7C SOLARPARKEN GROUP

ANNUAL REPORT 2024

(Excerpt from the German original)

DISCLAIMER ENGLISH SUMMARY

This letter of the management board and consolidated financial statements of 7C Solarparken Group for the reporting period 2024 do not constitute the full annual report 2024 of 7C Solarparken Group, which consists of the management letter, the combined management report as well as the consolidated financial statements, which were published in German. Rather this document is a summarising convenience translation in English. In case of conflict between the German and the English version, whether due to translation precision or due to incompleteness of the English text, the German version shall prevail.

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LETTER OF THE MANAGEMENT BOARD

Dear Shareholders,
Dear Readers,

We are pleased to present our annual report for financial year 2024, even though we did not manage to meet our targets. The Group faced a number of internal and external challenges in the 2024 financial year.

Stagnating demand for electricity combined with a massive increase in German PV capacity to almost 100 GWp by the end of 2024 has put significant pressure on electricity prices during hours of high irradiation. As a result, a record 460 hours of negative electricity prices were recorded in 2024. The German Renewable Energy Sources Act or EEG (Erneuerbare-Energien-Gesetz) stipulates that solar assets that have gone into operation after 1 January 2016 are, for a certain consecutive number of hours, not eligible for the feed-in tariff during times when electricity prices are negative.

The Group is responding to the general market development by limiting portfolio growth, on the one hand, and by developing new market models on the other. 7C Solarparken entered into its first electricity price swap agreement as early as 2022, with additional agreements being signed in the subsequent financial years of 2023 and 2024. By concluding electricity price swap agreements, the Group is able to (somewhat) mitigate the effects of electricity price fluctuations in both directions. In addition, during the financial year, the Group started to trade the volumes of electricity it produces more proactively, taking advantage of the price differences between the Day-Ahead and Intraday markets through its own curtailment strategy. Ultimately, however, solar irradiation itself also posed a challenge, as the specific yield for solar assets was at its lowest level in ten years. The Group can only report a specific yield of 861 kWh/kWp, well below the forecast of >952 kWh/kWp.

The Group faced additional headwinds due to expectations that (PV) electricity prices will remain low in the medium and long term, as well as from the expected rise in interest rates. This resulted in an impairment charge of EUR 4.4 million on property, plant and equipment and project rights during the reporting period.

Some of the challenges we are facing are internal, however, as the Group has a large portfolio of solar assets with high feed-in tariffs that will expire in the next few years. These legacy systems were equipped with modules with a low degree of efficiency and can be replaced by more efficient modules if land is transferred to our ownership or the lease is renewed. The existing repowering potential can at least double the output, and the investment costs for repowering are lower than for new construction.

Our worst news of the financial year, though, was the impairment of a receivable of EUR 5.4 million, which we had to write off in full. The receivable was transferred to the Group in connection with the intended future acquisition of the company that will operate a 20 MWp rooftop solar power installation in Reuden Süd. Unfortunately, the Group fell victim of a fraud. The seller had already sold the receivable acquired by 7C Solarparken to another party before the transaction, making the receivable acquired by the Group worthless. Nevertheless, in the year under review the Group gained control of the company that is to operate the solar asset. Since this company is also a victim of the fraud, there are several parties with whom the Group is seeking a long-term solution. In addition, we are pursuing all of our legal options against the seller.

The onerous investment in Reuden Süd forced us to lower our forecast for 2024 and to cancel the dividend, which led to a sharp decline in the share price. However, signs are positive for an EBITDA recovery this year. Most of our assets potentially exposed to negative prices are hedged with electricity price swaps, albeit at lower fixed tariffs than in 2024. We expect a normal year in terms of solar irradiation, but we have to take into account the planned decommissioning of some of the older rooftop PV systems that need to be upgraded, as well as a longer lead time for the systems under construction that are currently waiting to be connected to the grid with a total capacity of 24 MWp. Based on an expected market price for solar electricity of EUR 51/MWh, we forecast EBITDA of EUR 51 million and cash flow per share of EUR 0.50.

The Management Board is pleased to announce that, with the approval of the Supervisory Board, it has today decided to launch a second share buyback programme. Shares with a total purchase value of up to EUR 10.0 million will be repurchased at a maximum price of EUR 2.20 per share. The share buyback programme will start on 4 April 2025 and will end no later than 31 December 2025.

During financial year 2025, we welcomed Mr Philippe Cornelis, the Group's long-standing Technical Director, to the Management Board, while Ms Andrea Meyer was appointed to the Supervisory Board. We look forward to working with each of them in their new roles.

We would like to take this opportunity to thank all 7C Solarparken employees for the progress achieved in the reporting year. We are also grateful for the backing received from the members of our Supervisory Board and all our many stakeholders and business partners. Finally, we would like to thank you, our shareholders, for the trust you have placed in us and for your continued support as we move forward.

Bayreuth, 3 April 2025

Steven De Proost	Koen Boriau	Philippe Cornelis
Chief Executive Officer (CEO)	Chief Financial Officer (CFO)	Chief Technical Officer (CTO)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR FROM

1 JANUARY 2024 TO 31 DECEMBER 2024

7C Solarparken AG, Bayreuth

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2024

ASSETS

in thousands of euro	Note	31.12.2024	31.12.2023
Non-current assets			
Goodwill	18.1	1,199	1,199
Intangible assets	18.1	2,941	2,111
Land and buildings	17.1	14,329	14,437
Solar assets	17.1	347,119	366,271
Wind farms	17.1	8,217	9,308
Solar assets under construction	17.1	14,973	16,050
Other tangible assets	17.1	472	454
Right-of-use assets	17.2	42,539	42,541
Investments accounted for using the equity method	19	548	554
Other financial assets	20	1,602	1,677
Other non-current assets	15	348	495
Deferred tax assets	13	8,447	5,181
Total non-current assets		**442,733**	**460,277**
Current assets			
Inventories	14	1,329	2,960
Prepayments	15	56	30
Trade receivables	15	4,588	4,955
Current tax assets		880	1,564
Other current assets	15	3,821	14,020
Current financial assets	16.1	11,591	18,273
Cash and cash equivalents	16.2	82,077	62,282
Total current assets		**104,342**	**104,084**
Total assets		**547,076**	**564,361**

EQUITY & LIABILITIES

in thousands of euro	Note	31.12.2024	31.12.2023
Equity			
Share capital	21.1	83,034	82,853
Share premium	21.2.A	103,833	103,356
Reserve for treasury shares	21.2.C	-5,649	-1,573
Other comprehensive result from hedging transactions	21.2.D	646	3,353
Retained earnings	21.2.B	37,871	42,303
Translation reserve	21.2.C	-10	-7
Non-controlling interests		18,824	19,875
Equity		**238,551**	**250,162**
Liabilities			
Non-current liabilities			
Non-current financial liabilities	23, 26	148,348	172,844
Non-current lease liabilities	23	38,895	39,095
Non-current provisions	25	28,217	26,857
Other non-current liabilities	24	1,014	773
Deferred tax liabilities	13	21,591	24,410
Total non-current liabilities		**238,065**	**263,979**
Current liabilities			
Liabilities from income taxes		2,649	3,078
Current financial liabilities	23, 26	56,143	37,242
Current lease liabilities	23	3,337	3,269
Trade payables	24	4,962	4,459
Other current liabilities	24	3,368	2,171
Total current liabilities		**70,459**	**50,219**
Total liabilities		**308,524**	**314,199**
Total equity and liabilities		**547,076**	**564,361**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR FINANCIAL YEAR 2024

in thousands of euro	Note	2024	2023
Revenue	9.1	**63,276**	**69,815**
Other operating income	9.2	5,248	7,451
Employee benefits	10.1	-2,167	-2,344
Other operating expenses	10.2	19,138	-13,313
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**47,218**	**61,609**
Depreciation, amortisation and impairment losses	17, 18	-41,078	-39,855
Operating result (EBIT)		**6,140**	**21,755**
Other interest and similar income	11	1,166	492
Interest and similar expenses	11	-6,942	-7,313
Share of the net result of investments accounted for using the equity method	11, 19	-11	257
Financial result		**-5,788**	**-6,564**
Profit before tax (EBT)		**353**	**15,190**
Income taxes	13	604	-3,749
Profit for the period		**957**	**11,441**
attributable to shareholders of 7C Solarparken AG	12.1.A	451	10,082
attributable to non-controlling interests		506	1,358
Earnings per share			
Basic earnings per share (EUR)	12.1.B	0.01	0.12
Diluted earnings per share (EUR)	12.2.B	0.01	0.12

