs that are reported as current expenses.

The initial measurement of trade receivables that do not have a significant financial component represents the transaction price under IFRS 15.

Depending on the method of subsequent reporting, financial assets are classified into one of the following categories:

- debt instruments at amortized cost;
- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income, with or without reclassification in profit or loss, whether they are debt or equity instruments.

The classification of financial assets is determined on the basis of the following two conditions:

- the business model of the Financial Assets Management Group;
- the characteristics of the contractual cash flows of the financial asset.

All income and expenses relating to financial assets recognized in profit or loss are included in financial expenses, financial income or other financial items, except for impairment of trade receivables, which is presented in line with other expenses in the consolidated statement of profit or loss and other comprehensive income.

Subsequent valuation of financial assets

Debt instruments at amortized cost

Financial assets are measured at amortized cost if the assets meet the following criteria and are not designated for fair value through profit or loss:

- The Group manages the assets within a business model that aims to hold the financial assets and to collect their contractual cash flows;
- According to the contractual terms of the financial asset at specific dates, cash flows arise, which are only principal payments and interest on the outstanding amount of the principal.

This category includes non-derivative financial assets such as loans and receivables with fixed or determinable payments that are not quoted in an active market. After initial recognition, they are measured at amortized cost using the effective interest method. Discarding is not done when its effect is insignificant. The Group classifies in this category the cash and cash equivalents, trade and other receivables as well as listed bonds.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets for which a business model "held for contractual cash flows" or a business model "held for collection and sale" is not applicable, as well as financial assets whose contractual cash flows are not only principal and interest payments are reported at fair value through profit or loss. All derivative financial instruments are reported in this category except for those that are designated and effective as hedging instruments and for which hedge accounting requirements apply (see below).

Changes in the fair value of assets in this category are reflected in profit or loss. The fair value of financial assets in this category is determined by quoted prices in an active market or by using valuation techniques in the absence of an active market.

Financial assets at fair value through other comprehensive income

The Group recognizes financial assets at fair value in other comprehensive income if the assets meet the following conditions:

- The Group manages assets within a business model that aims to hold the financial assets to collect contractual cash flows and sell them; and
- According to the contractual terms of the financial asset at specific dates, cash flows arise, which are only principal payments and interest on the outstanding amount of the principal.

Financial assets at fair value through other comprehensive income include:

- Equity securities that are not held for trading and which the Group irrevocably has chosen at initial recognition to recognize in this category.
- Debt securities where the contractual cash flows are only principal and interest and the Group's business model is aimed at both the collection of contractual cash flows and the sale of financial assets.

In case of disposal of equity instruments in this category, any value reported in the revaluation reserve of the instruments is reclassified to retained earnings.

In case of disposal of debt instruments in this category, any value reported in the revaluation reserve of the instruments is reclassified to retained earnings.

Classification and measurement of financial liabilities

The financial liabilities of the Group include borrowings, liabilities under finance leases, trade and other financial liabilities.

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs unless the Group has designated a financial liability as measured at fair value through profit or loss.

Financial liabilities are subsequently measured at amortized cost using the effective interest method, except for derivatives and financial liabilities that are designated for measurement at fair value through profit or loss (except for derivative financial instruments that are designated and effective as hedging tool).

All interest-related expenses and, if applicable, changes in the fair value of the instrument that are recognized in profit or loss are included in financial expenses or financial income.

Derivative financial instruments and hedge accounting

Derivatives are off-balance sheet financial instruments the value of which is determined on the basis of interest rates, exchange rates or other market prices. Derivatives are an effective tool for managing market risk and limiting exposure to a counterparty.

The most commonly used derivatives are:

- foreign exchange swap;
- interest rate swap;
- forward foreign exchange and interest rate contracts;
- futures;
- options.

Derivatives are held for trading purposes as well as hedging instruments used to manage interest rate and currency risk.

Derivatives held for trading are measured at fair value and gains and losses are reported in the consolidated statement of profit or loss and other comprehensive income as a result of financial operations.

Derivative financial instruments are measured at fair value through profit or loss except for derivatives designated as hedging instruments for cash flow hedges that require specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic link between the hedged item and the hedging instrument;
- the effect of credit risk is not an essential part of the changes in value that result from this economic relationship;
- the hedging relationship's hedge ratio is the same as the one resulting from the amount of the hedged item that the Group actually hedges and the amount of the hedging instrument that the Group actually uses to hedge this amount of hedged items.

All derivative financial instruments used for hedge accounting are initially recognised at fair value and are subsequently measured at fair value in the consolidated statement of financial position. They are classified as financial assets when their fair value is positive, or as financial liabilities when their fair value is negative. Derivative instruments are classified and presented based on their remaining maturity (within or beyond 12 months) as either current or non-current financial assets or liabilities.

Fair value is determined based on observable market data (Level 2) for the respective type of traded derivative instruments. The source of the valuation is the counterparty bank, which applies its own data sources for market price levels and appropriate valuation methods and techniques to determine and provide the Group with reasonable fair value amounts.

To the extent that hedging is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognized in other comprehensive income and included in the hedge of the cash flow in equity. Any inefficiency in the hedging relationship is recognized immediately in profit or loss.

At the moment when the hedged item affects profit or loss, the gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and is presented as a reclassification adjustment to other comprehensive income. However, if a non-financial asset or liability is recognized as a result of the hedged transaction, gains or losses previously recognized in other comprehensive income are included in the initial measurement of the hedged item.

If the forecast transaction is no longer expected to occur, any related gain or loss recognized in other comprehensive income is transferred immediately to profit or loss. If the hedging relationship ceases to be effective, hedge accounting is discontinued and the related gain or loss is recognized as a reserve in equity until the estimated transaction.

Gains or losses from the remeasurement of derivatives (not designated under the specific hedge accounting requirements of IFRS 9 for cash flow hedges) are currently recognised in the consolidated statement of comprehensive income (within profit or loss for the year) as "finance income" or "finance costs", respectively.

Impairment of financial assets

IFRS 9 requires the Group to recognize a provision for expected credit losses for all debt instruments that are not carried at fair value through profit or loss and for contract assets.

Instruments under the requirements include loans and other financial assets measured at amortized cost, debt instruments measured at fair value through other comprehensive income, trade receivables, contract assets recognized and measured under IFRS 15, and credit commitments and some financial guarantee contracts (with the issuer) that are not reported at fair value through profit or loss.

Recognition of credit losses does not depend on the occurrence of a credit loss event. Instead, the Group considers a wider range of information in assessing credit risk and assessing expected credit losses,

including past events, current conditions, reasonable and supportive forecasts that affect the expected future cash flow of the instrument.

In implementing this forward-looking approach, a distinction is made between:

- financial instruments whose credit quality has not significantly deteriorated since the initial recognition or have low credit risk (Phase 1);
- financial instruments whose credit quality has deteriorated significantly since the time of initial recognition or where the credit risk is not low (Phase 2);
- "Phase 3" covers financial assets that have objective evidence of impairment at the reporting date.

12-month expected credit losses are recognized for the first category, while the expected losses over the life of the financial instruments are recognized for the second category. Expected credit losses are determined as the difference between all contractual cash flows attributable to the Group and the cash flows it is actually expected to receive ("cash deficit"). This difference is discounted at the original effective interest rate (or the effective interest rate corrected to the credit).

The calculation of expected credit losses is determined on the basis of the probability-weighted estimate of credit losses over the expected period of the financial instruments.

- **Cash**

The Group categorizes the banks in which it holds cash on the basis of a rating assigned to them by rating agencies (Moody's, Fitch, S&P, BACR) and, depending on it, applies a different percentage to the expected credit losses for 12 months.

- **Receivables on loans**

The Group has receivables from loans granted, which are categorized according to whether the borrower has a rating and depending on whether the receivables from such loans are overdue.

- **Trade and other receivables, contracted assets**

The Group uses a simplified approach to accounting for trade and other receivables as well as contract assets and recognizes impairment losses as expected credit losses over the entire period. They represent the expected shortfall in contractual cash flows, given the possibility of default at any time during the term of the financial instrument. The Group uses its accumulated experience, external indicators and long-term information to calculate the expected credit losses through customer allocation by industry and time structure of receivables and using a maturity of provisions.

- **Court and awarded receivables**

The Group's court and adjudicated receivables are categorized in Phase 3, respectively as such they are individually considered by the management and each such receivable is assigned an individual impairment percentage.

2.26 Inventory

Materials and goods are valued at shipping cost. Their value is the sum of all purchase costs and other costs incurred in delivering them to their current location and status.

The write-off of materials and commodities upon their consumption is based on a specific or weighted average value depending on the segments.

The net realizable value of the inventories is stated at the sale price, less the completion costs and costs incurred to realize the sale and is determined with respect to marketing, obsolescence and development at expected sales prices.

When the carrying amount of inventories is higher than the net realizable value, it is reduced to the net realizable value. The decrease is recorded as other current expenses.

2.27 Provisions, contingent liabilities and contingent assets

Provisions are recognized when it is probable that current liabilities resulting from a past event will result in an outflow of resources from the Group and a reliable estimate of the amount of the liability can be made. The timing or amount of cash outflow may be uncertain. A present obligation arises from the existence of a legal or constructive obligation as a result of past events, such as guarantees, legal disputes or burdensome contracts. Restructuring provisions are recognized only if a detailed formal restructuring plan has been developed and implemented or management has announced the main points of the restructuring plan to those who would be affected. Provisions for future operating losses are not recognized.

The amount recognized as a provision is calculated on the basis of the most reliable estimate of the costs required to settle a current liability at the end of the reporting period, taking into account the risks and uncertainties associated with the current liability. Where there are a number of similar obligations, the probable need for an outflow to settle the obligation is determined taking into account the group of liabilities as a whole. Provisions are discounted when the effect of time differences in the value of money is significant.

Third party benefits in respect of a liability that the Group is certain to receive are recognized as a separate asset. This asset may not exceed the value of the provision in question.

Provisions are revised at the end of each reporting period and adjusted to reflect the best estimate. In cases where it is considered that an outflow of economic resources is unlikely to occur as a result of a current liability, a liability is not recognized unless it is a business combination. In a business combination, contingent liabilities are recognized when the cost of acquisition is allocated to the assets and liabilities acquired in the business combination. Contingent liabilities should be subsequently measured at the higher of the comparable provision described above and the amount initially recognized less accumulated depreciation.

Possible inflows of economic benefits that do not yet meet the criteria for recognition of an asset are considered contingent assets.

2.28 Equity and earning per share

2.28.1 Equity

Equity includes share capital, premium reserves and other reserves, other equity components as well as retained earnings/accumulated loss and current year financial result.

The *share capital* is presented at its nominal value according to the court decisions for its registration.

The *premium reserve* includes premiums earned on the initial equity issue. All costs related to the issue of shares are deducted from the paid-in capital, net of tax relief.

Other reserves include statutory reserves and general reserves.

In accordance with the requirements of the Commerce Act and the Articles of Association, the Parent company is obliged to establish a Reserve Fund and the sources of such fund may be as follows:

- At least one-tenth of the profit being allocated until the fund amount reaches one tenth or bigger part of the capital as set out in the Articles of Association;
- The received funds exceeding the nominal value of shares upon issue thereof (premium reserve);
- Other sources as set out by resolution of the General meeting.

The amounts in the reserve fund may be used only to cover the annual loss and losses of prior years. Once the fund's balance reaches the minimum level prescribed by the Articles of Association, any excess may be applied to increase share capital.

Retained earnings comprise the current year's profit or loss together with accumulated profits and uncovered losses from prior years.

Other components of equity include issued warrants by the Company. When the conditions in the Prospectus are met, each holder of warrants can exchange them for ordinary, dematerialized shares at a price of BGN 2 per share during any future share capital increase. Each such ordinary shares will give 1 vote at the general shareholders' meeting of the Company.

Accumulated losses include the current financial result and profits and losses from previous years.

Dividend payment obligations to shareholders are included in the line item "*Trade and other liabilities*" in the statement of financial position when the dividends are approved for distribution by the general meeting of shareholders before the end of the reporting period. All transactions with the owners of the Company are presented separately in the consolidated statement of changes in equity.

Equity that does not belong to the economic group / non-controlling interest / represents part of the net assets, including the net result for the year of the subsidiaries, which can be attributed to participations that are not directly or indirectly owned by the Group.

2.28.2 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to shareholders, holders of ordinary shares by the weighted average number of ordinary shares outstanding for the period.

The weighted average number of shares is the number of ordinary shares outstanding at beginning of period, adjusted by the number of repurchased ordinary shares issued during the period multiplied by the average time factor. This factor expresses the number of days the specific shares were held in relation to the total number of days during the period.

In capitalization, bonus issue or split, the number of ordinary shares that are outstanding at the date of this event is adjusted to reflect the proportional change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the submitted the earliest period.

Diluted earnings per share have not been calculated because there are no instruments outstanding that could give rise to potential new shares.

2.29 Significant management judgements in applying accounting

Management's significant judgements in the implementation of the Group's accounting policies, which have the most material impact on the consolidated financial statements, are described below. The main sources of estimation uncertainty are described in [Note 2.30 Uncertainty of accounting estimates](#).

2.29.1 Deferred tax assets

The assessment of the probability of future taxable income for the use of deferred tax assets is based on the last approved estimate, adjusted for significant non-taxable income and expense, and specific restrictions on the transfer of unused tax losses or loans. If a reliable estimate of taxable income implies the probable use of a deferred tax asset, particularly in cases where the asset can be used without a time limit, the deferred tax asset is recognized as a whole. Recognition of deferred tax assets that are subject to certain legal or economic constraints or uncertainties is judged by the management on a case-by-case basis based on the specific facts and circumstances.

Based on this approach, the Management of the Group has decided not to recognise deferred tax assets in the annual consolidated financial statements for 2025 and 2024 as follows:

	31.12.2025 <i>BGN '000</i>	31.12.2024 <i>BGN '000</i>
Thin capitalization under art.43a	10 609	10 828
Tax loss	334	5 301
Impairment of receivables	138	61
Lease contracts	8	9
oAccumulating unused (compensatable) leave	2	2
	11 091	16 201

Due to the scale of the economic activity of the Starcom Holding AD Group, to which Eurohold Bulgaria AD belongs, the Group entities are subject to a Domestic Top-up Corporate Income Tax under the Corporate Income Tax Act, effective from 1 January 2024. The Group entities have applied the exception for the recognition of deferred tax assets and liabilities related to income taxes arising from Pillar Two (paragraph 4A of IAS 12) and the related disclosure exemption in the annual financial statements.

2.29.2 Revenue from contracts with customers

In recognizing revenue under contracts with customers, the management makes various judgments, estimates and assumptions that affect the reported revenue, expense, assets and liabilities under contracts.

The key judgments and assumptions that have a material impact on the amount and timing of revenue recognition from contracts with customers related to electricity trading are disclosed in details in the accounting policy in [Note 2.9](#) and are as follows:

- o Determination of the moment in time of fulfillment of performance obligations in the sale of electricity, services provided in the field of electricity trade and in contracts for the construction of energy facilities - the Company has made an analysis and determined that control is transferred during of time.
- o Method for approximate evaluation of the variable remuneration - penalties for non-fulfillment of the obligations of any of the parties, including for quality performance by the Company.
- o Assessment of a significant component of financing in case of deferred payment over one year in contracts for the construction of energy facilities.
- o Considerations related to the principal versus agent relationship regarding the collection of access and transmission charges to the electricity distribution network and the "Obligations to the public" component - net presentation.

2.29.3 Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at the end of each reporting period. Management determines the useful life of the assets, which represents the expected period of use of the assets by the Group. The carrying values of the assets as of December 31, 2025 and 2024 are analyzed in [Notes 24. Property, plant and equipment](#) and [25.Intangible assets](#). The actual useful life may differ from the estimate due to technical and moral obsolescence, primarily of software products and computer equipment.

2.29.4 Contract assets and liabilities

Contract assets

Revenue from the sale of electricity is recognised on a monthly basis over the period in which consumption is incurred. As invoicing is performed on the basis of a monthly rolling meter reading cycle, estimates of consumed but unbilled electricity are recognised at the end of each reporting period. Differences between estimated amounts across reporting periods are recognised in profit or loss within the statement of profit or loss and other comprehensive income. Estimates are prepared based on historical consumption data, observed trends, and seasonal variations. Due to the nature of the inputs and assumptions used, actual outcomes may differ from these estimates.

Unbilled electricity is recognised as contract assets and is presented in the statement of financial position within trade and other receivables. Such assets are reclassified to trade receivables when the right to consideration becomes unconditional, i.e. when only the passage of time is required before payment becomes due. Contract assets also include accrued amounts for transmission and distribution services that have not been physically measured or invoiced to customers at the end of the reporting period. Following initial recognition, contract assets are subject to impairment assessment in accordance with IFRS 9 Financial Instruments. Impairment losses on contract assets are presented separately from other impairment losses on financial assets.

