



Pursuant to article 226 of Law 6/2023 of 17 March on the Securities Markets and Investment Services, and its concordant provisions, Soltec Power Holdings, S.A. (“Soltec” or the “Company”), hereby notifies the following

INSIDE INFORMATION

1. Soltec informs of the impossibility of realising the financial report for the first half of 2024 within the period provided for in Article 100 of Law 6/2023, of March 17, on the Securities Markets and Investment Services, which deadline is September 30th.

The impossibility of complying with the stated deadline is due to the need to complete a detailed review, and therefore more exhaustive than a limited review, which is being carried out by the Company’s auditor, Ernst & Young, S.L. (“EY”), and whose conclusion requires additional verifications and analysis in order to adequately reflect certain impacts on the referred Financial Statements and which mainly refer to:

- The analysis of potential negative impacts on the margins of certain projects resulting from delays in the execution and/or correction of incidents during the guarantee periods.
- The adjustment in the valuation of the operating assets in Brazil (Araxá and Pedranópolis) as a result of the ongoing strategic review, referred to below, which includes the potential divestment of these assets.

Notwithstanding the above, the Company informs that the initial estimate of Soltec Power Holdings' revenues at the end of the first half of 2024 are in the range of €250-260 million. Results release date for the first half of 2024 will be announced as soon as the ongoing review is completed through the official channels established for this purpose as soon as it is known.

The Company's decision on its auditor proceeding with a detailed review of the Financial Statements for the first half of the year, should be placed in the context of the Inside Information communication sent to the Spanish Securities and Exchange Commission (CNMV) on April 1, 2024 (official registry number 2,190) in which discrepancies were reported in the process of preparing the consolidated Financial Statements for fiscal year 2023 related to the contracts with a “Bill & Hold” clause. These discrepancies resulted in the non-incorporation in these Financial Statements, following the auditor's criteria, of the revenues and expenses related to 36 contracts for the supply of solar trackers for an amount of €192 million and €144 million,

respectively, previously reported by Soltec in its FY 2023 Results' presentation released on February 28, 2024.

2. Following this communication, the Company, in view of the existence of some indications of possible irregularities, decided to act with the utmost diligence and to initiate an extensive internal investigation, close to be terminated as of today, led by its Compliance Body, with the support of the Board of Directors and with the assistance of independent experts and the corresponding legal advice. This process has confirmed the existence of certain irregularities that have led to the adoption of various measures covering disciplinary, management and procedural matters, aimed at strengthening the Company's internal controls and regulatory compliance system.

From an accounting point of view, as a result of this investigation process, it has been identified the need to make an adjustment to the inventories registered at December 31, 2023 in the amount of €40.46 million mainly due to an incorrect interpretation of the applicable INCOTERM, reducing by the same amount the suppliers (invoices pending receipt). This reclassification has no impact on the Company's profit and loss account and does not require a restatement of the FY 2023 Financial Statements. The aforementioned inventories are being re-registered for accounting purposes during FY 2024. Likewise, the amount of revenues and expenses associated with the aforementioned "Bill & Hold" is being progressively registered again for accounting purposes throughout the FY 2024, 67% of the total amount having been accrued at the end of the first half of 2024.

3. As part of the renewal and reorganization process undertaken by the Company as part of the process launched following the 2023 Financial Statements release, Soltec has also undertaken a thorough restructuring of its management team. Along with the appointment of a new Chief Executive Officer and a new Chairman, the Board of Directors, following a report from the Appointments and Remunerations Committee, has agreed to (i) reduce the number of members of the Management Committee and (ii) appoint a new Chief Operating Officer (COO) and a new Chief Investment Officer (CIO). The new management team has assumed Soltec's own commitment to act with maximum transparency as a necessary starting point for the process of transformation and momentum that Soltec is defining and for which all appropriate measures are being taken.
4. On the other hand, in relation to the refinancing process of the credit facility and guarantee line by Soltec Energías Renovables (parent company of the industrial division of the group), with a banking syndicate with a limit of €90 million for the credit facility and €110 million for the guarantee line and whose maturity, in accordance with

the communication sent to the Spanish National Securities Market Commission (CNMV) on May 31, 2024 (official registry number 2,276) was set for September 30, 2024 with a tacit extension until November 30, 2024, the Company informs that this extension has not been effective following the decision of one of the financial institutions to reject it. In view of this situation and given the proximity of the current maturity date, the Board of Directors of the Company has unanimously decided to proceed with the presentation by Soltec Energías Renovables of the communication referred to in article 585 of Royal Legislative Decree 1/2020, of May 5, in order to establish and guarantee an adequate framework for the development of the negotiations with its financial creditors, trusting in reaching an agreement with them that solves the current situation and allows the adequate execution of the transformation and promotion plans of the Soltec Group.

The outcome of the aforementioned negotiations will be announced through the official channels established for this purpose as soon as they are known.

5. Finally, within the framework of this new stage initiated with a completely renewed management team, as a starting point for the discussions with its creditors, and in order to define and set the roadmap for the coming years, the management team is preparing a new strategic plan that it expects to conclude in the coming weeks and that will aim to focus Soltec's business on those activities and markets that provide greater added value. In this sense, the industrial division will focus on the supply of solar trackers, a traditional and core business of the company, which has solid margins and attractive growth prospects, and will consider to divest the international construction services activity, which has been one of the main reasons that has weighed down the Company's profitability and results in recent years. The energy division will focus on the development of photovoltaic projects, which in turn provides backlog for the tracker business, and will divest the asset management activity (IPP), as it is a capital-intensive and more complex activity from an operational point of view. The objective of the strategic thinking is to optimize the management of the business, both operationally and financially, with a clear focus on cash generation and on achieving sustainable and profitable growth in the medium and long term.

The Board of Directors wishes to send a message of confidence in Soltec and in the measures being taken under the impulse of the new management to implement and execute this strategy aimed at consolidating a profitable and sustainable business, and also wishes to thank its employees, customers, suppliers, as well as its shareholders and investors for their invaluable contribution to the business project.



The Board of Directors is convinced of the soundness and viability of Soltec's business and continues to ensure that its value is preserved in the medium and long term.

Today, Thursday September 26th, the Company will hold a webcast with analysts and investors at 6:30 p.m. (CEST) in which it will explain all the issues described in this communication. This conference can be accessed through the following link:

[Access to webcast](#)

Molina de Segura (Murcia), September 26th, 2024

Mariano Berges del Estal

Chief Executive Officer