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR FINANCIAL YEAR 2024

in thousands of euro	Note	2024	2023
Profit for the period		**957**	**11,441**
Items that are or may be reclassified subsequently to profit or loss:			
Changes in the fair value of financial instruments designated as hedge accounting	21.2.E	-3,833	5,591
Foreign currency translation difference	21.2.D	-2	-17
Income taxes	21.2.E	1,127	-1,600
Other comprehensive income for the period, net of tax		-2,709	3,974
Total comprehensive income		**-1,751**	**15,415**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR FINANCIAL YEAR 2024

in thousands of euro	Note	2024	2023
Profit for the period		957	11,441
– Depreciation of property, plant and equipment	17	36,577	35,800
– Amortisation of intangible assets	17, 18	90	100
– Impairment of property, plant and equipment, intangible assets	7	4,412	3,953
– Other non-cash expenses/income		110	-111
– Impairment of trade and other receivables	9.2, 10.2	5,431	316
– Impairment of inventories	10.2, 14	651	203
– Net finance costs	11	5,788	6,564
– Gain or loss on sale of intangible assets, property, plant and equipment and financial assets		-	-69
– (plus) Tax expense	13	-604	3,749
Changes in:			
– Inventories	7, 14	980	-2,089
– Trade and other receivables	7, 15	2,558	-2,997
– Prepayments	7	-26	110
– Trade and other payables and provisions	7, 24, 25	593	-3,443
Cash generated from operating activities		**57,515**	**53,529**
Interest paid	11	-5,451	-5,186
Early redemption penalties	11	-	-
Income taxes paid	13	-2,816	-3,328
Net cash from operating activities		**49,247**	**45,015**

in thousands of euro	Note	2024	2023
Interest received	11	829	364
Cash received from the sale of intangible and tangible assets		5	2,074
Investing in current financial assets		7,580	-18,273
Acquisition of subsidiaries, net of cash acquired and contingent purchase consideration	7.1	52	-5,465
Acquisition of financial assets in entities accounted for using the equity method		-5	-
Dividends received	11	113	78
Acquisition of property, plant and equipment	17	-3,694	-10,848
Prepayment of assets under construction	17	-10,819	-11,375
Net investments in other financial assets	20	-	-749
Acquisition of intangible assets	18	-1,694	-
Proceeds from the sale of subsidiaries, net of cash	7.2	-51	-
Cash flows from investing activities		**-7,685**	**-44,194**
Proceeds from issue of share capital	21	-	11,250
Proceeds from issue of unsecured bonds		-	6,917
Proceeds from exercised options of the option bond	21	657	20
Acquisition of treasury shares	21	-4,076	-1,576
Proceeds from loans and borrowings	23	20,662	20,243
Proceeds from lease liabilities		-	-
Transaction costs related to loans and borrowings	11	-319	-142
Transaction costs related to issue of share capital		-1	-192
Acquisition of non-controlling interests	7	-	-333
Sale of non-controlling interests	7	-	569
Loan repayments	23	-28,890	-35,936
Promissory note repayments		-	-15,000
Lease liabilities repayment	23	-3,361	-3,602
Dividends paid		-6,440	-11,244
Cash flows from financing activities		**-21,768**	**-29,026**
Net changes in cash and cash equivalents		**19,795**	**-28,204**
Cash and cash equivalents at 1 January*	16	62,282	90,486
Cash and cash equivalents at 31 December*		**82,077**	**62,282**

** We refer to Note 16 for the availability of funds; an amount of EUR 4,345 thousand of the cash and cash equivalents is attributable to non-controlling interests (previous year: EUR 4,626 thousand).*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2024

in thousands of euro	Subscribed capital	Share premium	Reserve for treasury shares	Translation reserve	Other comprehensive result from hedging transactions	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2024	**82,853**	**103,356**	**-1,573**	**-7**	**3,353**	**42,303**	**230,287**	**19,875**	**250,162**
Profit for the period						451	451	506	957
Other comprehensive income				-2	-2,706		-2,709		-2,709
Total comprehensive income	**0**	**0**	**0**	**-2**	**-2,706**	**451**	**-22,258**	**506**	**-1,751**
Transaction costs recognised directly in equity		-1					**-1**		**-1**
Issue of ordinary shares							**-**		**-**
Acquisition of treasury shares			-4,076				**-4,076**		**-4,076**
Accrual due to the emission of the option bond							**-**		**-**
Exercised options of the option bond	181	476					**657**		**657**
Transactions with non-controlling interests – GSI 3 acquisition							**-**		**-**
Transactions with non-controlling interests – GSI 3 repurchase							**-**		**-**
Change in non-controlling interests due to consolidation activities							**-**		
Dividends						-4,882	**-4,882**	-1,558	**-6,440**
Total of the transactions with the shareholders of the Company	**181**	**475**	**-4,076**	**0**	**0**	**-4,882**	**-8,302**	**-1,558**	**-9,860**
Balance at 31 December 2024	**83,034**	**103,833**	**-5,649**	**-10**	**647**	**37,871**	**219,727**	**18,824**	**238,551**
in thousands of euro	**Subscribed capital**	**Share premium**	**Reserve for treasury shares**	**Translation reserve**	**Other comprehensive result from hedging transactions**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2023	**79,848**	**94,655**	**0**	**10**	**-638**	**42,172**	**216,047**	**11,131**	**227,179**

Profit for the period						10,082	**10,082**	1,358	**11,441**
Other comprehensive income				-17	3,991		**3,974**		**3,974**
Total comprehensive income	**0**	**0**	**0**	**-17**	**3,991**	**10,082**	**14,056**	**1,358**	**15,415**
Transaction costs recognised directly in equity		-185					**-185**		**-185**
Issue of new shares	3,000	8,250					**11,250**		**11,250**
Acquisition of treasury shares			-1,573				**-1,573**		**-1,573**
Accrual due to the emission of the option bond		622					**622**		**622**
Exercised options of the option bond	5	14					**20**		**20**
Transactions with non-controlling interests – GSI 3 acquisition						-7	**-7**	-326	**-333**
Transactions with non-controlling interests – GSI 3 repurchase						-2	**-2**	571	**569**
Change in non-controlling interests due to consolidation activities								8,443	**8,443**
Dividends						-9,942	**-9,942**	**-1,302**	**-11,244**
Total of the transactions with the shareholders of the Company	**3,005**	**8,701**	**-1,573**	**0**	**0**	**-9,951**	**183**	**7,386**	**7,569**
Balance at 31 December 2023	**82,853**	**103,356**	**-1,573**	**-7**	**3,353**	**42,303**	**230,287**	**19,875**	**250,162**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR FROM

1 JANUARY 2024 TO 31 DECEMBER 2024

7C Solarparken AG, Bayreuth

The notes on pages 96 to 205 are an integral part of these consolidated financial statements.

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1. REPORTING ENTITY

7C Solarparken AG (the “Company” or “7C Solarparken”) is a company with registered office in Bayreuth, Germany. The Company is registered under the address: An der Feuerwache 15, 95445 Bayreuth. The consolidated financial statements of the Company comprise the Company and its subsidiaries (together referred to as the “Group” and individually as a “Group company” or “Group companies”). The Group operates and invests in solar assets and wind farms with steady recurring capital returns and low risk exposure, mainly in Germany and Belgium (see Notes 5 and 8).

For abbreviations used in this report, we refer to the list of abbreviations included in Note 33.

2. BASIS OF ACCOUNTING

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the EU. In addition, the German commercial law provisions as set out in section 315e (1) German Commercial Code (HGB) in conjunction with section 3 HGB were taken into account in the preparation of the consolidated financial statements. The principles on recognition, measurement and presentation are applied consistently by all companies included in the consolidated interim financial statements.

The statement of profit or loss is presented using the nature of expense method. The Group additionally discloses the subtotals of items recognised in the income statement (EBITDA/EBIT) for illustrative purposes.

The Management Board assumes that 7C Solarparken will continue as a going concern. The financial statements give a true and fair view of the financial position, net assets and results of operations.

The consolidated financial statements for the year ended 31 December 2024 and the combined management report for the period from 1 January 2024 to 31 December 2024 were authorised for publication on 3 April 2025.

Details concerning significant accounting policies including any changes in accounting policies are provided in Note 6.

3. FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are prepared in euro, the functional currency of 7C Solarparken AG (the parent), and are presented in thousands of euro. Therefore the report may contain rounding differences.

4. USE OF JUDGEMENTS AND ESTIMATES

In preparing these consolidated financial statements, the Management Board has made judgements, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

4.1 USE OF JUDGEMENTS, ASSUMPTIONS AND ESTIMATES

Information about judgements made in applying accounting policies and information on assumptions and estimation uncertainties that have significant effects on the amounts recognised in the consolidated financial statements or could pose a major risk is included in the following notes:

- **Note 7** – Acquisition of subsidiaries or solar assets. Income, expenses and capital costs that form the basis for determining the cost of the acquired assets and liabilities or the purchase price allocation are based on assumptions and estimates.
- **Note 13** – Recognition of deferred tax assets: The future taxable profit or loss of the respective Group companies cannot be forecast with any certainty. Therefore, the planned profit and loss and the corresponding effects from the reversal of taxable temporary differences form the basis for the recognition of deferred tax assets. Moreover, uncertainty remains concerning the recognition of deferred tax assets with regard to the applicable future tax rates, any future restrictions on the use or temporary nature of deferred tax assets arising from the laws or other provisions, as well as their interpretation by the tax authorities or court rulings.