Contract liabilities

Contract liabilities arise when payments are received from customers and/or when a right to consideration becomes unconditional, before the Group has satisfied its corresponding performance obligations. Contract liabilities are recognised as revenue when, or as, the Group satisfies the performance obligations under the contract. Amounts received from customers for electricity network connection services, for which the related contracts are not yet completed and the related assets are still under construction, are also recognised and presented as contract liabilities.

Contract assets and contract liabilities are presented separately from trade receivables and trade payables. They are classified as current when their maturity is within 12 months or within the normal operating cycle of the Group, while the remaining balances are presented as non-current.

2.29.5 Process for determining the main assumptions related to the assessment of liabilities under insurance and reinsurance contracts

The assumption determination process is designed to calculate neutral estimates of the most likely or expected outcome of insurance events. The sources of information used for the assumptions are internally prepared using in-depth analyses that are conducted annually. Assumptions are reviewed for consistency with observed market prices or other published information. For assumptions, information for current trends is mostly used, and in cases where there is insufficient information to make a reliable assessment of claims progress, more cautious assumptions are made.

Each claim is reviewed against the circumstances of the claims, information available from liquidation professionals and historical evidence of the amount of such damages. Damage estimates are reviewed regularly and updated as new information becomes available. Liabilities for incurred claims (LIC) are accrued based on current information available. The difficulties in determining differ between different lines of business depending on the insurance contracts, the complexity of the benefits, the volume and the significance of the benefits.

The primary method or combination of methods used varies by the year of occurrence of the insurance claim, the class of business and the observed historical development of the loss.

The assumptions made regarding the loss quotas in the future are based on historical loss information and the expected future development of the portfolio for the various types of insurance. There are reasons not to use historical information, which in turn affects the modification of methods. Such reasons could be:

- Changes in business processes that have an impact on the progress and recording of incurred and paid indemnities;
- Economic, legal, political and social trends (resulting in different than expected levels of inflation);
- Changes in the structure of the business;
- Random fluctuations, incl. the impact of material losses.

The amount of incurred but not reported (IBNR) claims is initially calculated on a gross basis and then a separate calculation is made to assess the reinsurers' share. The Group covers insurance risks through an excess loss insurance program for a small number of material losses to be covered by the reinsurer. The method used by the Group is based on historical data, gross expected amount of incurred but unclaimed claims and data on the reinsurance program to determine the amount of receivables from reinsurers.

2.29.5.1 Information required for the purposes of actuarial models

Actuarial models under IFRS 17 require, as a minimum, the following data:

For the *liability for remaining coverage (LCR)* – a list of all policies in force during the current period with the following data:

- date of execution of the policy;
- start and end of coverage under the policy;
- annual cohort;
- accrued premium income – the entire amount of the premium due under the policy, reduced by the premiums written off and returned under early terminated contracts;
- premium received for the period;
- accrued commissions;
- commissions paid.

For the *liability for incurred claims (LIC)* – a list of all paid claims, for which the progress of damages and claims made, outstanding as of the valuation date is considered, with details of:

- date of event;
- policy under which the damage is claimed with the following information: policy number, policy coverage period /beginning and end of coverage/ and cohort;
- date of submission of the claim;
- claimed amount;
- formed a reserve for incurred, unpaid claims;
- date of payment;
- Paid amount;
- incurred expenses for the liquidation of claims - direct and indirect.

The assumptions having the most material effect in estimating the liability for claims made are the expected loss quotas for the most recent loss periods for the individual insurance types. These metrics are used to estimate the amount of incurred but unclaimed claims.

Actual future results may differ from the assumptions made. The Group's management reviews applied assumptions to ensure that the available information is fully and appropriately reflected.

2.29.5.2 Aggregation of issued (re) insurance contracts and purchased reinsurance contracts

Under IFRS 17, insurance contracts are grouped for measurement purposes.

Contract groups are defined on the basis of individual contracts issued in different product groups, in different currencies and in different countries of operations, being grouped and valued separately at the group level. Each portfolio is then divided into annual cohorts (ie year of issue). When a contract is recognized, it is added to an existing group of contracts or, if the contract does not meet the conditions for inclusion in an existing group, it forms a new group to which future contracts can be added.

Groups of reinsurance contracts are created to be comparable to the groups of direct business and active reinsurance (reinsurance contracts issued). Under IFRS 17, the measurement of a group of contracts includes all future cash flows within each contract in the group. The period covered by premiums within the contract limits is the 'coverage period' which is applicable when applying a number of requirements in IFRS 17.

Insurance contracts

For insurance contracts, cash flows are within the boundaries of the contract if they arise from material rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or has a material obligation to provide services (including insurance coverage and investments services).

Issued reinsurance contracts

Currently, the valuation of these reinsurance contracts is generally consistent with that of issued insurance contracts and covers only direct insurance contracts that have already been issued and reinsured at the valuation date. According to IFRS 17, however, the cash flows arising from the reinsurance (underlying) contracts, which are expected to be issued and the risk on them to be transferred after the reporting date, may be within the limits of the reinsurance contracts and are taken into account in the valuation.

Purchased reinsurance contracts

For reinsurance contracts, cash flows are within the limits of the contract if they arise from material rights and obligations that exist during the accounting period in which the Group is obligated to pay amounts to the reinsurer or has a material right to receive services from the reinsurer.

Contracts measurement – general overview

IFRS 17 introduces a valuation model based on the present value of future cash flows expected to occur when the Group fulfills the contracts, a risk adjustment and a contract service margin. All insurance contracts of the Group and all reinsurance contracts are classified as contracts without direct participation characteristics.

2.29.5.3 Measurement of (re) insurance contracts and purchased reinsurance contracts

A simplified assessment model

Premium allocation method (simplified model) is an optional simplified valuation model in IFRS 17, that is available for insurance and reinsurance contracts that meet the eligibility criteria.

The Group applies the simplified model to part of its insurance portfolio with the exception of groups of contracts identified as onerous.

A general assessment model

On initial recognition, the Group measures a group of contracts (mostly related to the insurance products Loans and Guarantees) as the total amount of (a) fulfilment cash flows, which include estimates of future cash flows adjusted to reflect the value of money in time and associated financial risks and adjustment for non-financial risk; and (b) contractual service margin. Fulfilment cash flows do not reflect the Group's default risk.

- The Group's objective in estimating future cash flows is to determine the expected value of a set of scenarios that reflect the full range of possible outcomes. The cash flows from each scenario will be discounted and weighted by the expected probability of that outcome to derive an expected present value.
- All cash flows will be discounted using risk-free yield curves, published by EIOPA, without additional adjustments for liquidity.
- The non-financial risk adjustment for a group of contracts, determined separately from other estimates, is the compensation that the Group would require to assume a certain level of uncertainty about the amount and timing of cash flows that arise from non-financial risk.
- Contractual service margin on a group of contracts represents the unearned profit that the Group will recognize as it provides services under those contracts.

The assessment of Liabilities for incurred claims (LIC) is always carried out under the General assessment model.

Onerous contracts

The assessment of whether a set of contracts has a significant risk of subsequently becoming onerous is based on valuation information provided by internal reporting and is based on the likelihood of changes in assumptions that, if they occurred, would cause the contracts to become onerous.

2.29.6 Loss of control over subsidiary Euroins Romania Asigurare–Reasigurare S.A.

On 17 March 2023, the Romanian Financial Supervisory Authority (Autoritatea de Supraveghere Financiară, "ASF") withdrew the insurance operating licence of Euroins Romania Asigurare–Reasigurare S.A. ("Euroins Romania"). Subsequently, an application for the opening of insolvency proceedings was filed, and by court decision dated 9 June 2023, the Bucharest Court opened insolvency proceedings.

As a result, the Group concluded that it had lost control over Euroins Romania as at 31 December 2022, in accordance with IFRS 10 Consolidated Financial Statements. Refer also to *Note 40.1 Litigation*.

2.30 Uncertainty of accounting estimates

In preparation of consolidated financial statements, management makes a number of assumptions, estimates and assumptions regarding the recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from management's assumptions, estimates and assumptions and in rare cases will be completely consistent with previously estimated results.

Information about the material assumptions, estimates and assumptions that have the most significant impact on the recognition and measurement of assets, liabilities, income and expenses is presented below.

Impairment of inventories

At the end of the reporting period, management reviews the available inventories – materials and goods to determine whether their net realizable value has fallen below their carrying amount. In this review as at 31 December 2025, the Group did not recognise impairment of inventories. (as of 31 December 2024 – no impairment) *Note 26. Inventory by segments.*

Impairment of property, plant and equipment

In accordance with IAS 36, at the end of the reporting period, an estimate is made as to whether there is any indication that the value of an asset in property, plant and equipment is impaired. In the case of such indications, the recoverable amount of the asset is calculated and the impairment loss is determined. As of 31 December 2025 and 31 December 2024, no impairment of property, plant and equipment was recorded. *Note 24. Property, plant and equipment and 25. Intangible assets.*

Actuarial assessments

In determining the present value of long-term employee retirement liabilities, calculations of certified actuaries based on mortality assumptions, staff turnover rates, future salary levels, and discount factors have been used, which assumptions have been judged by management to be reasonable and relevant for the Group.

Impairment of goodwill

The Group performs an impairment test of goodwill at least once a year. The recoverable amounts of the units that generate cash are determined based on the value in use or the fair value, net of the cost of the sale. In 2024 and 2023, the Group has not reported a goodwill impairment loss.

Impairment of cash and cash equivalents, loans and receivables

o Cash and cash equivalents

The Group categorizes the banks in which it holds cash on the basis of their rating agencies (Moody's, Fitch, S & P, BCRA) and, depending on it, apply a different percentage for the expected credit losses for 12 months.

o Loans receivables

The Group has loan receivables that are categorized depending on whether the borrower has a rating, and whether or not the receivables from such loans are overdue.

o Litigation and claims

The Group's court and assignment receivables are categorized in Group 3, respectively as such, they are individually reviewed by the management and each such receivable is assigned an individual impairment.

Defined benefit obligations

Management evaluates once a year in cooperation with an independent actuary the obligation to pay defined benefits. The actual value of the obligation may differ from the preliminary estimate due to its uncertainty. The estimate of the defined benefit obligation is based on statistical indicators of inflation, health care costs and mortality. Another influencing factor is the Group's anticipated future salary increases. The discount factors are determined at the end of each year relative to the interest rates of high-quality corporate bonds that are denominated in the currency in which the defined benefits will be paid and that have a maturity corresponding approximately to the maturity of the relevant pension obligations. Estimation uncertainty exists with respect to actuarial assumptions, which can vary and have a significant effect on the value of defined benefit obligations and related costs.

Fair value of financial instruments

Management applies valuation techniques to measure the fair value of financial instruments when quoted prices in an active market are not available. Details of the assumptions used are disclosed in the notes on financial assets and liabilities. In applying these techniques, management maximises the use of observable market data and adopts the assumptions that market participants would use when pricing the instrument. If relevant market data are unavailable, management uses its best estimate of the assumptions that market participants would make. Those estimates may differ from the actual prices that would be agreed in an arm's-length transaction between knowledgeable, willing parties at the end of the reporting period.

Estimates of future cash flows in relation to insurance and reinsurance contracts

In estimating future cash flows, the Group incorporates, in an unbiased manner, all reasonable and factually supported information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical claims data, other expectations, updated to reflect current expectations of future events.

Cash flows for the acquisition of insurance and other costs that are incurred in the performance of contracts include both direct costs and allocations of fixed and variable overheads.

The Group allocates cash flows from insurance acquisitions to groups of contracts based on total premiums for each group, claims processing costs based on claims paid and administrative expenses based on total premiums for each group using a combination of different techniques.

The Group recognizes the liability for incurred claims on a group of contracts to the extent of the cash flows from servicing the insurance contracts related to incurred claims. Future cash flows are discounted.

Discount rates

The company uses risk-free yield curves of the countries in which it operates, analogous to the Solvency II guidelines, and uses the curves published by EIOPA without additional adjustments (including for liquidity).

Adjustments for non-financial risk

Adjustments for non-financial risk are determined to reflect the compensation the Group would require for assuming non-financial risk and its degree of risk aversion.

The adjustments for non-financial risk is determined by the cost of capital method for non-financial risks, according to the Solvency II model

2.31 Categories of financial assets and liabilities

The balance sheet values of the Group's financial assets and liabilities can be presented in the following categories:

Financial assets	<i>Note</i>	31.12.2025	31.12.2024
		BGN'000	BGN'000
Cash and cash equivalents	20	281 795	193 288
Term deposits in banks	21	39 442	32 879
Reinsurance contract assets held	22	141 961	194 016
Reinsurance contract assets issued	22	1 594	52
Insurance contract assets	22	444	345
Trade and other receivables	23	450 343	419 871
Other financial assets	27	295 531	141 252
		1 211 110	981 703

Financial assets at FVTPL:			
Government securities	27	14 774	10 905
Corporate bonds	27	243 084	75 856
Open-end investment funds	27	279 479	258 178
Equity investments	27	57 474	46 843
		594 811	391 782
		1 805 921	1 373 485

Financial liabilities	<i>Note</i>	31.12.2025 BGN'000	31.12.2024 BGN'000
Financial liabilities reported at amortized cost:			
Subordinated debt	32	82 433	25 408
Bank and non-bank loans	33	213 159	1 122 654
Bond liabilities	34	1 254 407	238 567
Trade and other payables	35	484 519	360 567
Insurance contracts liabilities	36	507 648	459 922
Reinsurance contracts liabilities	36	5 250	19 810
		2 547 416	2 226 928

A description of the Group's risk management policy and objectives regarding financial instruments is presented in [Note 2.34](#).

2.32 Risks related to financial instruments

In carrying out its activities, the Group is exposed to a variety of financial risks:

- market risk, comprising currency risk, interest rate risk, and price risk
- credit risk;
- liquidity risk;
- operational risk;
- insurance risk;
- reinsurance risk;
- capital risk;
- other risks

The overall risk management program focuses on the unpredictability of financial markets and aims to reduce any adverse effects on the Group's financial performance.

2.32.1 Currency risk

Liabilities denominated in foreign currency. Foreign currency exposures result in gains or losses that are recognized in the consolidated statement of profit or loss and other comprehensive income. These exposures comprise the Group's monetary assets that are not denominated in the currency used in the financial statements of local companies.

With the exception of the Insurance Business, the Group operates mainly in Bulgarian levs and in euro. Management believes that with the Bulgarian Currency Board operating in Bulgaria and the fixed exchange rate of the Bulgarian lev to the euro, the Group is not exposed to significant adverse effects of changes in the exchange rate.

The Group has no significant investments in countries other than the countries in which it operates - Bulgaria, Romania, Macedonia, Ukraine and Georgia. In cases where the local currency is exposed to significant currency risk, its management is achieved by investing in assets denominated in Euro.

The distribution of significant financial assets and liabilities exposed to currency risk by currency as of **31 December 2025** is as follows:

<i>In BGN '000</i>	BGN/ EUR	MKD	Other currencies	Total
Cash and cash equivalents	272 085	942	8 768	281 795
Fixed-term deposits in banks	15 704	16 150	7 588	39 442
Government securities at fair value through profit or loss	7 084	1 529	6 161	14 774
Corporate bonds at fair value through profit or loss	242 479	-	605	243 084
Open-end investment funds	273 269	6 210	-	279 479
Equity investments at fair value through profit or loss	52 446	1 994	3 034	57 474
Other financial assets	295 141	390	-	295 531
Reinsurance contract assets held	88 609	1 311	52 041	141 961
Reinsurance contract assets issued	1 594	-	-	1 594
Insurance contract assets	134	-	310	444
Total:	1 248 545	28 526	78 507	1 355 578
Subordinated debt	82 433	-	-	82 433
Bank and non-bank loans	212 954	-	205	213 159
Obligations on bond issues	1 254 407	-	-	1 254 407
Insurance contracts liabilities	304 151	20 457	183 040	507 648
Reinsurance contracts liabilities	-	12	5 238	5 250
Total:	1 853 945	20 469	188 483	2 062 897

The distribution of significant financial assets and liabilities exposed to currency risk by currency as of **31 December 2024** is as follows:

<i>In BGN '000</i>	BGN/ EUR	MKD	Other currencies	Total
Cash and cash equivalents	186 594	1 223	5 471	193 288
Fixed-term deposits in banks	10 846	15 104	6 929	32 879
Government securities at FVTPL	3 488	1 524	5 893	10 905
Corporate bonds at FVTPL	75 550	306	-	75 856
Open-end investment funds	252 062	6 116	-	258 178
Equity investments at FVTPL	37 434	7 668	1 741	46 843
Other financial assets	140 787	465	-	141 252
Reinsurance contract assets held	87 340	1 133	105 543	194 016
Reinsurance contract assets issued	52	-	-	52
Insurance contract assets	345	-	-	345
Total:	794 498	33 539	125 577	953 614
Subordinated debt	25 408	-	-	25 408
Bank and non-bank loans	1 122 439	-	215	1 122 654
Obligations on bond issues	238 567	-	-	238 567
Insurance contracts liabilities	260 685	20 837	178 400	459 922
Reinsurance contracts liabilities	9 305	581	9 924	19 810
Total:	1 656 404	21 418	188 539	1 866 361

2.32.2 Interest rate risk

The Group is exposed to the risk of changes in market interest rates, mainly with respect to its short-term and long-term financial liabilities with variable (floating) interest rates. The Group's policy is to manage interest expenses by using financial instruments with both fixed and floating interest rates. The Group's policy is to manage interest costs by using financial instruments, both with fixed and floating interest rates. Interest on the majority of the Group's loans to banking institutions is based on one-month and/or three-month and/or six-month EURIBOR.

The Group's exposure to interest rate risk is concentrated mainly in its investment portfolio. The Group controls this exposure through periodic review of its active positions. Cash flow assumptions as well as the impact of interest rate fluctuations on the investment portfolio are reviewed every six months. The purpose of these strategies is to limit large changes in assets related to changes in interest rates. The Group is also exposed to the risk of changes in future cash flows from fixed income securities resulting from changes in market interest rates.

The tables presented below show the sensitivity of the annual net financial result after tax and equity to a likely change in the interest rates on the EURIBOR-based floating rate loans. These changes are determined to be probable based on observations of current market conditions. The calculations are based on the change in the average market interest rate and on the financial instruments held by the Group at the end of the

reporting period, which are sensitive to interest rate changes. All other parameters are assumed to be constant.

The distribution of financial assets according to their sensitivity to interest rate risk as of **31 December 2025** is as follows:

<i>In BGN '000</i>	Variable interest rate	Fixed interest rate	Interest-free	Total
Cash and cash equivalents	-	4 409	277 386	281 795
Fixed-term deposits in banks	-	37 157	2 285	39 442
Government securities at FVTPL	-	14 774	-	14 774
Corporate bonds at FVTPL	-	243 084	-	243 084
Open-end investment funds	-	-	279 479	279 479
Equity investments at FVTPL	-	-	57 474	57 474
Other financial assets	-	291 663	3 868	295 531
TOTAL:	-	591 087	620 492	1 211 579
Subordinated debt	-	82 433	-	82 433
Loans from banks and non-bank financial institutions	66 268	146 891	-	213 159
Bond liabilities	1 002 010	252 397	-	1 254 407
TOTAL:	1 068 278	481 721	-	1 549 999

The distribution of financial assets according to their sensitivity to interest rate risk as of **31 December 2024** is as follows:

<i>In BGN '000</i>	Variable interest rate	Fixed interest rate	Interest-free	Total
Cash and cash equivalents	-	8 984	184 304	193 288
Fixed-term deposits in banks	-	30 235	2 644	32 879
Government securities at FVTPL	-	10 905	-	10 905
Corporate bonds at FVTPL	-	75 856	-	75 856
Open-end investment funds	-	-	258 178	258 178
Equity investments at FVTPL	-	-	46 843	46 843
Other financial assets	-	124 015	17 237	141 252
TOTAL:	-	249 995	509 206	759 201
Subordinated debt	-	25 408	-	25 408
Loans from banks and non-bank financial institutions	961 511	161 143	-	1 122 654
Bond liabilities	-	238 567	-	238 567
TOTAL:	961 511	425 118	-	1 386 629

2.32.3 Price risk

The Group's exposure to price risk is related to financial assets at fair value, which include shares and bonds traded on EU stock exchanges.

Under these instruments, there is a risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices (other than those related to interest rate and currency risk), whether or not these changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting the market.

Price risk is managed by analyzing the companies in which investments are made on the basis of their operating activities.

2.32.4 Credit risk

The Group's credit risk is mainly related to trade and other financial receivables.

The amounts presented in the consolidated statement of financial position are on a net basis, excluding provisions for uncollectible receivables, assessed as such by management, based on previous experience and current economic conditions.

The Group holds assets in a trading portfolio in order to manage credit risk. Credit risk is the risk that one party to a financial instrument will incur a financial loss for the other party to it by failing to meet an obligation. The Group has implemented policies and procedures to mitigate the exposure of the credit risk group.

The Group's investment policy requires strict application of the diversification rules on exposure limits for each type of instrument and for an individual counterparty, set out in the insurance legislation of each country. The Group does not conduct derivative transactions.

The Group invests its own funds mainly in bank deposits, securities issued by Member States of the European Union, bonds issued by financial institutions or other companies. In order to implement its investment policy, the Group uses professional services of investment intermediaries that have received permission to conduct transactions in the country and abroad.

Type of investment and rating <i>In BGN '000</i>	31.12.2025	31.12.2024
Government securities		
Rating AAA	331	327
Rating AA	737	94
Rating BBB	573	549
Rating BB	1 529	1 524
Rating CCC	11 604	8 410
Corporate bonds		
Rating BBB	576	613
Rating BB	1	-
Rating B	13 584	-
No rating	228 923	75 243
Shares		
Rating A	1	1
Rating BBB	43 124	25 376
Rating BB	136	3 171
No rating	293 692	276 474
Total:	594 811	391 782

The Group has exposures to government securities as follows:

Portfolio as of 31.12.2025 <i>In BGN '000</i>		Ukraine	Germany	Bulgaria	Romania	North Macedonia	USA	Total
Reported at fair value		11 604	331	278	295	1 529	737	14 774
Total:		11 604	331	278	295	1 529	737	14 774
Portfolio as of 31.12.2024 <i>In BGN '000</i>		Ukraine	Germany	Bulgaria	Romania	North Macedonia	USA	Total
Reported at fair value		8 411	327	278	271	1 523	94	10 904
Total:		8 411	327	278	271	1 523	94	10 904

2.32.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations when they become due. The policy in this area is aimed at ensuring that sufficient liquidity is available to service the obligations when they become due, including in extraordinary and unforeseen situations. The objective of the management is to maintain a constant balance between the continuity and flexibility of financial resources through the use of adequate forms of funding.

Liquidity risk management is the responsibility of the Group's management and includes maintaining sufficient cash, negotiating adequate credit lines, preparing analysis and updating cash flow projections.

The table below presents an analysis of the consolidated liabilities of Eurohold Group by maturity, based on the remaining period from the date of the consolidated statement of financial position to the date of

realization of the liabilities based on the agreed undiscounted payments:

Consolidated liabilities by residual maturity

31.12.2025 <i>In BGN '000</i>	Up to 1 year	1-5 years	Over 5 years	Total
Subordinated debt	-	433	82 000	82 433
Loans from banks and non-bank financial institutions	36 102	177 057	-	213 159
Bond liabilities	124 954	1 129 453	-	1 254 407
Trade and other liabilities	275 616	190 167	18 736	484 519
Insurance contracts liabilities issued	270 647	190 506	46 495	507 648
Reinsurance contracts liabilities held	5 250	-	-	5 250
Total:	712 569	1 687 616	147 231	2 547 416

31.12.2024 <i>In BGN '000</i>	Up to 1 year	1-5 years	Over 5 years	Total
Subordinated debt	-	408	25 000	25 408
Loans from banks and non-bank financial institutions	93 851	1 028 803	-	1 122 654
Bond liabilities	1 569	182 118	54 880	238 567
Trade and other liabilities	225 112	119 537	15 918	360 567
Insurance contracts liabilities	273 832	160 286	25 804	459 922
Reinsurance contracts liabilities	19 810	-	-	19 810
Total:	614 174	1 491 152	121 602	2 226 928

2.32.6 Operational risk

Operational risk is the risk of direct and indirect losses to the Group caused by various internal factors related to the Group's operations, personnel, technology and infrastructure, as well as external factors other than credit, market and liquidity risks and arising of legal requirements and generally accepted rules of corporate ethics.

The Group defines operational risk as: the risk of incurring losses or not realizing profits, which is caused by non-functioning or non-implemented internal control systems or by factors external to the Group, such as economic condition, changes in insurance environment, technical progress and others. Legal risk is part of operational risk and arises as a result of non-compliance or misapplication of legal and contractual commitments that would have an adverse effect on operations. The definition does not include strategic risk and reputation and goodwill risk.

The aim of the Group is to manage operational risk in such a way as to prevent financial losses and in the most effective way, while maintaining its good reputation and at the same time not hindering initiative and creativity in its actions.

2.32.7 Insurance risk

The objective probability of damage to property or non-property goods, the realization of which is uncertain, unknown and regardless of the will of the insured person represents an insurance risk.

An insurance contract is a contract under which the Group assumes significant insurance risk on the other hand (insured person) by agreeing to compensate the insured person or other beneficiary in the event of a specific unexpected future event (the insured event) that adversely affects the insured person or beneficiary.

The property is subject to a number of risks, including theft, fire, business disruption and weather conditions. Compensation for phenomena such as storms, floods, landslides, fires, explosions, and rising crime rates occur on a regional scale, which means that each company manages the distribution of its geographical risk very carefully. In the event of an earthquake, each company expects the real estate portfolio to include high claims for structural real estate claims and large claims due to business disruptions, while transportation links are down and the property is closed due to renovations. Each company accepts the total risk exposure, which is ready to take in certain areas for a number of events such as natural disasters.

The current aggregate position is monitored during the signing of a risk and monthly reports are prepared, which show the key concentrations to which each of the Group companies is exposed. Each of the

insurance companies uses different modeling tools to control concentration and simulate catastrophe losses to measure the effectiveness of reinsurance programs and their net risk exposure. During the year, "stress" and "scenario" tests are conducted using these models.

The greatest probability of significant losses for any insurance company arises from catastrophic events such as floods, damage, claims from storms or earthquakes. Each company manages its risk by concluding reinsurance contracts.

The opinion of the management regarding the concentration of risk is that efforts have been made for equal territorial distribution of the insured property. The risk is systematically assessed by the Reinsurance Director of the respective company and the accumulation of insurance amounts by regions is monitored.

The Management does not consider that at the end of the reporting period there are significant concentrations of insurance risk in the portfolio of each insurance company, part of the Group. The opinion of the Management regarding the concentration of the insurance risk is that efforts have been made for a relatively even distribution of the insured property and cars. A systematic risk assessment is performed and the accumulation of insurance amounts is monitored both by groups of clients and by regions.

2.32.8 Reinsurance risk

The companies of the Group cede insurance risk to limit exposure to underwriting losses under various agreements that cover individual risks, group risks or defined lines of business, on co-insurance, on yearly renewable term. These reinsurance agreements spread the risk and minimise the effect of losses. The amount of each risk retained depends on Company's assessment of specific risk, which under certain circumstances reaches limits based on characteristics of coverage. In the terms of the reinsurance agreements, the reinsurer agrees to reimburse the ceded amount in case claim is paid. Each company, however, remains liable to its policyholders in respect to ceded insurance in case reinsurer fails to meet the obligations he assumes. In non-life business, the predominant use of reinsurance is intended to manage exposure to weather-related events, natural catastrophes, events involving multiple casualties, catastrophic fires and liabilities (general and motor third party liability). When selecting a reinsurer each company of the Group considers its relative reliability. Assessment of reinsurer's reliability is based on public rating information and internal researches.

2.33 Capital management policies and procedures

With capital management, the Group aims to create and maintain opportunities for it to continue to operate as a going concern and to ensure the appropriate return on investment of shareholders and economic benefits of other stakeholders and participants in its business, as well as to maintain optimal capital structure.

The Group currently monitors the security and capital structure based on the debt ratio, namely the net debt capital to the total amount of capital.

In 2016, a number of regulatory changes entered into force, which have a significant effect on the insurance market in the region and in particular on the Group, including Directive 2009/138 / EC on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) and others.

Net debt includes all liabilities, loans, debenture, trade and other payables less the carrying amount of cash and cash equivalents. For capital risk calculation, subordinated debt is treated as equity.

The capital for the presented reporting periods can be analyzed as follows:

<i>In BGN '000</i>	31.12.2025	31.12.2024
Total equity (net assets and subordinated debt)	475 011	295 774
Total liabilities (excluding subordinated debt and (re)insurance contracts liabilities)	2 233 150	1 962 417
Less: cash and cash equivalents and fixed-term deposits at banks	(321 237)	(226 167)
Net debt	1 911 913	1 736 250
Total Equity and net debt	2 386 924	2 032 024
Net debt to equity ratio (%)	80%	85%

The net debt to equity ratio improved in 2025, decreasing to 80% compared to 85% as at 31 December 2024. The improvement was mainly driven by a significant increase in equity (including subordinated debt), supported by the positive financial result for the period and the additional subordinated financing raised.

During the period, a change in the structure of liabilities was also observed, reflected in a substantial decrease in borrowings from banks and non-banking financial institutions and an increase in bond liabilities, which reflects a refinancing strategy and diversification of funding sources.

2.34 Fair value measurement

Fair value is the price that would have been obtained on the sale of an asset or paid on the transfer of an obligation in a typical transaction between market participants at the valuation date.

Fair value measurement implies that the transaction for the sale of the asset or the transfer of the liability is carried out:

- the underlying market for that asset or liability; or
- in the absence of a major market - the most profitable market for that asset or liability.

The main or most advantageous market should be available to the Group.

In measuring the fair value of a non-financial asset, the ability of a market participant to generate economic benefits by using the asset to maximize its value or by selling it to another market participant that will use it in such a way is taken into account. The Group uses cost-appropriate valuation methods, for which there is sufficient available fair value measurement data, using as much as possible the relevant observable hypotheses and minimizing the use of non-observable ones.

All assets or liabilities that are measured at fair value or disclosed in the consolidated financial statements are categorized according to a fair value hierarchy described as follows and based on the lowest rank of observable assumptions that are significant for the fair value measurement as a whole:

- Level 1 - Adjusted (unadjusted) active market prices for identical assets or liabilities to which the Group may have access at the measurement date;
- Level 2 - Valuation techniques for which observable lower rank hypotheses that are relevant for fair value measurement are directly or indirectly observable;
- Level 3 - Valuation techniques for which observable lower case scenarios that are relevant for fair value measurement are unobservable.

The Group uses external appraisers to measure the fair value of significant assets, such as goodwill and investment property at the end of the financial year.

For the purpose of disclosing fair value, the Group has determined asset and liability classes based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Disclosures related to fair value for financial instruments and non-financial assets that are measured at fair value or when fair values are disclosed are summarized in the following notes:

The table below presents an analysis of the financial instruments at fair value through consolidated profit

or loss according to the valuation methods used:

31.12.2025

<i>In BGN '000</i>	<i>Note</i>	Level 1	Level 2	Level 3
Government securities measured at FVTPL	27	14 774	-	-
Corporate bonds measured at FVTPL	27	133 397	3	109 684
Equity investments measured at FVTPL	27	62 425	273 679	849
Total:		210 596	273 682	110 533

31.12.2024

<i>In BGN '000</i>	<i>Note</i>	Level 1	Level 2	Level 3
Government securities measured at FVTPL	27	10 905	-	-
Corporate bonds measured at FVTPL	27	72 019	8	3 829
Equity investments measured at FVTPL	27	59 017	245 521	483
Total:		141 941	245 529	4 312

During 2024 there were no transfers between level 1, level 2 and level 3 of assets measured at fair value.

Bond liabilities are stated at amortized cost, net of repurchased own bonds, which are subsequently measured at fair value based on information from Bloomberg / Eurobank and other sources, reflecting the effect on profit or loss for the period.

2.35 Disclosure of macroeconomic, geopolitical and environmental factors that may affect the Group

According to assumptions for real GDP growth in Bulgaria over the 2025–2027 period, it is expected to remain close to the 2024 level, with growth projected at 3.2% in 2025, followed by a slight slowdown to 3.1% in 2026 and 2027. Private consumption is expected to remain the main driver of GDP growth, while relatively weak external demand for Bulgarian goods and services, as well as country-specific factors, are expected to result in a negative contribution from net exports over most of the forecast horizon.

As a result of the continued strong placement of free cash balances in the banking system in anticipation of their subsequent automatic conversion into euro due to Bulgaria's accession to the euro area from the beginning of 2026, we expect data on the annual growth of deposits of the non-government sector to show an acceleration towards the end of 2025, followed by a projected slowing trend. At the same time, accession to the euro area is expected to strengthen the transmission of the European Central Bank (ECB) monetary policy to domestic monetary conditions. In 2026 and 2027, the annual growth of credit to the non-government sector is expected to decelerate, while remaining relatively high.

The average annual inflation, measured by the Harmonised Index of Consumer Prices (HICP), is projected to accelerate to 3.6% in 2025 compared to 2.6% in 2024, with the food and services categories expected to contribute most to this acceleration. The main pro-inflationary factors in Bulgaria remain related to domestic developments, such as rising labour costs and strong private consumption growth.