  The final tax assessment for the Group is still outstanding for several years, creating uncertainty with respect to the current income taxes, which are estimated prospectively by the Group and then recognised in the statement of financial position. Subsequent tax payments or refunds cannot be ruled out. In addition, the prospective estimation of current income taxes is uncertain with regard to the applicable future tax rates and the applicable tax legislation as well as its interpretation by the tax authorities or court rulings, especially in the event of subsequent external tax audits.
- **Note 15** – The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The Group measures loss allowances at an amount equal to lifetime ECLs, except for the subsequent value adjustments, which are measured at 12-month ECLs.
- **Note 17** – Lease term: determining whether the Group is reasonably certain to exercise extension or purchase options. This judgment affects both the right-of-use assets and useful lives of solar assets and wind farms.
- **Note 18** – Impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts.
- **Note 19** – Investments accounted for using the equity method: determining whether the Group has significant influence over an investment.
- **Note 15 and 24** – Determining the degree of assurance that government grants will be paid to the Group.
- **Note 21, 15 and 24** – Estimates of expected future electricity prices and production volumes for the measurement of the fair value of the swaps (under the hedging agreement with a large European utility) as at the reporting date.
- **Note 25** – Recognition and measurement of provisions: key assumptions about the likelihood and magnitude of an inflow or outflow of resources.

MEASUREMENT OF FAIR VALUES

A number of the Group’s accounting policies and disclosures require the measurement of fair values of both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes internal monitoring of all significant fair value measurements.

The Management Board regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy, in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level output that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period, during which the change has occurred.

Further information on assumptions used in determining fair values is provided in the following notes:

- Note 7 – Acquisition of subsidiaries.
- Note 26 – Financial instruments.

5. LIST OF SUBSIDIARIES

For accounting policies, please refer to Note 6.2 A.

Set out below is a list of material subsidiaries of the Group.

All subsidiaries are included in the consolidated financial statements as at 31 December 2024. Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control commences. Simply put, the Group uses the first or the last day of the month in which control commences. An entity is deconsolidated on the date on which control ends.

The following subsidiaries are fully included in the consolidated financial statements of 7C Solarparken AG as at 31 December 2024. Subsidiaries that make use of the exemption options pursuant to section 264b German Commercial Code (HGB) for the disclosure of the financial statements or the preparation of the management report or notes to the financial statements are also identified in this list (marked with an asterisk*). The Group financial statements of 7C Solarparken AG serve as exempting consolidated financial statements for these companies.

Company	Country	Shareholding %	
Solarpark Oberhörbach GmbH, Bayreuth	Germany	100.00	
Sonnendach M55 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Longuich GmbH, Bayreuth	Germany	100.00	
Solarpark Heretsried GmbH, Bayreuth	Germany	100.00	
Energiepark SP Theilenhofen GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark CBG GmbH, Bayreuth	Germany	100.00	
Solarpark green GmbH, Bayreuth	Germany	100.00	
Colexon Solar Energy ApS, Søborg	Denmark	100.00	
Amatec Projects Management GmbH, Bayreuth	Germany	100.00	
Renewagy 5. Solarprojektgesellschaft mbH & Co. KG, Bayreuth	Germany	100.00	*
Renewagy 11. Solarprojektgesellschaft mbH & Co. KG, Bayreuth	Germany	100.00	*
Renewagy 21. Solarprojektgesellschaft mbH, Bayreuth	Germany	100.00	
Renewagy 22. Solarprojektgesellschaft mbH, Bayreuth	Germany	100.00	
Tristan Solar GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Zschornewitz GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark WO GmbH & Co. KG	Germany	100.00	*
PWA Solarparks GmbH & Co. KG	Germany	100.00	*
REG PVA Zwei GmbH & Co. KG	Germany	100.00	*
MES Solar XX GmbH & Co. KG	Germany	100.00	*
Melkor UG (haftungsbeschränkt), Bayreuth	Germany	100.00	
HCI Energy 1 Solar GmbH & Co. KG, Bayreuth	Germany	42.91	
HCI Solarpark Igling-Buchloe GmbH & Co. KG, Schönefeld	Germany	42.91	
HCI Solarpark Neuhaus-Stetten GmbH & Co. KG, Schönefeld	Germany	42.91	
Solarpark Floating GmbH & Co. KG, Bayreuth	Germany	100.00	*
ProVireo Projektverwaltungs GmbH, Bayreuth	Germany	100.00	
ProVireo Solarpark 3. Schönebeck GmbH & Co KG, Bayreuth	Germany	100.00	*
Solar Park Blankenberg GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Glasewitz GmbH & Co. KG, Bayreuth	Germany	100.00	*
Colexon IPP GmbH, Bayreuth	Germany	100.00	
Solarpark Meyenkrebs GmbH & Co. KG, Bayreuth	Germany	100.00	*
Pinta Solarparks GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV Chemnitz GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec Grundbesitz GmbH, Bayreuth	Germany	100.00	
Amatec PV 20 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 21 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 25 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Bernsdorf GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 30 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 31 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 32 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 33 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 34 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 35 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 36 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Amatec PV 37 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Rötz GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solardach Derching GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Tangerhütte GmbH & Co. KG, Bayreuth	Germany	100.00	*

Windpark Medard 2 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Windpark Stetten II GmbH & Co. KG, Bayreuth	Germany	100.00	*
GSI Solarfonds Drei GmbH & Co. KG, Köln	Germany	55.14	*
Photovoltaikkraftwerk Ansbach GmbH & Co. KG, Cologne	Germany	55.14	*
Photovoltaikkraftwerk Brodswinden GmbH & Co. KG, Cologne	Germany	55.14	*
BBS Solarpark Alpha GmbH & Co. KG, Bayreuth	Germany	100.00	*
HCI Energy 2 Solar GmbH & Co. KG, Bayreuth	Germany	41.81	
HCI Solarpark Dettenhofen GmbH & Co. KG, Schönefeld	Germany	41.81	
HCI Solarpark Oberostendorf GmbH & Co. KG, Schönefeld	Germany	41.81	
7C Solarparken NV, Mechelen	Belgium	100.00	
7C Rooftop Exchange BV, Mechelen	Belgium	100.00	
Siberië Solar BV, Mechelen	Belgium	100.00	
Sabrina Solar BV, Mechelen	Belgium	100.00	
Solar4Future Diest NV, Mechelen	Belgium	99.99	
Solarpark Neudorf GmbH, Kasendorf	Germany	100.00	
Solarpark Hohenberg GmbH, Marktleugast	Germany	83.00	
Solarpark Morbach GmbH & Co. KG, Bayreuth	Germany	100.00	*
Erste Solarpark Nowgorod GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Draisdorf-Eggenbach GmbH & Co KG	Germany	100.00	*
High Yield Solar Investments BV, Amsterdam	Germany	100.00	
Solardach Gutenberg GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Pflugdorf GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark MGGS Landbesitz GmbH, Bayreuth	Germany	100.00	
Tannhäuser Solar UG (haftungsbeschränkt), Bayreuth	Germany	100.00	
Lohengrin Solar UG (haftungsbeschränkt), Bayreuth	Germany	100.00	
PV Görike GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarparken AM GmbH, Bayreuth	Germany	100.00	
GSI Helbra Verwaltungs GmbH, Bayreuth	Germany	100.00	
GSI Leasing GmbH, Bayreuth	Germany	100.00	
GSI Solarfonds Zwei Verwaltungs GmbH, Bayreuth	Germany	100.00	
GSI Solarfonds Drei Verwaltungs GmbH, Bayreuth	Germany	100.00	
Solarpark Energy Verwaltungs GmbH, Bayreuth	Germany	100.00	
SonnenSolarpark GmbH, Hausen	Germany	100.00	
Solarpark Höttingen GmbH & Co. KG, Bayreuth	Germany	100.00	*
Isolde Solar GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Pirk-Hochdorf GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Kohlberg GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Reuth-Premenreuth GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarparken IPP GmbH, Bayreuth	Germany	100.00	
Solarpark Taurus GmbH & Co. KG, Maisach	Germany	100.00	*
Erste Solarpark Xanten GmbH & Co. KG, Bayreuth	Germany	100.00	*
Erste Solarpark Wulfen GmbH & Co. KG, Bayreuth	Germany	100.00	*
Siebente Solarpark Zerre GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark am Schaugraben GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Zerre IV GmbH & Co. KG, Bayreuth	Germany	100.00	*
Sonnendach K19 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Sonnendach K19 Haftungs GmbH, Bayreuth	Germany	100.00	
Säugling Solar GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solardach Walternienburg GmbH & Co. KG, Bayreuth	Germany	100.00	*

Solarpark Carport Wolnzach GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Gemini GmbH & Co. KG, Bayreuth	Germany	100.00	*
Sphinx Solar GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solardach Bündel 1 GmbH & Co. KG, Bayreuth	Germany	100.00	*
Erste Solarpark Sandersdorf GmbH & Co. KG, Bayreuth	Germany	100.00	*
Dritte Solarpark Glauchau GmbH & Co. KG, Bayreuth	Germany	100.00	*
Vardar UG (haftungsbeschränkt), Bayreuth	Germany	100.00	
7C Solarentwicklung GmbH, Bayreuth	Germany	100.00	
Solardach Wandersleben GmbH & Co. KG, Bayreuth	Germany	84.12	*
Solardach LLG GmbH, Bayreuth	Germany	100.00	
Solardach Stieten GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solardach Steinburg GmbH, Bayreuth	Germany	100.00	
Solardach Neubukow GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solardach Halberstadt GmbH & Co. KG, Bayreuth	Germany	81.82	*
Solarpark Bitterfeld II GmbH & Co. KG, Bayreuth	Germany	100.00	*
Trüstedt I Solar GmbH & Co. KG, Bayreuth	Germany	100.00	*
Folcwalding Verwaltungs GmbH, Bayreuth	Germany	100.00	
Solarpark Brandholz GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Gorgast GmbH & Co. KG, Bayreuth	Germany	100.00	*
PV Gumtow GmbH & Co. KG, Bayreuth	Germany	100.00	*
Photovoltaik-Park Dessau-Süd GmbH & Co. KG, Bayreuth	Germany	100.00	*
Solarpark Wölbattendorf GmbH & Co. KG, Bayreuth	Germany	100.00	*
Projekt OS3 GmbH & Co. KG, Bayreuth	Germany	71.43	*
Projekt OS4 GmbH & Co. KG, Bayreuth	Germany	71.43	*
Projekt OS5 GmbH & Co. KG, Bayreuth	Germany	71.43	*
Projekt OS6 GmbH & Co. KG, Bayreuth	Germany	71.43	*
Projekt OS7 GmbH & Co. KG, Bayreuth	Germany	71.43	*
Projekt OS8 GmbH & Co. KG, Bayreuth	Germany	71.43	*
Projekt OS9 GmbH & Co. KG, Bayreuth	Germany	71.43	*
Projekt OS10 GmbH & Co. KG, Bayreuth	Germany	71.43	*
Solarpark Schwerin GmbH & Co. KG, Bayreuth	Germany	100.00	*
RS Infrastruktur GmbH & Co. KG	Germany	100.00	
FPM Solar Epsilon GmbH & Co. KG	Germany	100.00	
7C Solarparken Belgium BV, Gent	Belgium	100.00	
IRIS 67 BV, Mechelen	Belgium	100.00	
7C Groeni BV, Mechelen	Belgium	100.00	

On 6 June 2024, the company RS Infrastruktur GmbH & Co. KG with headquarters in Bayreuth, Germany was founded.

On 2 August 2024, the company Solarpark Espenhain Verwaltungs GmbH was sold.

On 23 October 2024, the Group acquired control of FPM Solar Epsilon GmbH & Co. KG.

The following companies are included in the consolidated financial statements as at 31 December 2024 using the equity method:

- Viriflux BV, Lokeren, Belgium (50.00%)
- Zweite Solarpark Nowgorod GmbH & Co. KG, Bayreuth, Germany (20.00%)
- Solarpark Zerre Infrastruktur GbR, Wiesbaden, Germany (28.60%)

- Infrastrukturgesellschaft Bischheim GmbH & Co. KG, Wörstadt, Germany (19.40%)
- Terra-Werk Clean Lerchenberg GmbH, Bayreuth, Germany (20.00%)

6. SIGNIFICANT ACCOUNTING POLICIES

6.1. ACCOUNTING POLICIES AND CHANGES IN GROUP OF CONSOLIDATED COMPANIES

See also Note 7.

The Group has applied the same accounting policies as in the 2023 financial year. However, new standards and interpretations mandatory for annual reporting periods beginning on or after 1 January 2024 were applied in the financial year (see Note 32).

In 2024, the Group founded the following companies:

Company	Group's shareholding	Founded on
Terra-Werk Clean Lerchenberg GmbH	20.00 %	29 May 2024
RS Infrastruktur GmbH & Co. KG	100.00%	6 June 2024

The following company was acquired and added to the group of companies included in the consolidated financial statements in financial year 2024:

Company	Group's shareholding	Acquisition on
FPM Solar Epsilon GmbH & Co. KG	100.00%*	23 October 2024*

** Gradual acquisition: 99% as at 23 October 2024, 100% as at 4 November 2024*

In 2024, the following company was removed from the group of companies included in the consolidated financial statements:

Company	Group's shareholding	Sale on
Solarpark Espenhain Verwaltungs GmbH	100.00%	2 August 2024

6.2. BASIS OF CONSOLIDATION

A. SUBSIDIARIES

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control commences. For simplification reasons, the Group applies the first or the last day of the month in which control commences. An entity is deconsolidated on the date on which control ends.

B. ACQUISITION OF ASSETS AND LIABILITIES

Pursuant to IFRS 3, a 'business' is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income or generating other income from ordinary activities. A business consists of inputs and processes applied to those inputs that have the ability to contribute to the creation of outputs.

In addition, IFRS 3 contains regulations regarding the application of an optional concentration test. This test is used to assess whether substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the former is met, the set of activities and assets is determined not to be a business and the transaction accordingly does not classify as a business combination within the meaning of IFRS 3 but as an acquisition of assets and liabilities instead.

The Group has applied the voluntary concentration test to all acquisitions in the financial year. In order to determine whether substantially all of the fair value of the gross assets acquired is concentrated in a single asset or group of similar assets, the Group applies a threshold of 75%. The fair values of acquired solar assets are added to the value of the associated right-of-use asset in accordance with IFRS 16 or the fair value of the land, as the right-of-use asset refers to the lease for the land on which the solar asset is located or, respectively, the acquired land refers to the land on which the solar asset is located. This means that if the fair value of the solar asset and the value of the right-of-use asset in accordance with IFRS 16 or the fair value of the acquired land together amount to 75% of the fair value of all acquired assets, the concentration test shall be regarded as positive. In this case, no further assessment is needed and the transaction is classified as an acquisition of assets and liabilities.

If the concentration test is not met, IFRS 3 shall be applied to determine whether the acquisition is a business combination. When project companies that operate solar assets and wind farms are acquired, there is generally at least one substantial process missing.

Accordingly, these acquisitions shall generally be accounted for as acquisitions of assets and liabilities. For this purpose, the cost is allocated to the identifiable assets and liabilities in the scope of the acquisition on the basis of their fair values. Right-of-use assets and lease liabilities are recognised in accordance with IFRS 3.28B in conjunction with the value determined in accordance with IFRS 16. Cash and cash equivalents and receivables are recognised at nominal amount. Deferred taxes, arising for instance from acquired loss carryforwards, are recognised at the value determined in accordance with IAS 12. This will result in neither positive nor negative differences. If it is determined in this context that the fair value of specific assets is lower than the cost to be allocated to them, the difference is written down through profit or loss immediately after the initial recognition. If the fair value increases at a later date, the difference is written up if required by the provisions of the relevant standard.

C. BUSINESS COMBINATIONS

The Group applies the acquisition method to account for acquisitions that do not meet the concentration test (negative result) or acquisitions that took place before the amendment to IFRS 3 was issued, i.e. before financial year 2020, and are/were defined as a business combination. The acquired identifiable assets, liabilities and contingent liabilities shall be measured at their acquisition-date fair values.

The goodwill equals the amount by which the sum total of consideration transferred, the amount of all non-controlling interests in the acquiree and the fair value of any equity interest in the acquiree previously held by the acquirer exceeds the net assets of the acquiree.

If the initial accounting for a business combination is incomplete at the end of the financial year of the combination, the Group shall recognise provisional amounts for the items with incomplete accounting. The provisional amounts shall be adjusted retrospectively during a measurement period that may not exceed one year. Additional assets and liabilities shall be recognised to take account of facts and circumstances that existed at the acquisition date and would have affected the amounts measured on such date if they had been known.

If the acquisition price was below the fair value of the net assets (bargain purchase), the difference is recognised directly through profit or loss. Transaction costs are expensed immediately as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration is measured at fair value at the date of acquisition. Subsequent changes in the fair value of contingent consideration that is classified as an asset or liability are recognised in profit or loss. If an obligation to pay contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity.

D. NON-CONTROLLING INTERESTS

Non-controlling interests (NCI) are recognised at fair value at the date of acquisition if they refer to the acquisition of assets and liabilities. If they refer to a business combination, they are measured initially at their proportionate share of the acquiree’s identifiable net assets at the date of acquisition.

Changes in the parent’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

E. LOSS OF CONTROL

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

F. INTERESTS IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The Group’s interests in investments accounted for using the equity method or interests comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are initially recognised at cost, which includes transaction costs. Subsequently, the Group recognises the share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases. Where gradual acquisition of shares leads to obtaining control, investments that are accounted for using the equity method are derecognised at fair value through profit or loss when control is obtained.