In 2026, average annual inflation is expected to remain broadly in line with the previous year (3.5%) and to decelerate to 3.2% in 2027, while underlying inflation is expected to remain elevated and continue to be the main contributor to overall inflation over the forecast horizon. The projection for average annual inflation in 2025 is unchanged compared to the June forecast, while for 2026 and 2027 it has been slightly revised downwards, reflecting updated technical assumptions for oil and food prices on international markets.

Source: https://www.bnb.bg/AboutUs/PressOffice/POPressReleases/POPRDate/PR_20260113_BG

Eurohold Bulgaria AD aims to monitor the likelihood of macroeconomic risk materialisation and develops group-level measures to mitigate, to the extent possible, the impact of such risks. However, the Group cannot fully exclude or limit their influence on its business, financial position, results of operations, and cash flows at a consolidated level. There is also a possibility that the occurrence of such risk may amplify other risks or combinations of risks.

Impact on economic growth

The table below presents information on expectations for economic growth in the Eurozone (representing the main external market of the Republic of Bulgaria), according to data from the International Monetary Fund as of January 2026:

<https://www.imf.org/en/publications/weo/issues/2026/01/19/world-economic-outlook-update-january-2026>

	Historical data								Forecast	
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Economic GDP growth	1.9%	1.6%	(6.0)%	6.4%	3.6%	0.4%	0.9%	1.4%	1.5%	1.4%

Impact of macroeconomic factors on the Group's operations

In 2025, inflation has increased, with the annual inflation rate for December 2025 compared to December 2024 at 5.0% (December 2024 compared to December 2023: 2.2%), while the average annual inflation for the period January–December 2025 compared to January–December 2024 was 4.6% (January–December 2024 compared to January–December 2023: 2.4%).

The Group has interest-bearing loans with floating interest rates. Interest expenses on these loans have decreased as a result of lower interest rates, a trend also observed during 2025 (*Note 33*).

Macroeconomic factors have been taken into account in the analysis of the financial and non-financial risks to which the Group is exposed.

Effect on credit ratings

As a result of the expected economic effects of the slowdown in overall activity, some rating agencies worsened their forecast on long-term debt positions, both in terms of government debt and in terms of corporate debt positions. The table below provides information on the change in the credit rating (including forecast) assigned by **Fitch** to the Republic of Bulgaria and to the Parent company of the Group.

	Rating	Outlook
Republic of Bulgaria (10 October 2025)	BBB+	Stable
Eurohold Bulgaria AD (3 April 2025)	B	Stable

Assessment of expected impact on the IFRS 9 model

The Group's management performs periodic assessments of the overall IFRS 9 model. As at 31 December 2025, sufficient reliable macroeconomic data, as well as information on medium-term default probability levels, are available. Based on this, management has:

- maintained the expected credit loss (ECL) for exposures within the simplified approach (i.e. trade receivables);
- reduced the expected credit loss for exposures within the general approach (i.e. deposits and cash balances held with banking institutions), with an average increase of 5.24% applied to deposits and cash balances held with banking institutions;
- considered geopolitical risks and uncertainties and concluded that, at this stage, they do not have a material and direct impact on the quality of financial assets or the expected credit loss model, and therefore no further adjustments to the models are required.

Ongoing conflict between Ukraine and Russia

There are force majeure circumstances which may affect business activities across all sectors globally, resulting from the ongoing conflict following Russia's military actions and its invasion of Ukraine.

Eurohold Bulgaria AD, through its subsidiary Euroins Insurance Group AD, holds investments in insurance companies in Ukraine.

The Company also has loan liabilities with International Investment Bank, Russia (*Note 33*).

Management will continue to monitor the potential impact and will take all possible steps to mitigate any adverse effects.

Military actions in countries in the Middle East

The effects and economic consequences of military actions involving the USA, Israel, and countries in the Middle East cannot be fully assessed at this stage; however, there are indications of a potential impact on the global economy. Weaker global economic activity or a further slowdown in world trade growth could limit economic growth in the euro area.

The Group considers the risks arising from the macroeconomic environment within its risk management framework, in line with the scope and specifics of its operations. At present, these risks are not expected to have a material direct impact on the Group's activities.

Climate-related matters

Climate change may affect the entity's assets and liabilities in the current or future reporting periods. Changes in legislation resulting from climate-related matters may be known (e.g. regulations or agreed commitments to mitigate pollution effects) or only expected (e.g. potential changes in business models, as well as in the behaviour of consumers, business counterparties, creditors and investors). These may impact the fair value of assets and liabilities regardless of whether the related risks or opportunities are real or assumed.

In line with the previous year, as at 31 December 2025 the Group has not identified significant risks arising from climate change that could have a negative and material impact on these financial statements of the Group.

Management continuously assesses the impact of climate-related matters. Assumptions may change in the future in response to upcoming environmental regulations, new commitments undertaken, and changing consumer demand. Such changes, if not anticipated, could affect future cash flows, financial performance, and the financial position of the Group.

3. Revenue for energy business

	2025	2024
	<i>BGN'000</i>	<i>BGN'000</i>
Open market customers	1 237 336	1 133 176
Household consumers	1 100 823	933 996
Business consumers	130 687	126 317
Access fees	34 950	28 902
Revenue from services for research, repair and maintenance of electricity distribution network, and commercial metering devices	6 290	6 281
Revenue from the Power System Security Fund	1 856	1 668
Revenue from information, communication, technological services	813	2 874
Other revenue	58 638	54 285
	2 571 393	2 287 499

4. Expenses for energy business

	2025	2024
	<i>BGN'000</i>	<i>BGN'000</i>
Costs for purchased electricity	(1 888 033)	(1 663 726)
Technological costs for electricity transmission	(150 130)	(120 645)
Balancing energy	(39 092)	(34 415)
Costs for transmission and access services	(7 275)	(5 358)
Other expenses	(191)	(211)
	(2 084 721)	(1 824 355)

5. Insurance revenue

	2025	2024
	<i>BGN'000</i>	<i>BGN'000</i>
Contracts, general model	299 346	204 057
Amounts related to changes in the liability for remaining coverage, including:		
<i>Expected cash flows – incurred claims and other contract servicing expenses</i>	223 395	140 625
<i>Release of risk adjustment</i>	3	11 270
<i>Release of contractual service margin</i>	61 417	78
Recoveries of cash flows for insurance acquisition	75 951	63 432
Contracts, premium allocation approach	306 519	322 535
Direct insurance	306 519	322 535
	605 865	526 592

6. Insurance service expenses

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Contracts, general model		
Gross Incurred Claims	(204 776)	(207 024)
Claims Settlement Expenses on Incurred Claims	(21 037)	(14 843)
Change in Liability for Incurred Claims – Change in Incurred Claims	19 040	(28 798)
Change in Liability for Incurred Claims – Change in Risk Adjustment	(688)	35 330
Acquisition Costs	(73 391)	(61 268)
Administrative Expenses	(13 707)	(3 910)
Reversal of losses on onerous contracts	4 312	5 286
Other insurance contract expenses	(317)	-
Insurance expenses under the general model:	(290 564)	(275 227)
Contracts, premium allocation approach		
Gross Incurred Claims	(115 922)	(127 086)
Claims Settlement Expenses on Incurred Claims	(13 188)	(4 295)
Change in Liability for Incurred Claims – premium allocation approach	34 777	2 182
Change in Liability for Incurred Claims – Risk Adjustment	(2 451)	28 241
Acquisition Costs	(96 555)	(84 579)
Administrative Expenses	(28 047)	(30 021)
Reversal of losses on onerous contracts	693	304
Other insurance contract expenses	(1 652)	-
Insurance expenses under premium allocation approach:	(222 345)	(215 254)
	(512 909)	(490 481)

7. Net result from reinsurance contracts held

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Reinsurance commission income on contracts held	6 676	23 096
Incurred claims and change in liability for incurred claims recoverable from reinsurers	39 371	60 139
Reinsurance share of insurance revenue	(88 943)	(108 568)
	(42 896)	(25 333)

8. Net finance and investment income from insurance

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Fair value gains on financial assets at FVTPL	4 362	13 385
Interest income – effective interest method	11 651	7 948
Other income from investments	7 694	4 638
Net insurance finance expenses	1 824	(11 482)
Net insurance finance expenses – reinsurance	(14 656)	(182)
Impairment losses on financial assets	(7 242)	(432)
Other investment expenses	-	(403)
	3 633	13 472

9. Dividend income

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Asset management and brokerage	111	118
	111	118

10. Other operating income

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Energy business	32 237	43 649
Insurance business	13 850	10 670
Asset management and brokerage	30	328
Parent company incl.	125 885	67 794
<i>Revenue from the sale of goods</i>	<i>65 279</i>	<i>57 717</i>
	172 002	122 441

11. Gains on transactions with financial instruments, net

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Gains on financial instruments transactions	20 904	24 931
Losses on financial instruments transactions	(14 651)	(12 794)
	6 253	12 137

11.1 Gains on transactions with financial instruments

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Energy business	9 863	8 713
Asset management and brokerage	10 905	11 099
Parent company	136	5 119
	20 904	24 931

11.2 Losses on transactions with financial instruments

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Energy business	(4 675)	(604)
Asset management and brokerage	(9 899)	(10 226)
Parent company	(77)	(1 964)
	(14 651)	(12 794)

12. Administrative expenses

	2025 BGN'000	2024 BGN'000
Expenses for materials <i>(Note 12.1)</i>	(13 376)	(15 409)
Hired services expenses <i>(Note 12.2)</i>	(73 499)	(71 894)
Employee benefits expenses <i>(Note 12.3)</i>	(171 343)	(157 417)
Other administrative expenses <i>(Note 12.4)</i>	(13 807)	(11 409)
	(272 025)	(256 129)

12.1 Expenses for materials by segments

	2025 BGN'000	2024 BGN'000
Energy business	(13 276)	(15 281)
Insurance business	(28)	(47)
Asset management and brokerage	(54)	(64)
Parent company	(18)	(17)
	(13 376)	(15 409)

12.2 Hired services expenses by segments

	2025 BGN'000	2024 BGN'000
Energy business	(63 372)	(60 600)
Insurance business	(4 412)	(5 779)
Asset management and brokerage	(1 010)	(917)
Parent company	(4 705)	(4 598)
	(73 499)	(71 894)

The remuneration of Grant Thornton, including other entities within the Grant Thornton network, for 2025 amounts to BGN 1 914 thousand (2024: BGN 2 330 thousand). This amount comprises fees for statutory audit services of BGN 1 699 thousand, services provided in accordance with the Insurance Code of BGN 44 thousand, and other permitted services of BGN 171 thousand, related to consolidation procedures and reporting. Subsequent to the reporting period and up to the date of approval of these consolidated financial statements, an additional permitted service in respect of agreed-upon procedures amounting to BGN 10 thousand was provided by an entity within the Grant Thornton network. No tax or other advisory services were provided.

12.3 Employee benefits expenses by segments

	2025 BGN'000	2024 BGN'000
Energy business	(164 709)	(150 895)
Insurance business	(3 774)	(4 059)
Asset management and brokerage	(1 550)	(1 365)
Parent company	(1 310)	(1 098)
	(171 343)	(157 417)

12.4 Other administrative expenses by segments

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Energy business	(12 368)	(10 329)
Insurance business	(746)	(434)
Asset management and brokerage	(308)	(329)
Parent company	(385)	(317)
	(13 807)	(11 409)

13. Impairment expenses on financial assets, net

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Accrued impairment loss on financial assets	(5 840)	(2 653)
Reversed impairment loss on financial assets	3 402	517
	(2 438)	(2 136)

13.1 Accrued impairment loss on financial assets by segments

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Energy business	(4 904)	(2 474)
Asset management and brokerage	(61)	(78)
Parent company	(875)	(101)
	(5 840)	(2 653)

13.2 Reversed impairment loss on financial assets by segments

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Energy business	3 241	-
Asset management and brokerage	35	50
Parent company	126	467
	3 402	517

14. Other operating expenses

	2025 <i>BGN'000</i>	2024 <i>BGN'000</i>
Energy business	(1 110)	(3 062)
Insurance business	(20 579)	(14 638)
Parent company incl.	(46 117)	(42 500)
<i>Cost of goods sold</i>	<i>(46 117)</i>	<i>(42 500)</i>
	(67 806)	(60 200)

15. Depreciation and amortisation by segment

	2025 BGN'000	2024 BGN'000
Energy business incl.	(119 519)	(111 586)
<i>Right of use assets</i>	<i>(7 879)</i>	<i>(6 843)</i>
Insurance business incl.	(5 175)	(5 113)
<i>Right of use assets</i>	<i>(3 543)</i>	<i>(3 719)</i>
Asset management and brokerage incl.	(363)	(306)
<i>Right of use assets</i>	<i>(253)</i>	<i>(241)</i>
Parent company incl.	(200)	(201)
<i>Right of use assets</i>	<i>(176)</i>	<i>(176)</i>
	(125 257)	(117 206)

16. Finance income

	2025 BGN'000	2024 BGN'000
Interest income	14 662	4 746
	14 662	4 746

16.1 Interest income by segments

	2025 BGN'000	2024 BGN'000
Energy business	7 345	3 702
Asset management and brokerage	725	813
Parent company	6 592	231
	14 662	4 746

17. Finance costs

	2025 BGN'000	2024 BGN'000
Interest expenses on borrowings, net of: <i>(Note 17.1)</i>	(130 611)	(121 620)
- <i>(Expenses)/income from cash flow hedge interest</i>	<i>(17 672)</i>	<i>1 468</i>
Interest expense on lease liabilities <i>(Note 17.2)</i>	(2 500)	(1 290)
Other finance costs <i>(Note 17.3)</i>	(4 982)	(17 917)
	(138 093)	(140 827)

*Refer also to *Notes 33. Bank and non-bank loans, 34. Bond liabilities and 38. Derivative financial instruments*

17.1 Interest expenses on borrowings by segments

	2025 BGN'000	2024 BGN'000
Energy business, net of:	(111 477)	(96 933)
- (Expenses)/income from cash flow hedge interest	(17 672)	1 468
Insurance business	(4 349)	(6 823)
Asset management and brokerage	(182)	(167)
Parent company	(14 603)	(17 697)
	(130 611)	(121 620)

17.2 Interest expense on lease liabilities by segments

	2025 BGN'000	2024 BGN'000
Energy business	(2 005)	(724)
Insurance business	(426)	(488)
Asset management and brokerage	(37)	(39)
Parent company	(32)	(39)
	(2 500)	(1 290)

17.3 Other finance costs by segments

	2025 BGN'000	2024 BGN'000
Energy business	(1 736)	(12 213)
Insurance business	(1 036)	(4 008)
Parent company	(2 210)	(1 696)
	(4 982)	(17 917)

18. Foreign exchange gain/(loss)

	2025 BGN'000	2024 BGN'000
Gain on foreign exchange difference	9 242	6 287
Loss on foreign exchange difference	(8 845)	(7 038)
	397	(751)

18.1 Gain on foreign exchange difference by segments

	2025 BGN'000	2024 BGN'000
Insurance business	2 265	922
Asset management and brokerage	6 931	5 361
Parent company	46	4
	9 242	6 287

18.2 Loss on foreign exchange difference by segments

	2025 BGN'000	2024 BGN'000
Insurance business	(1 996)	(1 846)
Asset management and brokerage	(6 839)	(5 144)
Parent company	(10)	(48)
	(8 845)	(7 038)

19. Income tax expenses

	2025 BGN'000	2023 BGN'000
Current corporate income tax expense	(20 305)	(15 327)
Global minimum tax expense	(6 172)	(4 963)
Deferred tax (income)/expense	2 396	(545)
	(24 081)	(20 835)

19.1 Income tax expenses by segments

	2025 BGN'000	2024 BGN'000
Energy business incl.	(18 162)	(20 165)
- <i>Global minimum tax</i>	(4 817)	(4 866)
Insurance business incl.	(5 811)	(485)
- <i>Global minimum tax</i>	(1 326)	(45)
Asset management and brokerage incl.	(108)	(185)
- <i>Global minimum tax</i>	(29)	(52)
	(24 081)	(20 835)

The Group is subject to the Additional Domestic Top-up Tax under Article 260я25 of the Corporate Income Tax Act. The top-up tax relates to the Group's operations in Bulgaria, where the statutory corporate income tax rate is 10%.

During the year, the Group recognised a current tax expense of BGN 6 172 thousand related to the top-up tax (2024: BGN 4 963 thousand). See also *Note 2.16 Taxes*.

20. Cash and cash equivalents

	31.12.2025 BGN'000	31.12.2024 BGN'000
Cash in hand	382	660
Cash at bank	281 858	192 761
Restricted cash	74	74
Cash equivalents	1 061	653
<i>Impairment</i>	(1 580)	(860)
	281 795	193 288

20.1 Cash and cash equivalents by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	224 612	168 090
Insurance business	53 058	20 854
Asset management and brokerage	4 015	4 231
Parent company	110	113
	281 795	193 288

21. Fixed-term deposits in banks

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Insurance business	39 632	32 943
<i>Impairment</i>	(190)	(64)
	39 442	32 879

22. Insurance contract assets, reinsurance contract assets held and issued

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Assets for remaining coverage for reinsurance contracts held	23 880	28 862
Assets for reported claims for reinsurance contracts held	107 562	153 772
Other reinsurance contract assets held	10 519	11 382
Total reinsurance contract assets held:	141 961	194 016
Other reinsurance contract assets issued	1 594	52
Insurance contract assets	444	345
	143 999	194 413

23. Trade and other receivables

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Non-current trade receivables (<i>Note 23.1</i>)	14 305	7 488
Current trade receivables (<i>Note 23.2</i>)	385 688	453 352
Other receivables (<i>Note 23.3</i>)	173 578	124 972
	573 571	585 812

23.1 Non-current trade receivables by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Insurance business	14 285	7 466
Asset management and brokerage	20	22
	14 305	7 488

23.2 Current trade receivables

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Trade receivables (Note 23.2.1)	222 296	283 045
<i>Impairment (Note 23.2.1)</i>	<i>(70 192)</i>	<i>(70 485)</i>
Contract assets (Note 23.2.2)	150 514	81 662
<i>Impairment</i>	<i>(245)</i>	<i>(300)</i>
Advances paid (Note 23.2.3)	83 315	159 430
	385 688	453 352

23.2.1 Trade receivables by segment

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	218 500	263 061
<i>Impairment</i>	<i>(69 679)</i>	<i>(69 956)</i>
Insurance business	3 833	18 920
<i>Impairment</i>	<i>(554)</i>	-
Asset management and brokerage	-	1
Parent company	517	1 063
<i>Impairment</i>	<i>(513)</i>	<i>(529)</i>
	152 104	212 560

23.2.2 Contract assets by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	150 514	81 662
<i>Impairment</i>	<i>(245)</i>	<i>(300)</i>
	150 269	81 362

23.2.3 Advances paid by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	81 232	158 802
Insurance business	1 435	628
Parent company	762	-
<i>Impairment</i>	<i>(114)</i>	-
	83 315	159 430

23.3 Other receivables

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	122 144	103 857
<i>Impairment</i>	<i>(11 250)</i>	<i>(11 994)</i>
Insurance business	24 276	29 415
<i>Impairment</i>	<i>(3 851)</i>	<i>(5 557)</i>
Prepaid expenses (<i>Note 23.3.1</i>)	9 371	6 263
Court and awarded receivables (<i>Note 23.3.2</i>)	42 402	42 007
<i>Impairment</i>	<i>(40 056)</i>	<i>(39 267)</i>
Tax receivables (<i>Note 23.3.3</i>)	30 542	248
	173 578	124 972

The most significant other receivables within the energy segment relate to compensation receivables from the Electricity System Security Fund in connection with the provision of public supply of electricity to household customers, amounting to BGN 58 million (31 December 2024: BGN 36 million), as well as guarantees provided amounting to BGN 33 million (31 December 2024: BGN 56 million).

23.3.1 Prepaid expenses by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	8 937	6 107
Insurance business	324	47
Parent company	110	109
	9 371	6 263

23.3.2 Court and awarded receivables by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	42 402	42 007
<i>Impairment</i>	<i>(40 056)</i>	<i>(39 267)</i>
	2 346	2 740

23.3.3 Tax receivables by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	30 028	165
Insurance business	514	71
Parent company	-	12
	30 542	248

The amount primarily comprises recoverable value added tax in the energy segment, which will be settled through offset or refund in future reporting periods under applicable tax regulations.

24. Property, plant and equipment

	Land, plots	Land, plots- rights of use	Buildings	Buildings- rights of use	Machinery and equipment	Machinery and equipmen- right of uset	Vehicles	Vehicles- rights of use	Furniture and fittings	Assets under construction	Other	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Cost												
As of 1 January 2024	37 323	-	175 527	47 776	1 928 786	5 866	71 924	3 308	6 597	33 446	6 558	2 317 111
Additions	2 130	-	4 492	46 187	112 533	9 144	1 212	997	1 791	159 046	97	337 629
Write-offs	(1 867)	-	(1 089)	(9 246)	(4 980)	(1 334)	(1 049)	(104)	(191)	(138 398)	(662)	(158 920)
As of 31 December 2024	37 586	-	178 930	84 717	2 036 339	13 676	72 087	4 201	8 197	54 094	5 993	2 495 820
Additions	239	-	2 135	4 810	116 859	1 419	7 938	2 801	367	179 582	445	316 595
Write-offs	(5)	-	(59)	(8 683)	(13 341)	(747)	(1 675)	(1 131)	(2 213)	(125 342)	(155)	(153 351)
As of 31 December 2025	37 820	-	181 006	80 844	2 139 857	14 348	78 350	5 871	6 351	108 334	6 283	2 659 064
Depreciation												
As of 1 January 2024	-	-	105 229	27 464	1 232 962	5 840	64 361	384	5 892	-	5 152	1 447 284
Depreciation for the year	-	-	7 072	6 230	85 141	3 805	2 554	944	279	-	318	106 343
Write-offs	-	-	(1 041)	(6 055)	(4 464)	(1 139)	(812)	(198)	(69)	-	(298)	(14 076)
As of 31 December 2024	-	-	111 260	27 639	1 313 639	8 506	66 103	1 130	6 102	-	5 172	1 539 551
Depreciation for the year	-	-	3 811	8 912	93 706	1 517	3 069	1 422	413	-	269	113 119
Write-offs	-	-	(1 533)	(6 064)	(8 447)	-	(1 601)	(853)	(2 238)	-	(147)	(20 883)
As of 31 December 2025	-	-	113 538	30 487	1 398 898	10 023	67 571	1 699	4 277	-	5 294	1 631 787
Net book value:												
As of 1 January 2024	37 323	-	70 298	20 312	695 824	26	7 563	2 924	705	33 446	1 406	869 827
As of 31 December 2024	37 586	-	67 670	57 078	722 700	5 170	5 984	3 071	2 095	54 094	821	956 269
As of 31 December 2025	37 820	-	67 468	50 357	740 959	4 325	10 779	4 172	2 074	108 334	989	1 027 277

24.1 Land and buildings by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	101 799	101 698
Insurance business	3 489	3 558
	105 288	105 256

24.2 Land and buildings by segments – Rights of use

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	42 719	46 508
Insurance business	6 539	9 148
Asset management and brokerage	500	647
Parent company	599	775
	50 357	57 078

24.3 Machinery and equipment by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	739 814	721 139
Insurance business	1 145	1 561
	740 959	722 700

24.4 Machinery and equipment by segments – Rights

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	3 877	5 170
Insurance business	448	-
	4 325	5 170

24.5 Vehicles by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	10 020	5 571
Insurance business	712	349
Parent company	47	64
	10 779	5 984

24.6 Vehicles by segments – rights of use

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	3 326	2 355
Insurance business	547	586
Parent company	299	130
	4 172	3 071

24.7 Furniture and fittings and other assets by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	2 902	2 813
Insurance business	132	75
Asset management and brokerage	13	19
Parent company	16	9
	3 063	2 916

24.8 Assets under construction by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	108 321	54 079
Insurance business	13	15
	108 334	54 094

25. Intangible assets

	Software	Rights of use	Other	Total
	<i>BGN'000</i>	<i>BGN'000</i>	<i>BGN'000</i>	<i>BGN'000</i>
Cost				
As of 1 January 2024	30 961	67 533	54 269	152 763
Additions	5 998	501	-	6 499
Written-off	-	(154)	(352)	(506)
As of 31 December 2024	36 959	67 880	53 917	158 756
Additions	2 623	305	7 917	10 845
Written-off	(877)	-	-	(877)
As of 31 December 2025	38 705	68 185	61 834	168 724
Amortization				
As of 1 January 2024	19 799	23 748	15 300	58 847
Amortization for the period	3 120	4 040	3 703	10 863
Written-off	-	(3)	-	(3)
As of 31 December 2024	22 919	27 785	19 003	69 707
Amortization for the period	4 630	3 864	3 644	12 138
Written-off	-	(3)	-	(3)
As of 31 December 2025	27 549	31 646	22 647	81 842
Net book value:				
As of 1 January 2024	11 162	43 785	38 969	93 916
As of 31 December 2024	14 040	40 095	34 914	89 049
As of 31 December 2025	11 156	36 539	39 187	86 882

The other significant intangible assets include an electricity distribution license and customer relationships.

The Group performs an annual impairment review of intangible assets. As at 31 December 2025 and 31 December 2024, no indicators were identified that the carrying amount of intangible assets exceeds their recoverable amount; accordingly, no impairment loss has been recognised in the consolidated financial statements.

25.1 Intangible assets by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	82 051	84 455
Insurance business	4 614	4 381
Asset management and brokerage	217	213
	86 882	89 049

26. Inventories

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	42 958	36 037
Insurance business	104	107
	43 062	36 144

At the end of the reporting period, management reviews inventories of materials and goods to determine whether any items have a net realisable value lower than their carrying amount. As a result of the most recent review as at 31 December 2025, the Group did not recognise any impairment of inventories.

27. Financial assets by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Government securities measured at FVTPL, incl.:	14 774	10 905
<i>Insurance business</i>	13 870	9 935
<i>Asset management and brokerage</i>	904	970
Corporate bonds measured at FVTPL, incl.:	243 084	75 856
<i>Insurance business</i>	240 505	71 120
<i>Asset management and brokerage</i>	1 534	1 888
<i>Parent company</i>	1 045	2 848
Capital investments measured at FVTPL, incl.:	336 953	305 021
<i>Energy business</i>	45 051	13 532
<i>Insurance business</i>	281 308	282 534
<i>Asset management and brokerage</i>	10 594	8 945
<i>Parent company</i>	9	19
<i>Impairment</i>	(9)	(9)
Other financial assets measured at amortised cost, incl.:	295 531	141 252
<i>Energy business</i>	178 341	81 731
<i>Impairment</i>	(975)	-
<i>Insurance business</i>	4 621	18 543
<i>Impairment</i>	(753)	(1 306)
<i>Asset management and brokerage</i>	6 613	8 278
<i>Impairment</i>	(82)	(91)
<i>Parent company</i>	108 483	34 165
<i>Impairment</i>	(717)	(68)
	890 342	533 034

28. Deferred tax assets and liabilities

28.1. The deferred tax assets have arisen as a result of:

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Property, plant and equipment	245	259
Right-of-use assets	763	617
Impairment of receivables and other financial assets	2 144	2 167
Employee benefit obligations	428	372
Staff bonuses	1 004	969
Provisions for other liabilities	2 122	2 804
Deferred tax assets	6 706	7 188

28.2. The deferred tax liabilities have arisen from:

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Property, plant and equipment	18 089	18 673
Impairment of receivables and other financial assets	(1 149)	(1 454)
Impairment of inventories	(276)	(194)
Employee benefit obligations	(2 539)	(2 626)
Provisions for employee bonuses	(500)	(818)
Business combinations	6 807	7 638
Provisions related to contracts with customers and suppliers	(5 829)	(3 830)
Other provisions	(581)	(489)
Deferred tax liabilities	14 022	16 900

28.3. By segments, the allocation of deferred tax assets/(liabilities) is as follows:

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	5 120	5 667
Insurance business	1 580	1 514
Asset management and brokerage	6	7
Deferred tax assets	6 706	7 188
Energy business	(13 880)	(16 698)
Insurance business	(142)	(202)
Deferred tax liabilities	(14 022)	(16 900)

29. Investments accounted for using the equity method

The Group, through its insurance business, holds a 30.07% interest in the associate "Insurance company Phoenix Re AD" AD (former name " Insurance Company EIG Re" AD), with registered office in Kostinbrod, Bulgaria, 11 "Ohrid" Street. The company is licensed to perform non-life insurance activities under Permit No. 100/20.11.2000 issued by the National Insurance Council and is a member of the Association of Bulgarian Insurers and the National Bureau of Bulgarian Motor Insurers.

Summary of the statement of financial position

	31.12.2025 BGN'000	31.12.2024 BGN'000
Total assets	252 252	256 096
Total liabilities	215 337	219 551
Net assets	36 915	36 545

Equition of book value

Movement during the period	111	(1 668)
Net assets	36 915	36 545
Share %	30.07%	30.07%
Share BGN thousands acc.to the equity method	11 100	10 989

Summary of the profit or loss and other comprehensive income of the associate

	2025 BGN'000	2024
Insurance revenue	15 709	37 262
Insurance service expenses	(12 054)	(39 681)
Net expenses from reinsurance contracts	(11 481)	(3 011)
Result from insurance services	(7 826)	(5 430)
Finance costs	11 562	15 451
Finance income	(3 178)	(7 749)
Other income/(expenses), net	(131)	3 249
Profit before tax	427	5 521
Income tax expense	(57)	(571)
Profit for the year	370	4 950
Total comprehensive income for the year	370	4 950

30. Joint operations

The Group, through its subsidiary Electrohold EPC, with its registered office at Sofia 1113, Tsarigradsko Shosse Blvd. No. 28, Iztok Plaza, UIC 207104361, and the non-related to the Group party Mig-23 EOOD, with its registered office at Sofia 1612, Kostenets Str. No. 12, UIC 131490350, participate in a joint operation under a contract dated 4 November 2024. The parties established an entity DZZD EM within the meaning of the Obligations and Contracts Act. The joint operation's principal activity is design, supply, and implementation of an external electronic system for real-time monitoring and reimbursement of flight delays, commissioned by the Directorate General "Air Traffic Management" of the Bulgarian Civil Aviation Authority.

The contractual arrangement and its addendums provide the parties with rights to the assets and obligations for the liabilities of the arrangement. Accordingly, the joint arrangement is classified as a joint operation in accordance with IFRS 11 Joint Arrangements.

Decisions about relevant activities require the unanimous consent of the parties sharing joint control, as specified in the contractual arrangement.

The Group recognizes its share of the joint operation's:

- Assets, including its share of any jointly held assets.
- Liabilities, including its share of any jointly incurred liabilities.
- Revenue from the sale of its share of the output of the joint operation.
- Expenses, including its share of any expenses incurred jointly.

Share of profit or loss and other comprehensive income from participation in a joint operation (BGN thousand):

DZZD EM	2025	2024
Share of revenue from participation in a joint operation	339	-
Share of expenses from participation in a joint operation	(339)	-
Profit/loss from participation in a joint operation	-	-

Upon expiry of the performance guarantee, the Group will be entitled to recognise its share of profit from the joint operation.

31. Goodwill

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Euroins Insurance Group AD	111 763	111 763
Euro-Finance AD	2 620	2 620
Electrohold Trade EAD	2 500	2 500
	116 883	116 883

The Group's management conducts an impairment test of goodwill related to the aforementioned subsidiaries, for which external appraisers are hired. The evaluations are based on internationally recognized valuation standards. The test assumes that each individual company constitutes a "cash-generating unit" (CGU). The forecasts for cash flows (before taxes) are based on financial budgets, as well as other medium-term and long-term plans and intentions for the development and restructuring of activities within the Group. The recoverable value of each cash-generating unit is determined based on "value in use." The key assumptions used in the calculations are specifically determined for each company holding goodwill, treated as a separate cash-generating unit, and are aligned with its business activity, business environment, and risks.

The results of the impairment test indicate that the recoverable amount exceeds the carrying amount of goodwill, and there are no indicators of impairment.

32. Subordinated debt

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Subordinated debt		
<i>Insurance business</i>	82 000	25 000
<i>Parent company</i>	433	408
	82 433	25 408

32.1 Insurance business

A loan agreement in the form of subordinated term debt in the amount of BGN 27 million

On 31 January 2025, an agreement was signed between Starcom Holding AD (Lender) and Euroins Insurance Group AD (Borrower) for a subordinated debt of BGN 27 million. The loan bears a 5% interest rate and has an indefinite maturity. The Borrower may repay the principal in a single installment, but no earlier than five years from the receipt of the loan amount. Early repayment is not permitted. The loan is unsecured. The full loan amount was received on 6 February 2025.

A loan agreement in the form of subordinated term debt in the amount of BGN 30 million

A loan agreement was signed on 31 January 2025, between a shareholder (Lender) and Euroins Insurance Group AD (Borrower) for a subordinated debt of BGN 30 million. The interest rate is 5%, and the loan has an indefinite maturity. The Borrower has the option to repay the principal after five years, in a single installment. Early repayment is not permitted. The loan is unsecured. The full loan amount was received on 6 February 2025.

A loan agreement in the form of subordinated term debt in the amount of BGN 25 million

This subordinated debt, from Euroins Bulgaria AD (Borrower) to S FINANCES EAD (Lender), has a total value of BGN 25 million as of 31 December 2025 (as of 31 December 2024: BGN 25 000). The loan agreement was concluded in June 2022, with a 6% annual interest rate and a maturity date of 28 June 2032.