6.3. FOREIGN CURRENCY

A. Foreign currency transactions

The items recognised in the financial statements of the individual Group companies are measured at the respective functional currency. The consolidated financial statements are prepared in euro, the functional currency of the parent. Transactions in foreign currency are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate applicable at the time when the fair value was determined. Differences resulting from the translation into the functional currency are accumulated directly in the reserve from foreign currency translation in the consolidated financial statements and/or presented in the consolidated statement of other comprehensive income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

The closing exchange rate of the Danish krone at 31 December 2024 was DKK/EUR 7.4588 (previous year: DKK/EUR 7.4557). The average exchange rate of the Danish krone to the euro during financial year 2024 was DKK/EUR 7.4590 (previous year: DKK/EUR 7.4511).

B. FOREIGN SUBSIDIARIES

The assets and liabilities of foreign subsidiaries are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign subsidiaries are translated into euro at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the translation reserve in equity, except to the extent that the translation difference is allocated to non-controlling interests or shown in the consolidated statement of other comprehensive income.

When a foreign subsidiary is disposed of such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign subsidiary is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative translation difference is reclassified to profit or loss.

6.4. REVENUE: REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers (i.e. revenue) is realised when the customer obtains control of the agreed goods or services. Further, the revenue is measured at the amount of the consideration to which the entity expects to be entitled.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers and the related revenue recognition policies:

- **Sale of electricity**: the Group generates revenue by producing and selling electricity. The customer obtains control of the agreed good upon feed-in, i.e. transfer to the (public) grid, or upon direct consumption. Such sales each constitute an individual performance obligation. The revenue from the sale of electricity is determined and realised by measuring the output volume. Any additions to or deductions from revenue in other periods due to discrepancies or mistakes in Group readings compared to customer readings that are identified only after the end of the respective reporting period are also recognised in revenue. However, based on experience, discrepancies between Group and customer readings occur to only a very limited extent.

- The electricity prices paid under contracts with customers in Germany are determined mainly by the provisions in the German Renewable Energy Sources Act (EEG). Effective on 1 January 2012, section 33 g EEG introduced the so-called market premium. The market premium is paid by the grid operator for producing electricity from renewable sources to those plant operators who chose to market their electricity directly at the electricity exchange rather than choosing the EEG remuneration model. At the electricity exchange, plant operators receive the regular market price, which is lower than the remuneration payable under the EEG. The market premium offsets the difference between the remuneration under the EEG and the average monthly market price at the electricity exchange. The market premium cannot turn negative. The actual output of directly marketed electricity is determined on the basis of meter readings. The payments of the market premium as well as the management premium as per sections 33 g and 33 i of the German Renewable Energy Sources Act (EEG) by the grid operator to the plant operator constitute genuine subsidies that are not subject to value-added tax.
- The expected cash outflows recognised in other comprehensive income in connection with the electricity price swap agreements (cash flow hedge) are reclassified to revenue at the time of payment as the Group considers it appropriate to recognise these payments directly in revenue, since the cash outflows from the cash flow hedge are directly linked to revenue (see Note 26.3.E).
- In Belgium, the Group generates revenue from the sale of electricity as well as the sale of green electricity certificates. In accordance with current legislation, the grid operator issues these green certificates to the Group for every MWh produced for a period of 10 to 20 years from the commissioning of the solar asset. The Group then sells these green electricity certificates to the grid operator at fixed guaranteed prices (buy-back obligation). The revenue is recognised when the green electricity certificates are issued, as this is when the grid operator’s obligation to buy the certificates back arises and the grid operator owes the full consideration, irrespective of the potential useful life.
- In both Belgium and Germany, electricity fed into the grid is sold on the Day-Ahead market. As a result, the volume estimated on the previous day may differ from the actual volumes fed into the grid, due to factors such as deviations in solar irradiation, technical faults in the installations, or, in the case of Belgium, greater or lower consumption by the direct consumer than initially forecast. When discrepancies arise between the volumes sold on the Day-Ahead market and the actual electricity fed into the grid, the shortfall must be procured or the surplus sold on the Intraday market. The Group has appointed electricity traders in both Germany and Belgium. In Germany, the volume risk described above is covered by the electricity trader, i.e. the direct seller. In Belgium, the electricity trader invoices or credits the volume differences as income or expenses from imbalance. Since the beginning of the financial year, the Group has actively managed part of its asset portfolio. This means that it is involved in preparing the estimates of the electricity volumes to be fed into the grid and in determining the trading positions taken on the Day-Ahead market. On the following day, individual assets are selectively ramped up or down in order to increase the aforementioned income from volume differences or to avoid any respective costs. In Germany, the Group has agreed with the direct seller of the affected assets to share any resulting positive balances. In Belgium, the result of this active management is reflected in the imbalance volume item on the electricity sales invoices. Revenue is recognised over the period in which the service is rendered.
- In addition to selling electricity, the Group also sells the guarantees of origin for the electricity generated from its renewable energy assets. Guarantees of origin can only be sold for electricity that is not remunerated with a feed-in tariff (Germany) or subsidized with green electricity certificates

(Belgium). For this reason, this source of income is of minor importance in both the financial year and the previous year.

- **Services**: refers mainly to services for project development of Belgian plants on behalf of third parties, technical maintenance and commercial operation of solar assets on behalf of third parties in Belgium and in Germany. The sale of services usually constitutes one single performance obligation each. The revenue is recognised when the individual service is performed.
- **Sale of other goods**: in individual cases, the Group may sell modules or other components for solar assets as well as charging stations to third parties. The revenue is recognised when the customer obtains control of the goods.

6.5. EMPLOYEE BENEFITS

A. SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefits are expensed as soon as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

B. TERMINATION BENEFITS

Termination benefits are recognised as an expense at the earlier of the following two dates: either at the time when the Group can no longer withdraw the offer of such benefits or when the Group recognises the corresponding restructuring costs. If benefits are not expected to be settled in full within twelve months of the reporting date, then they are discounted.

6.6. GOVERNMENT GRANTS

Other government grants related to assets are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Government grants are recognised in profit or loss as other income on a systematic basis over the useful life of the asset. The government grants refer to subsidies granted in Belgium for building solar assets.

6.7. FINANCIAL INCOME AND FINANCE COSTS

The Group’s financial income and finance costs include:

- interest income;
- interest expense;
- dividend income;
- the net gain or loss on financial assets at FVTPL;
- the foreign currency gain or loss on financial assets and financial liabilities;
- the fair value gain or loss on contingent consideration classified as a financial liability;
- impairment losses recognised on financial assets carried at cost (AC) (other than trade receivables);
- hedge ineffectiveness of cash flow hedges recognised in profit or loss;
- the reclassification of net losses previously recognised in other comprehensive income;
- gains and losses from the disposal of financial assets.

Interest income or expense is recognised through profit or loss using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

6.8. INCOME TAX

Income tax expenses comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

A. CURRENT TAX

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year at rates valid on the reporting date or in the near future and any adjustment to the tax payable or receivable in respect of previous years. Current tax liabilities also include any tax liabilities arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

B. DEFERRED TAX

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are recognised only to the extent that it is probable that the related tax benefit will be realised.

Deferred tax is measured at tax rates that are expected to apply to temporary differences when they are reversed, based on tax rates that have been enacted or substantially enacted by the end of the reporting period.

The measurement of deferred taxes reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if certain criteria are met.

6.9. INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out method.

Impairments of inventories, if any, are recognised in other operating expenses.

6.10. PROPERTY, PLANT AND EQUIPMENT

See Note 6.16 Leases with regard to right-of-use assets.

A. RECOGNITION AND MEASUREMENT

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses. Assets under construction are recognised at cost. They are not depreciated. Assets under construction are also subject to potential impairment.

Each component of an item of property, plant and equipment with a significant cost in relation to the total value of the item is depreciated separately.

Any gain or loss on disposal of fixed assets is recognised in other income or expenses.

The depreciation period as well as the method are reviewed at the end of each financial year. Items of property, plant and equipment are depreciated pro rata temporis over their expected useful lives.

B. SUBSEQUENT EXPENDITURE

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

C. DEPRECIATION

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

• Solar assets	10–30 years
• Wind farms	20–25 years
• Buildings	30–40 years
• Plant and equipment	3–12 years
• Fixtures and fittings	5–10 years
• Right-of-use assets	1–30 years

Solar assets and wind farms generally consist of two main components that are depreciated using the straight-line method over different useful lives (component approach), i.e. the right to receive the legally fixed remuneration per MWh produced (feed-in tariff or green electricity certificate) that is depreciated over the period of the statutory remuneration commitment, and the technical components of the solar assets or wind farm that are depreciated over their (longer) technical useful lives to the extent that, in the view of the Group, their use is technically, legally and economically feasible or planned after the statutory remuneration commitment ends.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

6.11. INTANGIBLE ASSETS

A. RECOGNITION AND MEASUREMENT

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

B. SUBSEQUENT EXPENDITURE

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

C. AMORTISATION

Intangible assets have finite useful lives and are (other than project rights, see below) amortised over the estimated useful lives using the straight-line method. If the fair value is below the carrying amount at the reporting date, the asset is impaired to such amount. If the reasons for earlier impairments no longer exist, they are reversed through profit or loss. Amortisation is recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives are as follows:

• Software	5 years
• Acquired contracts	15–20 years

As already stated in A. above, amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Project rights are accounted for as intangible assets until the items of property, plant and equipment (solar assets) associated with the project rights are commissioned. The intangible assets are then reclassified to property, plant and equipment and depreciated over the useful lives of the items of property, plant and equipment. They are not amortised while the project is being realised. Projects consisting of several investment stages are fully reclassified to property, plant and equipment only once the last project stage has been completed and the last item of property, plant and equipment has been commissioned. There will be no scheduled depreciation or amortisation on the project until all project stages have been fully completed.