32.2 Parent company

The subordinated debt of the parent company with a balance sheet value of BGN 433 thousand. (31.12.2024 - BGN 408 thousand) has no fixed maturity and the lender Starcom Holding AD cannot demand its repayment, regardless of whether there is a case of default under the agreement. Eurohold Bulgaria AD has the right (but is not obliged) to pay amounts from the loan principal corresponding to each consecutively received tranche after the expiration of 5 (five) years from the date of receipt of the respective tranche. Early repayment of the principal of the subordinated debt is not allowed, except in cases of liquidation or bankruptcy, after payment of the amounts due to all privileged creditors, as well as to all other unsecured creditors. The interest due is in the amount of 5% (five percent) on an annual basis on the attracted sums of money for the period of their actual use. In 2025 it was extended by 5 years.

33. Bank and non-bank loans by segments

	31.12.2025 BGN'000	31.12.2024 BGN'000
Energy business	188 544	1 099 561
Insurance business	205	215
Parent company	24 410	22 878
	213 159	1 122 654

33.1 Bank and non-bank loans by segments – non current

	31.12.2025 BGN'000	31.12.2024 BGN'000
Energy business, incl.	172 844	1 027 095
<i>Bank loans</i>	172 844	1 027 095
Insurance business incl.	-	7
<i>Bank loans</i>	-	7
Parent company, incl.:	4 213	6 319
<i>Bank loans</i>	4 213	6 319
	177 057	1 033 421

33.2 Bank and non-bank loans by segments – current

	31.12.2025 BGN'000	31.12.2024 BGN'000
Energy business, incl.	15 700	72 466
<i>Bank loans</i>	15 700	72 466
Insurance business incl.	205	208
<i>Bank loans</i>	205	208
Parent company, incl.:	20 197	16 559
<i>Bank loans</i>	20 197	16 559
	36 102	89 233

33.3. Bank loan details

Bank	Currency	Limit <i>in 000</i>	31.12.2025 Book value <i>BGN'000</i>	Principal 31.12.2025 Original currency <i>in 000</i>	31.12.2024 Book value <i>BGN'000</i>	Principal 31.12.2024 Original currency <i>in 000</i>	Interest rate	Maturity
Insurance business								
Bank creditor 1	GEL	400	205	GEL 331	215	GEL 312	13%	12.2026
Energy business								
Syndicated loan	EUR	460 000 €	-	-	891 109	460 000 €	6m EURIBOR + 3% min	06.2029
Bank creditor 2	EUR	83 000 €	146 686	75 500 €	160 928	83 000 €	11% with the option to capitalize interest	09.2029
Bank creditor 3	EUR	98 000 €	23 304	11 836 €	28 334	14 373 €	6m EURIBOR + 1. 80%	04.2027
Bank creditor 4	BGN	54 763	41	BGN 41	19 190	BGN 19 190	2.20% + Average Deposit Index	05.2027
Bank creditor 5	BGN	39 116	3 588	BGN 3 588	-	-	UBB short-term interest rate + 2,30%	03.2028
Club loan	EUR	BGN 9 119	14 925	7 599 €	-	-	2.4% + 6M Euribor/min. 2.4%	05.2028
Parent company								
Bank creditor 6	EUR	10 000 €	9 433	3 850 €	8 800	3 850 €	6.0% + 3m EURIBOR	12.2025, extended until 02.2026
Bank creditor 6	EUR	7 000 €	14 977	6 192 €	14 078	6 192 €	5.0% + 3m EURIBOR	01.2029
TOTAL:			213 159		1 122 654			

34. Bond liabilities

	31.12.2025 BGN'000	31.12.2024 BGN'000
Energy business incl.	1 002 010	-
<i>Non-current</i>	961 782	-
<i>Current</i>	40 228	-
Parent company incl.	252 397	238 567
<i>Non-current</i>	127 443	236 998
<i>Current</i>	124 954	1 569
	1 254 407	238 567

34.1 Bonds issued details

	Coupon	Original currency	Maturity	31.12.2025 Book value* BGN'000	31.12.2025 Nominal in'000 original curr.	31.12.2024 Book value* BGN'000	31.12.2024 Nominal in'000 original curr.
Energy business							
XS3073101712 (Reg S, non-U.S.) and XS3073621552 (144A, U.S.)	6.50%	EUR	5.2030	1 002 010	500 000	-	-
Parent company							
EMTN Programme ISIN XS1731768302	6.50%	EUR	6.2026	104 493	70 000	106 425	70 000
EMTN Programme ISIN: XS1542984288	8.00%	EUR	12.2026	19 567	10 000	19 567	10 000
Corporate bonds with ISIN:BG2100013205	3.25%	EUR	11.2027	56 895	30 000	56 902	30 000
Corporate bonds with ISIN:BG2100002224	3.25%	EUR	3.2029	71 442	40 000	55 673	40 000
			Total:	1 254 407	150 000	238 567	150 000

* Presented net of own bonds held in the Group.

Energy business

On 15.5.2025, Eastern European Electric Company B.V. (EEEC), the direct owner of the Electrohold group, issued its first bond offering in the amount of EUR 500 million. The bonds are five-year, secured, issued in Reg S/144A format, with a fixed annual coupon of 6.5% and a maturity date of 15 May 2030.

As part of the financial transaction, EEEEC received credit ratings of Ba2 (stable outlook) from Moody's and BB (stable outlook) from Fitch, with the financial instruments receiving the same ratings.

The bonds are listed on the Luxembourg Stock Exchange, Euro MTF market segment under ISIN XS3073101712 (Reg S, non-U.S.) and XS3073621552 (144A, U.S.).

The proceeds from the bond issue were used to repay in full a syndicated loan and related expenses, for general corporate purposes, as well as to make payments under a portion of another loan agreement at the holding company level.

Parent company

Emission with **ISIN XS1731768302** from the EMTN program, has a maturity date of June 7, 2026, a fixed interest rate of 6.5% per annum, and annual interest payments. At the end of 2022, the Parent Group received consent to extend the maturity date of these European Medium Term Notes (EMTN) by 42 months. The bonds are listed on the Irish Stock Exchange.

Emission with **ISIN XS1542984288** from the EMTN program has a maturity date of December 29, 2026, a fixed interest rate of 8.0% per annum, and annual interest payments.

Information about the terms of the EMTN programs is publicly available on the Irish Stock Exchange, Bonds page.

The bond with **ISIN: BG2100013205** in the amount of EUR 30 000,000 was registered by Central Depository AD on 26 November 2020. The issue is the second in a row of ordinary, registered, dematerialized, interest-bearing, secured, non-convertible, freely transferable bonds under the terms of primary private placement within the meaning of Art. 205, para. 2 of the CA. The nominal and issue value of each bond is EUR 1 000 (thousand). The maturity date of the issue is 26 November 2027, and the principal is repaid once at maturity. The interest payments are every six months, starting from the date of registration of the issue (26 November 2020), at a fixed nominal interest rate - 3.25% on an annual basis. The debenture loan is secured by an insurance contract "Debenture loan" concluded between the issuer Eurohold Bulgaria AD, as an insurer and ZD Euroins AD as an insurer. The trustee of the bondholders in the issue is Ever Financial House AD.

The bond with **ISIN:BG2100002224** in the value of EUR 40 000 000 was registered by the Central Depository AD on 8.3.2022. The issue is the third in a row of ordinary registered non-current interest-bearing secured non-convertible freely transferable bonds under the conditions of primary private (non-public) placement within the meaning of Art. 205 para. 2 of the CA. The nominal and issue value of each bond is 1,000 (one thousand) EUR. The maturity date of the issue is 8 March 2029, with the principal being repaid once upon maturity. Interest payments are made every six months from the date of issue registration (8 March 2022) at a fixed nominal interest rate of 3.25% per annum. The bond loan is secured by an insurance contract "Bond Loan" concluded between the issuer Eurohold Bulgaria AD as insurer and ZD Euroins AD as insurer. Trustee of the bondholders under the issue is "TBI Bank" EAD.

35. Trade and other liabilities

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Non-current trade and other liabilities (<i>Note 35.1</i>)	127 085	80 254
Lease liabilities (<i>Note 35.4</i>)	61 433	67 363
Current trade liabilities (<i>Note 35.2</i>)	330 984	231 911
Current other liabilities (<i>Note 35.3</i>)	203 586	178 150
Employee retirement benefit obligations (<i>Note 35.5</i>)	28 474	26 648
	751 562	584 296

35.1 Non-current trade and other liabilities

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Non-current trade and other liabilities (<i>Note 35.1.1</i>)	92 102	61 293
Deferred income (<i>Note 35.1.2</i>)	34 983	18 961
	127 085	80 254

35.1.1 Non-current trade and other liabilities by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	23 769	802
Insurance business	6 297	625
Parent company	62 036	59 866
	92 102	61 293

35.1.2 Deferred income

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	34 983	18 961
	34 983	18 961

35.2 Current trade liabilities by segments

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business	321 623	229 323
Insurance business	375	231
Asset management and brokerage	59	53
Parent company	8 927	2 304
	330 984	231 911

35.3 Current other liabilities

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Provisions (<i>Note 35.3.1</i>)	14 669	26 937
Tax liabilities (<i>Note 35.3.2</i>)	30 448	18 494
Payables to employees (<i>Note 35.3.3</i>)	36 145	36 033
Deferred income (<i>Note 35.3.4</i>)	51 730	19 293
Social-security liabilities (<i>Note 35.3.5</i>)	7 366	7 137
Other current liabilities (<i>Note 35.3.6</i>)	63 228	70 256
	203 586	178 150

35.3.1 Provisions by segment

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Energy business, incl.	11 850	25 652
- <i>energy efficiency provisions</i>	4 143	19 613
Insurance business	2 819	1 285
	14 669	26 937

Certain companies within the Group's energy business (Electrohold Sales EAD and Electrohold Trade EAD) are obligated entities under the Energy Efficiency Act. They are assigned annual energy savings targets. In this regard, provisions for energy efficiency have been recognised in the amount of BGN 4 143 thousand (31 December 2024: BGN 19 613 thousand). Other material provisions relate to legal disputes. See *Note 40 – Contingent liabilities, commitments and provisions for legal proceedings*.

35.3.2 Tax liabilities by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business, incl.	15 856	8 495
- <i>Global minimum tax</i>	9 683	4 866
Insurance business, incl.	14 044	9 205
- <i>Global minimum tax</i>	1 371	45
Asset management and brokerage, incl.	154	195
- <i>Global minimum tax</i>	81	52
Parent company	394	599
	30 448	18 494

35.3.3 Payables to employees by segment

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	32 584	33 391
Insurance business	3 473	2 526
Parent company	88	116
	36 145	36 033

35.3.4 Deferred current income by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business incl.	51 730	19 293
- <i>MEGA ECO ENERGY Ltd*</i>	997	-
	51 730	19 293

Deferred income (contract liabilities) relates to advance payments for connection fees to the electricity distribution network (ERM West AD) and advances for electricity supply (Electrohold Trade AD).

*In connection with the acquisition of a 10% equity interest in a limited liability company, deferred income has been recognised in accordance with IFRS 9 Financial Instruments, as the fair value at initial recognition differs from the transaction price.

35.3.5 Social-security liabilities by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	5 492	5 665
Insurance business	1 850	1 449
Parent company	24	23
	7 366	7 137

35.3.6 Other current liabilities by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business	36 460	33 217
Insurance business	7 075	18 097
Asset management and brokerage	842	743
Parent company	18 851	18 199
	63 228	70 256

The more material amounts of other current liabilities in the energy business represent cash guarantees received from customers under energy sales contracts and serve as collateral.
Other liabilities in the insurance segment include payables to related parties. (*Note 41*).

35.4 Lease liabilities – Rights of use by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business, incl.	51 516	55 044
<i>Non-current</i>	44 027	47 343
<i>Current</i>	7 489	7 701
Insurance business, incl.	8 290	10 563
<i>Non-current</i>	5 112	7 208
<i>Current</i>	3 178	3 355
Asset management and brokerage, incl.	880	844
<i>Non-current</i>	650	675
<i>Current</i>	230	169
Parent company, incl.	747	912
<i>Non-current</i>	502	712
<i>Current</i>	245	200
	61 433	67 363

35.5 Employee retirement benefit obligations by segments

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Energy business, incl.	27 520	25 623
<i>Non-current</i>	24 486	22 718
<i>Current</i>	3 034	2 905
Insurance business, incl.	921	995
<i>Non-current</i>	921	995
<i>Current</i>	-	-
Parent company, incl.	33	30
<i>Non-current</i>	33	30
<i>Current</i>	-	-
	28 474	26 648

The key assumptions used in determining the pension benefit obligation for the Group's subsidiary with the largest number of employees are presented below:

	2025	2024
Discount rate	2.91%	2.91%
Increase in future benefits	3.95%	3.95%
Employee turnover rate	Until 30 y:13%	Until 30 y:13%
	31-40 y:8%	31-40 y:8%
	41-50 y: 6%	41-50 y: 6%
	Over 50 y: 4%	Over 50 y: 4%

36. Insurance contracts liabilities

	31.12.2025	31.12.2024
	<i>BGN'000</i>	<i>BGN'000</i>
Insurance contracts liabilities, incl:	505 428	456 853
<i>Liability for claims made</i>	351 630	368 043
<i>Liability for remaining coverage</i>	153 798	88 810
Other insurance contracts liabilities	2 220	3 069
Total insurance contracts liabilities	507 648	459 922
Reinsurance contracts liabilities	5 250	16 979
Other reinsurance contracts liabilities	-	2 831
Total reinsurance contracts liabilities	5 250	19 810
Total insurance contracts liabilities	512 898	479 732

37. Share capital

Equity comprises share capital, reserves, other components of equity, as well as retained earnings and accumulated losses.

37.1 Share capital

	31.12.2025	31.12.2024
	<i>Number of shares</i>	<i>Number of shares</i>
Issued shares	260 500 000	260 500 000
Treasury shares	(77 277)	(77 277)
Number of shares with voting rights	260 422 723	260 422 723

The registered share capital of Eurohold Bulgaria AD consists of 260 500 000 ordinary shares with a nominal value of BGN 1 per share. All shares have the right to receive a dividend and a liquidation share and represent one vote at the general meeting of the Company's shareholders.

As of 31.12.2025, 77 277 numbers of voting shares of Eurohold Bulgaria AD are held by companies in the (as of 31.12.2024 – 77 277 voting shares).

The shareholder structure as of 31 December 2025, is as follows:

Shareholders	%	Voting rights	Par value BGN
Starcom Holding AD	52.75%	137 408 507	137 408 507
Boston Management and Research, through the following funds managed by it, namely: Global Opportunities Portfolio, Global Macro Portfolio, Global Macro Absolute Return Advantage Portfolio, Global Macro Capital Opportunities Portfolio.	8.50%	22 144 922	22 144 922
SLS Holding AD	6.64%	17 295 705	17 295 705
KJK Fund II SICAV-SIF - Balkan Discovery	5.40%	14 054 373	14 054 373
PENSION ASSURANCE COMPANY-FUTURE through the following funds managed by him: UPF-Future PPF-Future DPF-Future	5.26%	13 705 858	13 705 858
Other legal entities	20.10%	52 366 931	52 366 931
Other individuals	1.35%	3 523 704	3 523 704
Total	100.00%	260 500 000	260 500 000

37.2 Other components of equity

	31.12.2025 BGN'000	31.12.2024 BGN'000
Warrants	130 241	130 241
	130 241	130 241

With a decision made by the Management Board protocol dated 29.03.2024, a decision was taken to convene an extraordinary meeting of the shareholders' general assembly of 'Eurohold Bulgaria' AD, for the company to issue a bond issuance of up to 260 500 000 (two hundred sixty million and five hundred thousand) dematerialized, registered, freely transferable warrants under the conditions of a public offering according to the Securities Public Offering Act, with an issue price of 0.50 BGN (fifty stotinki) each, which give the holders of the warrants the right to exercise, within a 10-year period, the right to subscribe for the corresponding number of shares (of the same type and class as the existing shares of the company - dematerialized, registered, non-preferred, with a right to 1 (one) vote in the general assembly of the shareholders of the company, with the right to a dividend and the right to a liquidation share) – the underlying asset of the warrants at an issue price of 2.00 BGN (two) per share with a conversion ratio of warrant/share 1:1, which 'Eurohold Bulgaria' AD will issue upon future capital increases, under the condition that the new shares are subscribed by the holders of the warrants. Investors in Eurohold subscribed and fully paid a total of 260 481 631 warrants between 25 November and 10 December 2024, which have been trading on the Bulgarian Stock Exchange since 17.12.2024, under the ticker symbol EUBW.

As of December 31, 2025, the issued warrants are distributed as follows

Warrant holders	Number of warrants	% of all issued warrants
Total warrant holders - legal entities, including:	239 252 797	91.85%
Total warrant holders over 5% (legal entities):	220 027 286	84.47%
<i>Starcom Holding AD</i>	<i>159 268 486</i>	<i>61.14%</i>
<i>S Finance EAD</i>	<i>27 206 000</i>	<i>10.44%</i>
<i>SLS Holding AD</i>	<i>20 247 000</i>	<i>7.77%</i>
<i>Asterion Bulgaria EAD</i>	<i>13 305 800</i>	<i>5.11%</i>
Other legal entities	19 225 511	7.38%
Total warrant holders - individuals	21 228 834	8.15%
Total number of warrants with voting rights	260 481 631	100.00%

37.3 Earnings per share

The earnings per share is calculated by dividing the profit for the year, attributable to the shareholders of the Parent Company, by the weighted average number of common shares outstanding during the year. The calculation is based on the consolidated financial statements of Eurohold Bulgaria AD.

The following table reflects the income data and the shares used in the calculation of basic earnings per share.

	2025	2024
Weighted average number of share, (pcs)	260 422 773	260 422 773
Net profit for the year (BGN `000)	106 124	33 718
Net profit for the year – continuing operations (BGN `000)	106 124	33 173
Net profit for the year – discontinued operations (BGN `000)	-	545
Earnings per share, in BGN	0.408	0.129
Earnings per share from continuing operations, in BGN	0.408	0.127
Earnings per share from discontinued operations, in BGN	-	0.002

38. Derivative financial instruments

	31.12.2025	31.12.2024
	<i>BGN`000</i>	<i>BGN`000</i>
Interest rate swaps	-	18 025
	-	18 025

The Group (specifically, Eastern European Electric Company B.V.) entered into hedging agreements to mitigate the risk of an increase in EURIBOR, which could lead to higher interest expenses on a syndicated loan dated 03 June 2024. Sixty percent of the loan principal is hedged. The Group has agreed to pay a fixed interest rate and receive a floating interest rate for a portion of the syndicated loan.

The interest rate swaps are classified as cash flow hedges, meeting the eligibility criteria under IFRS 9 Financial Instruments. The value in the consolidated statement of financial position represents the fair value of the hedging instrument.

Following the issuance of fixed-rate corporate bonds, the hedging agreements were terminated in May 2025. At the time of termination, the Group (specifically EEEEC B.V.) settled the fair value ("mark-to-market") of the swaps in the amount of BGN 17 836 thousand.

See also *Notes 17 Finance costs, 33 Bank and non-bank loans by segments, and 34 Bond liabilities.*

39. Disposals and discontinued operations

39.1. ECLAIM Sole Proprietorship for Claims Settlement Services PK, Greece

On 12.9.2024 Euroins Insurance Group (EIG) sold 100% of the capital of its subsidiary company ECLEAM Sole Proprietorship for Claims Settlement Services PK, Greece. The effect of its sale is presented in the table below:

	BGN`000
1. Fair value of consideration received	1 937
2. Net Assets on date of sale	(97)
3. Group result (1-2)	2 033
4. Loss for the period 01.01.2024 - 09.12.2024	(169)
5. <i>Insurance business level eliminations, net</i>	<i>(1 319)</i>
3. Profit for the year from discontinued operations	545

Profit/(loss) for the period from ECLAIM:	2024 <i>BGN'000</i>
Insurance revenue	1 391
Insurance service expenses	(1 556)
Insurance service result	(165)
Net gains/(losses) from investments	(4)
Other operating income/(expenses), net	-
(Loss) before tax	(169)
Income tax expense	-
(Loss) for the year	(169)
<i>Eliminations at the insurance business level, net</i>	<i>(1 319)</i>
Result from the sale due to loss of control	2 033
Profit for the year	545
<i>Eliminations at the Eurohold Bulgaria AD level, net</i>	-
Profit for the year from discontinued operations	545

Cash flows from discontinued operations

	2024 <i>BGN'000</i>
Operating activity	(1 505)
Investment activity	(186)
Financial activity	-
TOTAL CASH FLOWS FROM DISCONTINUED OPERATIONS	(1 691)

39.1 IC Phoenix Re AD

In 2023, the Group (specifically, EIG AD) transferred control, as defined by IFRS 10 Consolidated Financial Statements, over IC Phoenix Re AD to third parties and transformed its investment in the company from a subsidiary to an associate. A 59.94% stake was sold.

At the end of 2024, control was transferred over an additional 9.99% of the stake, resulting in the Group holding a 30.07% interest in the company as of 31 December 2024.

See *Note 30 Investment accounted for using the equity method*.

40. Contingent liabilities and commitments, provisions for court cases

40.1 Litigation

Parent Company

As of 31.12.2025, there are no significant legal proceedings filed against the parent company, Eurohold Bulgaria AD.

Asset management and brokerage

As of 31.12.2025, there are no significant legal proceedings filed against the investment firm, Euro-Finance AD.

Insurance Business

On 1 October 2025, Euroins Insurance Group AD received a ruling from the European Court of Human Rights regarding the registration and formation of a case, following a complaint filed by Euroins Romania and Euroins Insurance Group AD concerning the denial of Euroins Romania's access to the courts due to actions by Romanian courts in the insolvency proceedings.

In a decision dated 30 September 2025, published on 24 October 2025, the International Centre for Settlement of Investment Disputes (ICSID) in Washington rejected the request by the Romanian government to terminate the arbitration case filed by Eurohold Bulgaria AD (Eurohold) and Euroins Insurance Group AD (EIG) concerning the revocation of the license by the Romanian authorities and the subsequent insolvency proceedings against Euroins Romania. The claim is based on the violation of the Bilateral Investment Treaty between Bulgaria and Romania, signed in 1994, and amounts to over EUR 500 million.

On 7 November 2025, Eurohold Bulgaria AD (Eurohold), Euroins Insurance Group AD (EIG), and Starcom Holding AD, together with their direct shareholders, filed a second claim with ICSID regarding the Euroins Romania case due to Romania's failure to fulfill its obligations under the Romanian Investment Promotion Law (GEO No. 92/1997; Law No. 241/1998). On 24 November 2025, ICSID initiated a second case with a claim value exceeding EUR 575 million. With these two claims in Washington, the total claim amount against the Romanian state now exceeds EUR 1 billion.

Energy business

The companies in the energy business are parties to several lawsuits, but these are not material to the Group as a whole. The more significant ones as of 31 December 2025 are:

Electrodistribution Grid West EAD

Provisions for legal claims and proceedings by RES for access to the electricity distribution network

In 2012, numerous court proceedings were initiated on requests by producers of electricity from renewable energy sources, asking the court to cancel Decision No. Ц-33/14.09.2012 and those for whom, although they appealed the decision, for them it has not entered into force.

Other provisions for court claims

The remaining amount of recognized provisions for legal claims and proceedings includes various cases in which the Company is involved as either a plaintiff or defendant, totaling 5 118 thousand BGN (2024: 4 540 thousand BGN), each of which is of immaterial individual value. The Company does not disclose additional information based on paragraph 92 of IAS 37.

Electrohold Sales EAD

As of 31.12.2025, Electrohold Sales EAD has a provision for legal claims in the amount of BGN 732 thousand (31.12.2024: BGN 675 thousand) based on the probable outcome of several legal disputes, which are at different stage, but are currently unresolved.

Electrohold Bulgaria EOOD

The company is a defendant in five civil cases with a total amount of claims of BGN 306 thousand. The lawyers' prediction for the outcome of the cases is that the claims will be rejected in full, due to groundless and illegal claims. The company does not expect cash outflows from the outcome of the cases.

40.2 Guarantees and guarantees provided

(1) The Group is a co-debtor/guarantor for loans received from banking/financial institutions as follows:

Business	Amount		Maturity (EUR'000)				
	BGN'000 31.12.2025	BGN'000 31.12.2024	2026	2027	2028	2029	After 2029
Ultimate parent company							
Bank loans for investment purposes	-	6 112	-	-	-	-	-
Leasing business							
Working capital facilities - related parties 30.6.2022	30 777	29 292	7 120	4 271	2 070	1 162	354
Automotive business							
Working capital facilities - related parties 30.6.2022	12 799	7 467	1 950	557	467	375	469
Total:	43 576	42 871	9 070	4 828	2 537	1 537	823

(2) As of 31 December 2025, the Group (specifically Eurohold Bulgaria AD) is a guarantor under bank guarantees totaling BGN 3 879 thousand, issued in favor of third parties (related parties until 30 June 2022), with maturities up to 2026.

(3) In connection with the participation of IC Euroins AD through its branch in the Hellenic Republic in the so-called friendly settlement agreement between the insurers that offer compulsory motor third party liability insurance on the territory of the Hellenic Republic, a bank guarantee has been established in favor of the Greek Association of Insurers. As at 31.12.2025 the bank guarantee is amounting to EUR 509 thousand (31.12.2024 - EUR 540 thousand) and the funds are blocked on a deposit account of the Branch.

(4) Insurers that offer compulsory motor third party liability insurance present a bank guarantee in accordance with the Statute of the National Bureau of Bulgarian Motor Insurers (NBBAZ). As of 31 December 2025, and 31 December 2024, Euroins Insurance AD, a subsidiary, provides a bank guarantee amounting to EUR 600 thousand in favor of the National Bank of Bulgaria. The funds securing the bank guarantee are blocked in the company's current account.

- (5) The subsidiary ERM Zapad EAD established a bank guarantee in favor of the Sofia Municipality in the amount of BGN 124 thousand for the restoration of the sidewalks during investment activities as of 31.12.2025 (31.12.2024 – BGN 121 thousand).
- (6) As of 31.12.2025, by order of Electrohold Bulgaria EOOD, two bank guarantees were issued with a total amount of BGN 91 thousand (as of 31.12.2024 – BGN 92 thousand).
- (7) Electrohold Trade EAD entered into a conditional bank loan agreement on 09 September 2024 in the amount of BGN 44 495 thousand, or its equivalent in euros calculated at the applicable BNB exchange rate. The commission for the issuance of bank guarantees is 0.25% per quarter or part thereof, calculated on the guaranteed amount. As of 31 December 2025, the utilized amount under the conditional bank loan is BGN 36 628 thousand, or its equivalent in euros, calculated at the applicable BNB exchange rate (31 December 2024 – BGN 29 807 thousand).
- (8) Electrohold Sales EAD provides a guarantee to the Bulgarian Independent Energy Exchange EAD (IBEX) in the amount of BGN 8 000 thousand under an agreement for participation in the organized electricity market, which covers payment obligations for principal, penalties, interest, fees, fines, and other amounts due under the respective contractual relationship. Four bank guarantees have been provided to ESO EAD under balancing contracts, totaling BGN 4 082 thousand.
- (9) The total amount of guarantees issued under Contract No. 00052/730/29.07.2024, concluded between Electrohold Sales EAD and UniCredit Bulbank AD, is BGN 12 032 thousand, with guarantees amounting to BGN 50 thousand secured by the company's own funds.

40.3 Guarantees and guarantees received

- (1) Guarantees in favor of the Group (in particular Eurohold Bulgaria AD) by Milena Milchova Guentcheva, procurator of Eurohold Bulgaria AD - BGN 3 300, maturity date 03.2026. Automatic renewal until the procurator is released from liability.
- (2) The Group's suppliers (in particular ERM Zapad EAD) have provided bank deposits as collateral in its favor for the performance of the contracts concluded with them for the supply of materials and services. The amount of valid guarantees as of 31.12.2025 is BGN 3 129 thousand (2024: BGN 3 165 thousand).
- (3) According to the amendments in 2023 to the Renewable Energy Sources Act, producers from renewable energy sources are required to provide a guarantee during the connection procedure. The amount of valid guarantees established as of 31.12.2025 is BGN 5 660 thousand (31.12.2024 – BGN 2 867 thousand).
- (4) Suppliers of ERM Zapad EAD have issued bank guarantees in its favor to secure the performance of contracts for the supply of materials and services. The amount of valid guarantees as of 31 December 2025 is BGN 16 373 thousand (as of 31 December 2024: BGN 3 879 thousand).
- (5) Customers of the Electrohold Trade EAD have established bank guarantees in favour of the Group in the amount of BGN 1 816 thousand (31.12.2024: BGN 1 304 thousand). The issued bank guarantees secure the payments under contracts for sale of electricity and balancing.
- (6) As of 31.12.2025, performance guarantees under contracts in the amount of BGN 1 189 thousand have been established in favor of the Group (in particular, Electrohold EPC EOOD) (31.12.2024 – BGN 1 952 thousand).

40.4 Pledge of shares

In connection with a loan to a company from Automotive Subholding, which as of 31.12.2025 is not a related party, Eurohold Bulgaria AD has an established pledge of shares in a subsidiary.

In connection with financing under a package deal, Eurohold Bulgaria AD has established a pledge of shares of a subsidiary.

In connection with the financing of the business combination Eurohold Bulgaria AD, a pledge of shares of subsidiaries in the energy segment has been established.

41. Related parties

Related parties within the Group are as follows:

- Starcom Holding AD, Bulgaria – main shareholder in Eurohold Bulgaria AD

Subsidiaries of Starcom Holding AD that are not part of the Eurohold Bulgaria AD Group:

- S FINANCES EAD, Bulgaria (*previous name Starcom Finance EAD*);
- Vedernik EAD, Bulgaria (for the period 17.08.2023 – 19.9.2024);
- Quintar Capital Limited, Hong Kong China
- Hanson Asset Management Ltd, UK
- Swiss Global Asset Management AG, Switzerland (related party until 31.3.2025)

Other investments:

- Solars Energy AD, Bulgaria – associated company of Starcom Holding AD;
- Euroins Romania Asigurare-Reasigurare S.A., Romania – subsidiary of Euroins Insurance Group EAD with 98.57%. Loss of control. *Note 2.29.6.*
- IC Phoenix Re AD (*previous name IC EIG Re AD*) - associated participation as of 28 December 2023 of Euroins Insurance Group EAD, a subsidiary of Eurohold Bulgaria AD– *Note 29. Investments accounted for using the equity method and 39. Disposals and discontinued operations*
- Avesta Hungary ZRT, Hungary – joint venture of Starcom Holding AD.

Other related parties within the meaning of IAS 24 with which the Group has commercial relations include companies where there is a connection through a common member of the management bodies – Milena Guentcheva, as follows:

- Afes Bulgaria EOOD, Bulgaria
- Afes AG, Liechtenstein

Balances with related parties

	31.12.2025 <i>BGN'000</i>	31.12.2024 <i>BGN'000</i>
Balances with the parent company		
Loans provided under repo transactions	2 881	18 851
Loans granted incl.	38 180	35 017
- <i>interest</i>	4 246	230
<i>Impairment</i>	(79)	(68)
Loans received	13 345	13 196
Subordinated debt - principal	57 433	408
Other liabilities incl.	2 453	-
- <i>Interest on subordinated debt</i>	2 198	-
Trade receivables	589	126
Dividend liabilities	101	101
Balances with other related parties under common control		
Trade receivables	196	-
Subordinated debt - principal	25 000	25 000
Trade liabilities	91	-
Other liabilities incl.	1 625	625
- <i>Interest on subordinated debt</i>	1 625	625
Right-of-use asset - office	28	432
Lease liabilities	127	452
Balances with associated and other companies		
Loans granted to associates	67 728	-
<i>Impairment</i>	(616)	-
Interest receivables from associates	2 576	-
<i>Impairment</i>	(23)	-
Contract assets under reinsurance contracts held with associates	-	1 246
Other receivables from associates	851	995
Other liabilities to associates	284	231
Insurance and reinsurance contracts liabilities with associates	-	2 831

Investment in Mega Eco Energy Ltd	1 006	-
Deffered income from Mega Eco Energy Ltd	997	-
Other receivables from Mega Eco Energy Ltd	2 112	-
Other receivables from other related parties	2 229	509
<i>Impairment</i>	(2 229)	(509)

Transactions with related parties

	2025 BGN'000	2024 BGN'000
Transactions with owners		
Comission income	547	529
Service revenue	5 537	469
Interest income	4 611	661
Interest expenses on loans received	3 290	4 463
Other income	-	62

Transactions with other related parties under common control

Service revenue	-	13
Comission income	68	68
Other income	-	11
Interest expense on leases (rights of use)	2	7
Depreciation expense on right-of-use assets	305	297
Service expenses	759	-
Interest expenses on loans received	1 729	1 670

Transactions with associated

Interest income	2 576	-
Comission income	101	231
Service revenue	12	-
Other income	5 640	-
Other expenses	3 957	-

42. Reconciliation of liabilities arising from financing activities

Changes in the Group's liabilities arising from financial activity can be classified as follows:

<i>In thousand BGN</i>	Note	Cash flows		Non-cash adjustment	As of 31.12. 2025
		As of 1.1.2025	Inflows	Outflows	
Subordinated debt	32	25 408	57 000	(1 295)	82 433
Bank and non-bank loans	33	1 122 654	164 219	(1 126 634)	213 159
Bond liabilities	34	238 567	969 569	(15 390)	1 254 407
Total:		1 386 629	1 190 788	(1 143 319)	1 549 999

<i>In thousand BGN</i>	Note	Cash flows		Non-cash adjustment	As of 31.12.2024
		As of 1.1.2024	Inflows	Outflows	
Subordinated debt	32	55 265	20 000	(1 295)	25 408
Bank and non-bank loans	33	1 034 043	280 276	(293 267)	1 122 654
Bond liabilities	34	217 588	38 147	(14 954)	238 567

Total: 1 306 896 338 423 (309 516) 50 826 1 386 629

43. Events after the reporting period

1) The Republic of Bulgaria adopted the euro on 1 January 2026. The adoption date was set by the Council Decision on Bulgaria's adoption of the euro, adopted by the EU Council of Ministers of Economic and Financial Affairs (ECOFIN) on 8 July 2025. The official conversion rate at which Bulgaria joined the euro area is irrevocably fixed at 1 EUR = 1.95583 BGN by the Council Regulation amending Regulation (EC) No 2866/98 on the euro exchange rate for Bulgaria.