6.12. FINANCIAL INSTRUMENTS

A. RECOGNITION AND INITIAL MEASUREMENT OF FINANCIAL INSTRUMENTS

All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not measured at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

B. CLASSIFICATION OF FINANCIAL ASSETS

On initial recognition, a financial asset is classified as measured at:

- AC – amortised cost;
- FVOCI – fair value through other comprehensive income; or
- FVTPL – fair value through profit or loss.

IFRS 9 requires that the classification of financial assets be determined on the basis of both the entity's business model for managing the financial assets concerned and the contractual cash flow characteristics of the financial asset (the 'solely payments of principal and interest (SPPI)' criterion).

The allocation to a certain business model distinguishes between 'hold to collect', 'hold to collect and sell' and 'other'.

The business model is allocated by reviewing the facts and circumstances at the time of assessment. The Group's basic business model is 'hold to collect'. Accordingly, the financial assets are held in order to collect contractual cash flows. Even though the Group pursues the aforementioned business model, unplanned sales may be made in the normal course of business and do not change this allocation in accordance with IFRS 9. This may, for instance, occur within the Group by selling a solar asset including the trade receivables incurred without a significant financing component.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

With regard to the contractual cash flow characteristics of the individual financial asset it depends on whether the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding or whether additional cash flows are to be expected.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

The Group did not elect to designate an equity investment as measured at FVOCI in the reporting year.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

C. SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. See Note 26.B for derivatives designated as hedging instruments.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairments are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss. At present, the Group does not hold any debt investments measured at FVOCI.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss. At present, the Group does not hold any equity investments measured at FVOCI.

D. DERECOGNITION OF FINANCIAL INSTRUMENTS

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or the rights to receive the contractual cash flows are transferred in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

A financial asset is also derecognised if the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the transferred asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

E. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

The Group holds derivative financial instruments to hedge its exposure to revenue and interest rate risks.

Derivatives are initially and subsequently measured at fair value and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in revenues and interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in the cash flows of the hedged item and hedging instrument are expected to offset each other. This documentation is updated at each measurement date.

If, according to this, a derivative is designated as a cash flow hedge, the effective portion of changes in the fair value is recognised in other comprehensive income and is accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group applies IFRS 9 to all of its hedge accounting transactions.

For transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve are reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. The hedging reserve and the cost of hedging reserve are consistently grouped and presented in other comprehensive income from hedging relationships in the equity item.

If the hedge in the form of a swap agreement no longer meets the criteria for hedge accounting, or if the hedging instrument expires, is sold, terminated or exercised, then this hedge accounting is discontinued prospectively.

When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been recognised in other comprehensive income from hedging relationships and the cost of hedging reserve are immediately reclassified to profit or loss.

F. FINANCIAL LIABILITIES, TRADE PAYABLES AND OTHER CURRENT LIABILITIES

The Group recognises financial liabilities, trade payables and other current liabilities at the point in time it becomes a contractual party of the financial instrument that gives rise to the respective financial liability. Upon initial recognition, all financial liabilities are measured at fair value.

For subsequent measurement, financial liabilities are classified either as financial liabilities measured at fair value through profit or loss (FVTPL) or as financial liabilities measured at amortised cost (AC). Financial liabilities measured at fair value through profit or loss comprise in particular the debt component in connection with the option bond and derivative financial instruments concluded by the Group that are not designated as hedging instruments in hedging relationships in accordance with IFRS 9.

Transaction costs that are directly attributable to the issuance of financial liabilities that are not measured at fair value through profit or loss reduce the fair value of the financial liability upon initial recognition.

6.13. SHARE CAPITAL

A. ORDINARY SHARES

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity (net of tax if applicable).

B. REPURCHASE AND REISSUE OF ORDINARY SHARES (TREASURY SHARES)

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity taking account of any related tax effects. Repurchased shares are classified as treasury shares. Share premiums are recognised in capital reserves. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is recognised in the share premium.

6.14. IMPAIRMENT

A. FINANCIAL ASSETS MEASURED AT AMORTISED COST OR FAIR VALUE

The Group generally recognises loss allowances for expected credit losses (ECLs) on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due. The 90 days threshold is based on a special analysis conducted in this respect.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 180 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the twelve months after the reporting date (or a shorter period if the expected life of the instrument is less than twelve months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risks.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in other comprehensive income.

Impairment

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For trade receivables, the Group applies the simplified expected loss impairment model in accordance with IFRS 9. This is based on expected credit losses.

The Group allocates the trade receivables from the sale of electricity into largely homogenous categories that have similar characteristics regarding the estimated credit risk. Here it is significant whether the Group's rights are based directly on legal provisions, i.e. whether the customer can pass on the receivables to be paid to the Group to its own customers in turn (EEG levy) or whether the customer is a state-owned or partly state-owned enterprise. The Group further differentiates whether security was furnished for the receivables and whether such security consists of a bank guarantee or a letter of comfort.

The Group assesses the risk of credit losses from other trade receivables not resulting from the sale of electricity on a case-by-case basis depending on the characteristics of the individual customer and any security that was provided.

For other financial assets, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts past due.

Given 7C Solarparken's business model, most of the Group's customers are grid operators or other plant operators. For the analysis of trade receivables, we refer to Note 26.3.B.

B. NON-FINANCIAL ASSETS

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses for CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis. Here, the other assets of the CGU including their goodwill are included in impairment testing at their 'measured' carrying amount. This means that a specific need to impair a certain asset is already accounted for in the carrying amount of the CGU including goodwill.

An impairment loss in respect of goodwill is not reversed even if the value increases. For other assets, an impairment loss is reversed only to the extent that the cash-generating unit's recoverable amount does not exceed its amortised cost.

6.15. OTHER PROVISIONS

Provisions are recognised for all external obligations to the extent that it is probable that they will be used, and a reliable estimate can be made of the amount. Furthermore, the Group recognises provisions for onerous contracts in accordance with IAS 37. The provision is measured at the most probable amount and, in case of a range of amounts, at the expected amount. These amounts are, where possible, determined and measured on the basis of contractual agreements. Otherwise, the calculations are based on historical experience and management estimates.

Non-current provisions are recognised at present value. They are discounted or the discount is unwound at market rates applicable in the period until fulfilment. The adjustment is recognised through profit or loss as finance cost.

6.16. LEASES

See also Note 6.9 Property, plant and equipment and Note 17.

Since 1 January 2019, the Group has been applying IFRS 16 *Leases* under the modified retrospective approach.

In accordance with IFRS 16, the Group accounts for its rights and obligations under a lease as the lessee. In the Group, this refers mainly to contracts concerning rights of use (leases, leasing contracts or rental agreements) referring to rooftop and free field farms as well as cable routes that the Group leases for long periods to operate solar assets or wind farms.

A. THE GROUP AS A LESSEE

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In order to determine whether a contract conveys the right to control an identified asset, the Group applies the definition of a lease in IFRS 16.

On the lease commencement date, i.e. the date on which the asset is available to the Group for use, the Group recognises a right-of-use asset in property, plant and equipment and a lease liability. The cost of this asset includes the aforementioned lease liability plus any initial direct costs incurred, any lease payments made at or before the commencement date less any lease incentives received and the estimated costs for decommissioning and similar obligations. The Group does not apply the practical expedient available for recognising leases not exceeding EUR 5,000.00.

However, the Group allocates the decommissioning costs of wind farms and solar assets to these assets (solar assets and wind farms). This is due, among other reasons, to the fact that the decommissioning obligation is immanent in the construction and operation of such plants (wind farms and solar assets).

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date over the useful life of the wind farm or solar asset underlying the right-of-use asset or the term of the lease (including any extension options), whichever period is shorter. If the Group has a purchase option, which is usually not the case, and is reasonably certain to exercise such option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as the lives of property, plant and equipment.

The right-of-use asset is subsequently measured at cost less any straight-line depreciation and impairment and is adjusted for remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments not yet paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. As the interest rate implicit in the lease usually cannot be readily determined, the Group generally uses its incremental borrowing rate as the discount rate. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. For this purpose, the Group determines interest rates from various financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Where leases are acquired as part of a group of assets, the Group also applies IFRS 3.28B. Accordingly, the lease liability is measured at the present value of the remaining lease payments (as defined in IFRS 16), as if the acquired lease agreement were a new lease entered into on the acquisition date. The Group measures the right-of-use asset at the same amount as the lease liability, adjusted where necessary to reflect whether the terms of the lease agreement are favourable or unfavourable compared to market conditions.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments and minimum variable lease payments;
- variable lease payments that depend on an index, initially measured using the index or (interest) rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or (interest) rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases with purely variable lease payments:

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of less than twelve months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Furthermore, the Group does not recognise any right-of-use assets or lease liabilities for leases with purely variable lease payments. These purely variable lease payments are recognised as an expense.