Under article 33 of the Law on the Introduction of the Euro in the Republic of Bulgaria (LIERB), the amount of a joint-stock company's share capital as registered in the Commercial Register is automatically converted into euros and euro cents. This revaluation is carried out ex officio by the Registry Agency.

Pursuant to article 32 of the LIERB, the Company must file amended Articles of Association reflecting the revalued share capital and the nominal value of its shares in euros with the Commercial Register within 12 months of the euro's introduction in Bulgaria.

2) Military Actions in Middle Eastern Countries

The effects and economic consequences of the military actions involving the USA, Israel, and Middle Eastern countries cannot be fully quantified at this stage. However, there are indications of a potential impact on the global economy. Weaker global economic activity or further slowdown in international trade could limit economic growth in the Eurozone. Based on initial management assessments, these events are not expected to have a direct material impact on the Group's operations or investments at this time. Due to the unpredictability of the situation, it is currently not possible to provide a reliable estimate or measure the potential long-term effect of these military actions.

The Group recognizes the risks arising from the macroeconomic environment within its risk management framework, consistent with the scope and nature of its activities. Currently, it is deemed unlikely that these risks will have a direct material impact on the Group's operations or investments.

Parent company

3) On 12 January 2026, Eurohold Bulgaria AD acquired 2 963 355 shares of Euroins Insurance Group AD (EIG AD). As a result of the purchase, Eurohold Bulgaria AD's shareholder interest in EIG AD amounts to 94.06% of the capital (141 027 728 shares).

4) On 23 January 2026, the Board of Directors of the Bulgarian Stock Exchange (BSE) decided that, starting from 26 January 2026, the shares of Eurohold Bulgaria AD (BSE stock code: EUBG) will be traded on the "Premium" segment of the BSE. The investment intermediary Euro-Finance AD will be the market maker for the shares of Eurohold Bulgaria AD.

5) An extraordinary general meeting of the Company is scheduled for 23 April 2026, with the following agenda: dismissal of Asen Milkov Christov from the Supervisory Board and appointment of a new member – Milen Asenov Christov.

6) An extraordinary general meeting of the Company is scheduled for 28 April 2026, with the following agenda: authorization of the Management Board and the individuals managing the Company to enter into a financing transaction/transactions with a total value exceeding the threshold under Article 114, Paragraph 1, Item 2 in relation to Article 114, Paragraph 1, Item 1, letter "b" of the Public Offering of Securities Act (POSA).

Energy business

7) Eastern European Electric Company B.V. (EEEC) announces that, following a review on 31 March 2026, Fitch Ratings has confirmed its long-term credit rating at "BB" with a stable outlook.

The confirmation follows Fitch Ratings' periodic review and reflects the stable operational profile and financial performance of the subsidiary, which consolidates the Group's energy business investments, aligning with the current rating level. There is no change in the rating or outlook compared to the previous review.

No adjusting or other non-adjusting events occurred between the date of the consolidated financial statements and the date of their approval for issue.

C

Declaration of
responsible persons

DECLARATION**in accordance with article 100m, paragraph 4, item 4 of
Public Offering of Securities Act**




The undersigned,

1. Asen Minchev – Executive Director of Eurohold Bulgaria AD
2. Milena Guentcheva, Procurator of Eurohold Bulgaria AD
3. Tsvetelina Cheresharova-Doycheva – Financial controller of Eurohold Bulgaria AD (Complier of the financial statement)

WE DECLARE that, to the best of our knowledge:

1. The Annual Consolidated Financial Statements for 2025, prepared in accordance with the applicable accounting standards, accurately and fairly reflect the information on the assets and liabilities, financial condition and profit or loss of Eurohold Bulgaria AD;
2. The Annual Consolidated Activity Report for 2025 contains a reliable overview of the development and results of the activities of Eurohold Bulgaria AD, as well as a description of the main risks and uncertainties facing the company.

Declarants:

1. Asen Minchev 
2. Milena Guentcheva 
3. Tsvetelina Cheresharova-Doycheva 

D

Independent
auditor's report

Grant Thornton OOD
A 26, Cherni Vrah Blvd, 1421 Sofia
A 111, Knyaz Boris I Blvd., 9000 Varna
T (+3592) 987 28 79, (+35952) 69 55 44
F (+3592) 980 48 24, (+35952) 69 55 33
E office@bg.gt.com
W www.grantthornton.bg

INDEPENDENT AUDITOR'S REPORT

To the shareholders of
EUROHOLD BULGARIA AD
Sofia, 43, Christopher Columbus Blvd.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Eurohold Bulgaria AD and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU and Bulgarian legislation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Bulgaria. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of insurance contract liabilities	
Notes 2.8, 2.29 and 36 to the consolidated financial statements	
Key audit matter	How this matter was addressed during the audit
<p>As of 31 December 2025, the Group's insurance contracts liabilities amount to BGN 507 648 thousand and account for 18.5% of Group's total liabilities. They mainly include liability for incurred claims (LIC) of BGN 351 630 thousand and liability for remaining coverage (LRC) of BGN 153 798 thousand.</p> <p>In accordance with the requirements of IFRS 17 "Insurance Contracts," the Group applies a common model and approach for premium allocation as</p>	<p>During the audit, our audit procedures, in addition to those described in the preceding key audit matter, included, but were not limited to:</p> <ul style="list-style-type: none"> - analysis of the Group's accounting policies for compliance with the requirements of IFRS 17 "Insurance Contracts"; - Gaining an understanding of and assessing the internal control environment, including the IT environment, related to the process of measuring and reporting liabilities under issued insurance contracts;

<p>methods for the subsequent measurement of liabilities related to issued insurance contracts.</p> <p>This measurement is a complex area that requires the use of significant judgments and assumptions when applying actuarial methods and models to project the present value of expected cash flows for the settlement of issued insurance contracts.</p> <p>The most significant assumptions used in the valuation of the PPL relate to the projection of expected cash flows on incurred liabilities and the adjustment for non-financial risk.</p> <p>Future cash flows include an estimate of all claims payments, reduced by projected recoverable amounts from subrogation, as well as the related costs of settling them, within the scope of the insurance contracts. To determine the present value of the projected future cash flows included in the liability for incurred losses, the Group uses historical data on the development of incurred losses for all its components. This historical information relates to the size of claims, claim payment patterns, their expected future development, and the expected risk run-off pattern over the coverage period of the issued insurance contracts.</p> <p>The non-financial risk adjustment represents the compensation the Group requires to account for the uncertainty regarding the amount and timing of cash flows associated with insurance contracts. Consequently, determining an appropriate discount rate for the expected cash flows also involves judgment.</p> <p>We identified the measurement of liabilities under issued insurance contracts as a key audit matter due to the materiality of these liabilities to the consolidated statement of financial position and the significance of the circumstances, including the high degree of subjectivity in the judgments used in their measurement.</p>	<ul style="list-style-type: none"> - testing the completeness and accuracy of the input data used in actuarial calculations, including in determining the assumptions related to these calculations; - reconciling the summarized data from the Group's actuarial system with the accounting information regarding insurance contracts as of year-end; - we performed procedures to verify whether the controls related to the approval and ongoing monitoring of recorded premiums and paid claims for material components have been implemented by the Group as designed, and we tested their operational effectiveness; - We performed detailed substantive procedures on a risk-based sample of insurance contracts for significant components of the Group to confirm whether the information regarding the insurance policies was valid, correctly classified, and accurately reported; - On a sample basis, we compared whether the claims information according to the data in the insurance system of significant components of the Group corresponds to the supporting documents for the occurred event; - assessment of the professional qualifications, competence, experience, and objectivity of the Group's actuary responsible for preparing the valuation of insurance contract liabilities; - the member of the audit team with appropriate actuarial qualifications and experience performed a critical analysis of the appropriateness of the key assumptions of the methodology applied to calculate the projected cash flows for settlement, depending on the specific characteristics of the various products; - an assessment of the actuarial models applied based on a sample of specific groups of issued insurance contracts; - an assessment of the completeness, relevance, and adequacy of the disclosures related to the Group's insurance and reinsurance operations in the consolidated financial statements.
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the annual consolidated management report, including the consolidated corporate governance statement, prepared in accordance with Bulgarian Accountancy Act and other applicable legislation requirements, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or whether our knowledge obtained in the audit may indicate that there is a material misstatement or otherwise the other information 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 Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, as adopted by the EU and Bulgarian legislation, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and Bulgarian Independent Financial Audit and Assurance of Sustainability Reporting Act will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In addition to our responsibilities for reporting under ISAs, described above in section “Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon”, regarding annual consolidated management report, including the consolidated corporate governance statement, we have performed the additional procedures contained in the Guidelines of the professional organisation of certified public accountants and registered auditors in Bulgaria - Institute of Certified Public Accountants (ICPA). The procedures on the existence, form and contents of the other information have been carried out in order to state whether the other information includes the elements and disclosures in accordance with Chapter Seven of Bulgarian Accountancy Act and Article 100m, paragraph (10) in relation to Article 100m, paragraph (8), subparagraphs (3) and (4) of Bulgarian Public Offering of Securities Act.

Statement Pursuant to Article 37, Paragraph (6) of Bulgarian Accountancy Act

Based on the procedures performed, we describe the outcome of our work:

- (a) the information in the consolidated management report is consistent with the consolidated financial statements for the same reporting period;
- (b) the consolidated management report is prepared in accordance with the applicable legal requirements;
- (c) as a result of the acquired knowledge and understanding of the activities of the Group and the environment in which it operates, we have found no cases of material misrepresentation in the consolidated management report;
- (d) the consolidated corporate governance statement for the financial year contains the required information in accordance with the applicable legal requirements, including Article 100m, paragraph (8) of Bulgarian Public Offering of Securities Act.

Statement Pursuant to Article 100m, Paragraph (10) of Bulgarian Public Offering of Securities Act

Based on the procedures performed and our knowledge of the Group and the environment in which it operates, in our opinion, there is no material misstatement in the description of the main characteristics of the internal control system and of the risk management system of the Group in connection with the financial reporting process and also in the information pursuant to Article 10, paragraph 1, items “c”, “d”, “f”, “h” and “i” of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, which are included in the consolidated corporate governance statement, being a component of the annual consolidated management report.

Reporting on compliance of the electronic format of the consolidated financial statements included in the annual consolidated financial report on the activity under Art. 100n, paragraph 5 of Bulgarian Public Offering of Securities Act with the requirements of ESEF Regulation

We have undertaken a reasonable assurance engagement on the compliance of the electronic format of the consolidated financial statements of Eurohold Bulgaria AD for the year ended on 31 December 2025 included in the digital file „74780000J0W85Y204X80-20251231-BG-CON.zip“, with the requirements of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (“ESEF Regulation”). Our opinion is only regarding the electronic format of the consolidated financial statements and does not include the other information contained in the annual consolidated financial report on the activity under art. 100n, para. 5 of Bulgarian Public Offering of Securities Act.

Description of Subject Matter Information and Applicable Criteria

Management has prepared the electronic format of Group’s consolidated financial statements for the year ended 31 December 2025 in accordance with ESEF Regulation in order to comply with Bulgarian Public Offering of Securities Act. The rules for preparation of the consolidated financial statements in this electronic format are described in the ESEF Regulation and in our opinion, they are applicable criteria for providing reasonable assurance.

Responsibilities of Management and Those Charged with Governance

Group's management is responsible for the application of the requirements of ESEF Regulation in preparing the electronic XHTML format of the consolidated financial statements. These responsibilities include the selection and application of suitable iXBRL tags in accordance with the taxonomy of ESEF Regulation, as well as the application of such internal controls, which are necessary for the preparation of the electronic format of Group's annual consolidated financial statements, that are free from material misstatements in accordance with ESEF Regulation.

Those charged with governance are responsible for overseeing the process for preparation of Group's annual consolidated financial statements and application of ESEF Regulation.

Auditor's Responsibilities

Our responsibility is to obtain reasonable assurance about whether the electronic format of the consolidated financial statements complies with ESEF Regulation. We applied the "Guidance on issuing an opinion on the application of ESEF Regulation by issuers whose securities are admitted to trading on a regulated market in the European Union" and conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised))". The standard requires that we comply with ethical requirements, design and perform audit procedures to obtain reasonable assurance whether the electronic format of Group's consolidated financial statements have been prepared in accordance with the applicable criteria described above. The nature, timing and extent of our procedures depend on our professional judgement, including the risk of material misstatements whether due to fraud or error, in applying the requirements of ESEF Regulation.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAE 3000 (Revised) will always detect a material misstatement when it exists.

Quality Management Requirements

We apply the requirements of International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality control, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements for registered auditors in Bulgaria.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independent Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and adopted by BICPA, together with the ethical requirements of Bulgarian Independent Financial Audit and Assurance of Sustainability Reporting Act.

Summary of the Work Performed

The purpose of the designed and performed procedures was to obtain reasonable assurance whether the electronic format of the consolidated financial statements has been prepared in all material aspects in compliance with the requirements of ESEF Regulation. In performing procedures for assessing compliance with the requirements of ESEF Regulation on electronic (XHTML) format of Group's consolidated financial statements, we used professional judgement and applied professional skepticism. We also:

- obtained an understanding of the internal control and processes, related to the application of ESEF Regulation in preparing Groups' consolidated financial statements in XHTML format with iXBRL tags;
 - checked that the enclosed XHTML format is valid;
 - reconciling the data in the electronic format of the consolidated financial statements with the audited consolidated financial statements;
 - evaluated the completeness of Group's tagging of the consolidated financial statements using the XBRL markup language;
 - evaluated the appropriateness of the use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified; and
 - evaluated the use of anchoring in relation to the extension elements in accordance with ESEF Regulation.
- We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion on compliance of the electronic format of the consolidated financial statements with ESEF Regulation

Based on the performed procedures, our opinion is that the electronic format of the consolidated financial statements of the Group for the year ended 31 December 2025, contained in the attached electronic file

„7478000J0W85Y204X80-20251231-BG-CON.zip“, has been prepared in all material respects in accordance with the requirements of the ESEF Regulation.

Reporting Pursuant to Article 59 of Bulgarian Independent Financial Audit and Assurance of Sustainability Reporting Act in relation to Article 10 of Regulation (EC) № 537/2014

In accordance with the requirements of Bulgarian Independent Financial Audit and Assurance of Sustainability Reporting Act and in relation with Article 10 of Regulation (EC) № 537/2014, we report additionally the information as follows:

- Grant Thornton OOD was appointed as statutory auditor of the consolidated financial statements of Eurohold Bulgaria AD for the year ended on 31 December 2025 by the general meeting of shareholders, held on 30 June 2025, for a period of one year.
- The audit of the consolidated financial statements of the Group for the year ended on 31 December 2025 has been made for fifth consecutive year.
- In support of our audit opinion, we have provided a description of the most significant assessed risks of material misstatement, a summary of the auditor's response and where relevant, key observations arising with respect to those risks in the section „Key audit matters“ of this report.
- We confirm that our audit opinion is consistent with the additional report to the audit committee, which was provided in accordance with Article 60 of Bulgarian Independent Financial Audit and Assurance of Sustainability Reporting Act.
- We declare that prohibited non-audit services referred to in Article 64 of Bulgarian Independent Financial Audit and Assurance of Sustainability Reporting Act were not provided.
- We confirm that we remained independent of the Group in conducting the audit.
- For the period for which we were engaged as statutory auditors, we have not provided any other services to the Eurohold Bulgaria AD and its controlled undertakings, which have not been disclosed in the consolidated management report or the consolidated financial statements, in addition to the statutory audit.

Mariy Apostolov
Managing partner

Silvia Dinova
Registered auditor responsible for the audit

Grant Thornton Ltd.
Audit firm, reg. №032

9 April 2026
Bulgaria, Sofia, 26, Cherni Vrah Blvd.



Eurohold Bulgaria AD

**Bulgaria, 1592 Sofia,
43 Christopher Columbus Blvd.**

**Tel: +359 2 9651 651
+359 2 9651 653**

**E-mail: investors@eurohold.bg
office@eurohold.bg**

www.eurohold.bg