Furthermore, for leases with a variable lease payment but subject to a fixed minimum lease payment, the amount exceeding the minimum payment is recognised as an expense.

B. THE GROUP AS A LESSOR

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset.

If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the useful life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of ‘other revenue’.

7. ACQUISITION AND DISPOSAL OF GROUP COMPANIES

For accounting policies, please refer to Note 6.2.

Usually, the Group adds solar assets to its portfolio by acquiring companies holding the solar installations as fixed assets. As the acquisitions usually do not qualify as a business combination (see Note 6.2.C) such acquisitions are treated as acquired sets of assets and liabilities. These acquisitions are disclosed in Note 7.1.

Occasionally, the acquisition of a subsidiary does classify as a business combination, but no such transaction was carried out in the reporting period.

7.1. ACQUISITION OF SUBSIDIARIES IN FINANCIAL YEAR 2024

In financial year 2024, subsidiaries were acquired that had to be accounted for as an acquisition of assets and liabilities after the concentration test was carried out.

The assets acquired are recognised at their respective cost. Accordingly, the cost is generally allocated to the identifiable assets and liabilities in accordance with the fair values of such assets and liabilities. Right-of-use assets and lease liabilities are recognised in accordance with IFRS 3.28B in conjunction with the value determined in accordance with IFRS 16. Cash and cash equivalents and receivables are recognised at nominal amount. Deferred taxes, arising for instance from acquired loss carryforwards, are recognised at the value determined in accordance with IAS 12. Usually, the following assets and liabilities are acquired:

- Intangible assets, e.g. acquired contracts or project rights for solar assets that have already been constructed or for which construction is in the planning phase (see Note 18);
- Solar assets and right-of-use-assets from leases (see Note 17);
- Land and buildings: mainly properties on which wind or solar assets have been or can be built (see Note 17);
- Debt financing: this mainly pertains to project financing with longer terms and lease liabilities (see Note 23);
- Liabilities to the seller: such liabilities generally consist of invoices for the construction or development of the acquired wind or solar assets;
- Decommissioning obligations for wind or solar assets: recognised in accordance with the Group’s valuation principles (see Note 25).
- Tax assets or tax liabilities to be measured as income taxes in accordance with IAS 12.

The agreed purchase price includes fixed purchase price payments as well as the present value of such purchase price components (e.g. from earn-out clauses) that are already expected to fall due (with a probability of more than 50%) at the time of acquisition. The remaining components (with a probability of actually becoming due of less than 50%) are initially not included in the purchase price. If obligations subsequently arise in connection with such components due to a value-adjusting event, the payments then due are added to the acquisition costs of the acquired solar or wind assets at their present value on the date of acquisition at the time when the obligation becomes concrete. The same applies if the components originally included fail to fall due.

In this case, the acquisition costs are reduced by the relevant amount. Non-controlling interests are recognised at their fair value at the date on which control is obtained.

Deferred taxes on differences between acquisition costs (IFRS) and tax law are not recognised at initial recognition.

A. ACQUISITION OF FPM SOLAR EPSILON GMBH & CO. KG

The Group acquired control of FPM Solar Epsilon GmbH & Co. KG effective 23 October 2024. This was achieved by increasing the Group's shareholding in the company to 99% by that date. The acquisition price amounted to EUR 1 thousand. The company objective of FPM Solar Epsilon GmbH & Co. KG is the construction and operation of a solar rooftop installation with planned capacity of approximately 20 MWp in Reuden-Süd. As at the acquisition date and the reporting date, the installation was still under construction. On 4 November 2024, the non-controlling interests were excluded from the company, resulting in a 1% increase in the Group's shareholding to 100% as of that date.

in thousands of euro	**Determining the Group's acquisition costs**
Purchase price	1
Assumed liabilities:	
Financial liabilities	2,900
Lease liabilities	786
Other current liabilities	1,092
Total acquisition costs of the Group	**4,779**

in thousands of euro	**Breakdown of the Group's acquisition costs**
Solar assets under construction	2,988
Right-of-use assets – rental agreements	786
Current financial assets	898
Other assets	54
Cash	53
Total	**4,779**
Net cash paid in the reporting period	52

7.2. DISPOSAL OF SUBSIDIARIES IN FINANCIAL YEAR 2024

A. DISPOSAL OF SOLARPARK ESPENHAIN VERWALTUNGS GMBH

Solarpark Espenhain Verwaltungs GmbH was disposed of effective 2 August 2024 (see Note 29) and consequently deconsolidated.

in thousands of euro		**Carrying amount at the date of disposal**
Property, plant and equipment		11
Cash		51
Liabilities from income taxes		-2
Other current liabilities		-4
Total net assets disposed of		**56**
Selling price		
Selling price		0
Total selling price		0
Loss from the deconsolidation	10.2	56
Net outflow of cash during the reporting period		**-51**

8. OPERATING ACTIVITIES

The Group focuses on the sale of electricity generated with its own wind farms and solar assets, generating more than 98.9% of total revenue with this business (previous year: 98.0%). In addition, the Group has further activities of minor significance (1.1% in the financial year and 2.0% in the previous year). These secondary activities relate to contracts for technical and commercial services with regard to certain investment companies or solar assets of third parties outside the Group in Germany and abroad and to rental income from third parties relating to PV estate (see Note 9.1).

The Group has only one operating segment that is managed by the Management Board as a whole. In total, 92% (previous year: 92%) of non-current assets serve to generate and sell electricity. The organisational structure and internal reporting of the Group is thus not divided into separate business segments.

At the end of the reporting period, the Group's own solar assets and wind farms and the associated right-of-use assets account for 92% (previous year: 92%) of its non-current assets (without deferred tax). Compared to the previous reporting period, the proportion of solar and wind parks within non-current assets remains unchanged.

in thousands of euro	**31.12.2024**	**31.12.2023**
Solar assets	347,119	366,271
Wind farms	8,217	9,308
Right-of-use assets	42,539	42,541
Non-current assets related to sale of electricity	397,875	418,119
Non-current assets (excl. deferred taxes)	434,286	455,096
Share of electricity sales	**92%**	**92%**

Revenue share by geographic market clearly reflects the Group's focus on the German market. In financial year 2024, the Group generated 93.1% of its revenue in Germany (previous year: 91.5%). The remaining Group revenue (6.9%) was generated in Belgium (previous year: 8.5%).

in thousands of euro	**2024**		**2023**	
	Revenue	**%**	**Revenue**	**%**
Germany	58,886	93.1%	63,857	91.5%
Belgium	4,389	6.9%	5,958	8.5%
Total	**63,276**		**69,815**	

The non-current assets (without deferred tax) are listed in the tables below. At the end of the reporting period, 89% of total non-current assets at Group level were located in Germany (previous year: 89%).

31.12.2024

in thousands of euro	Germany	Belgium	Total
Goodwill	1,199	-	1,199
Intangible assets	2,877	64	2,941
Land and buildings	13,317	1,012	14,329
Solar assets	304,776	42,343	347,119
Wind farms	8,217	-	8,217
Solar assets under construction	14,555	418	14,973
Right-of-use assets	37,640	4,899	42,539
Other tangible assets	275	197	472
Other non-current assets	1,920	578	2,498
Total	**384,775**	**49,511**	**434,286**
	89%	11%	100%

31.12.2023

in thousands of euro	Germany	Belgium	Total
Goodwill	1,199	-	1,199
Intangible assets	2,108	3	2,111
Land and buildings	13,401	1,036	14,437
Solar assets	329,568	36,702	366,271
Wind farms	9,308	-	9,308
Solar assets under construction	9,556	6,494	16,050
Right-of-use assets	37,350	5,191	42,541
Other tangible assets	242	211	454
Other non-current assets	2,133	594	2,727
Total	**404,865**	**50,231**	**455,097**
	89%	11%	100%

9. REVENUE AND OTHER OPERATING INCOME

For accounting policies, please refer to Note 6.4.

9.1. REVENUE

in thousands of euro	2024	2023
Sale of electricity	62,562	68,446
of which income from the electricity price swap agreement	*3,964*	*6,166*
Sale of services	531	1,031
Other	182	337
Total	**63,276**	**69,815**

The Group's main business activity is the production and sale of electricity from solar assets and wind farms. In addition, the Group provides technical and commercial services, referring in particular to remote monitoring, repair and maintenance of solar assets and their operation. Other revenue mainly consists of rental income from the so-called PV estate portfolio.

The 9% decrease in revenue from the sale of electricity was driven by both electricity price and volume effects. The decrease in the average capture price (minus EUR 7.7 million) was partially offset by increased income from the management of the solar assets (plus EUR 1.4 million). Adverse weather conditions compared to the previous year led to a reduction in revenue of EUR 0.9 million. In contrast, sale of electricity in 2024 was positively impacted by newly acquired or connected solar assets, which (now fully) contributed to revenue during the financial year (plus EUR 1.4 million).

The effects of the swap agreements with the large European utilities on the price received for electricity sold are recognised as an increase or decrease in revenue. The swap agreements had a positive impact on revenue of EUR 4.0 million in the reporting period (previous year: EUR 6.2 million) as the electricity prices on the market were lower than the swap rates.

Income from the provision of services decreased from EUR 1.0 million to EUR 0.5 million year-on-year. This was primarily due to a reduction in services provided to investment fund entities within the portfolio.

The Group generated revenue of approx. EUR 19.1 million with two customers, who thus accounted for more than 10% of the revenue mix.

9.2. OTHER OPERATING INCOME

For accounting policies, please refer to Note 6.4.

in thousands of euro	**2024**	**2023**
Income from termination of electricity price swap agreements	1,680	-
Damage compensation	238	252
Income from ‘Redispatch 2.0’	2,127	4,800
Income related to previous periods	293	330
Gain on the sale of property, plant and equipment	8	69
Reversal of provisions	441	1,029
Waiver of liabilities	-	368
Reversal of impairment losses on receivables	55	223
Other income	405	380
Total	**5,248**	**7,451**

7C Solarparken generated other operating income amounting to EUR 5.2 million (previous year: EUR 7.5 million).

When the grid is overloaded, the grid operators regularly use the ‘Redispatch 2.0’ grid stability control system to throttle the output of the Group’s wind and solar assets. The Group cannot prevent these shutdowns. Depending on the specifics of the shutdown, grid operators are obligated to pay compensation to the Group. These compensation payments constitute other operating income for the Group. The determination of these compensation payments and their invoicing and payment can be massively delayed. Such compensation payments were recognised through profit or loss during the reporting period in the amount of EUR 2.1 million (previous year: EUR 4.8 million). In addition, an electricity price swap agreement was terminated early by mutual agreement during the reporting period. The resulting income of EUR 1.7 million received by the Group from the termination is recognised as other operating income.

Additionally, the Group recognised income related to previous periods amounting to EUR 0.3 million in the reporting period and the prior-year period (previous year: EUR 0.3 million) as well as income from damages amounting to EUR 0.2 million through profit or loss (previous year: EUR 0.3 million). Finally, provisions amounting to EUR 0.4 million were released during the financial year (previous year: EUR 1.0 million).

Government grants totalling EUR 49 thousand (previous year: EUR 36 thousand) were recognised in income during the reporting period. This is included in other income.

10. OPERATING EXPENSES

10.1. EMPLOYEE BENEFITS

in thousands of euro	2024	2023
Salaries and wages	1,289	1,407
Key management personnel	576	625
Social security	199	185
Other personnel expenses	103	127
Total	**2,167**	**2,344**

Employee benefits decreased by EUR 177 thousand to EUR 2,167 thousand in financial year 2024. The average number of employees in the reporting period remained unchanged at 23. At the end of the reporting period, the Group employed a total of 24 persons plus the two members of the Management Board (previous year: 19 employees).

Other personnel expenses refer mainly to variable employee remuneration and expenses for employee pensions.

10.2. OTHER OPERATING EXPENSES

in thousands of euro	2024	2023
Administrative expenses	1,644	1,636
Operating expenses related to solar assets and wind farms	8,039	7,086
Increase of provisions	67	953
Cost of materials	8	560
Legal, advisory and audit expenses	1,354	1,067
Car and travel expenses	226	223
Insurance	698	669
Impairment losses on receivables and inventories	6,293	616
Expenses related to previous periods	341	200
Loss from the disposal of fixed assets	8	-
Loss from the sale of subsidiaries	56	-
Other	354	302
Total	**19,138**	**13,313**

Other operating expenses were significantly impacted in the reporting period by impairment losses on receivables and inventories amounting to EUR 6.3 million (previous year: EUR 0.6 million). This was due nearly entirely to an impairment loss of EUR 5.4 million on one receivable that the Group had to recognise in expenses.

In June 2023, the Group signed a purchase and assignment agreement to acquire the limited partnership interests in and shareholder loans of the former limited partner, FPM Solar Epsilon GmbH & Co. KG. The assignment of the shareholder loans was completed in 2023 and was accordingly recognised as a receivable as at the previous year's reporting date. The acquisition of the limited partnership interests, in turn, was to be finalised after the construction of the solar asset was completed. In June 2024, it was revealed that the seller had already assigned both the shareholder loans and the limited partnership interests in FPM Solar Epsilon GmbH & Co. KG to an unrelated third party when the agreement with the Group was signed. As a result, the Group's receivable was deemed uncollectible and was fully written off in June 2024. The seller filed for insolvency during financial year 2024. The Group has assumed management of FPM Solar Epsilon GmbH & Co. KG since June 2024 and, following a capital increase in FPM Solar Epsilon GmbH & Co. KG, obtained control over the special purpose entity in October 2024. However, none of these developments led to a validation or reversal of the previously impaired receivable. Furthermore, module prices were lower resulting in an impairment of EUR 0.7 million (previous year: EUR 0.3 million) on inventories.

Other operating expenses mainly include costs related to the operation of the Group's solar assets. This applies, for example, to expenses for maintenance and repairs as well as direct seller costs and costs for lawn maintenance/greenkeeping. The EUR 1.0 million increase is mainly due to the outsourcing of solar asset and wind farm maintenance (plus EUR 0.8 million) and the increase in greenkeeping costs for the plants and compensatory areas amounting to EUR 0.4 million. In contrast, direct seller costs were EUR 0.4 million lower than in the previous year.

Legal, advisory and audit expenses increased by EUR 0.3 million in financial year 2024. This was primarily attributable to finding solutions for various legal matters and expenses incurred in connection with several legal disputes related to the acquisition of FPM Solar Epsilon GmbH & Co. KG.

10.3. OTHER EMPLOYEE BENEFITS

The Group does not have any defined benefit plans or defined contribution plans beyond the payments into the German statutory pension scheme in the reporting period. The aforementioned amounts are fully included in the social security item in Note 10.1.

11. FINANCIAL RESULT

For accounting policies, please refer to Note 6.7.

in thousands of euro	2024	2023
Interest income from:		
- Cash and cash equivalents	15	136
- Other financial instruments measured at amortised cost	814	228
Total interest income arising from financial instruments measured at amortised cost	**828**	**364**
Share of the net result of investments accounted for using the equity method	-	257
Changes in fair value of the ineffective portion of an interest rate swap	-	-
Dividends	113	77
Other financial income	221	37
Foreign currency translation differences	3	13
Income from other financial assets at fair value through profit or loss	-	-
Other financial income	**326**	**384**
Financial income	**1,166**	**749**
Financial liabilities measured at amortised cost:		
Interest expenses	-4,686	-4,892
Unwinding of discount on provisions	-934	-878
Bank costs and other financial costs	-370	-689
Unwinding of discount on lease liabilities	-778	-699
Share of the net result of investments accounted for using the equity method	-11	-
Changes in fair value of the ineffective portion of an interest rate swap	-	-3
Foreign currency translation differences	-	-
Expenses from other financial assets at fair value through profit or loss	-175	-151
Financial expenses	**-6,954**	**-7,313**
Financial result	**-5,788**	**-6,564**

Interest income originates from cash as well as from fixed-term deposit accounts classified as current financial assets, in addition to interest income from loans granted by the Group to third parties. Other fixed-term deposit accounts and loans granted are carried at amortised cost.

Interest expenses amounting to EUR 4,686 thousand (previous year: EUR 4,892 thousand) relate nearly entirely to the project financing of solar assets, wind farms and PV estate in the amount of EUR 3,886 thousand (previous year: EUR 3,943 thousand), plus interest on issued unsecured bonds in the amount of EUR 755 thousand (previous year: EUR 740 thousand) and interest expenses resulting from lease liabilities in connection with solar assets amounting to EUR 45 thousand (previous year: EUR 52 thousand).

The bank costs and other financial costs item includes in particular the expense from the remeasurement of project financing in the amount of EUR 0 thousand (previous year: EUR 431 thousand) due to the adjustment of the interest rate following the expiry of the fixed-interest period.

12. EARNINGS PER SHARE

For accounting policies, please refer to Note 6.13.

12.1. BASIC EARNINGS PER SHARE

Basic earnings per share are calculated based on the profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding.

A. PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS (BASIC)

in thousands of euro	2024	2023
Profit for the period attributable to shareholders of the parent company	451	10,082
Profit attributable to ordinary shareholders	451	10,082

B. WEIGHTED-AVERAGE NUMBER OF ORDINARY SHARES (BASIC)

in thousands of shares	2024		2023	
Issued shares at 1 January	82,853	100%	79,848	100%
Effect of share options exercised	181	100%	52	0%
Effect of treasury shares	-1,667	88%	-6	0%
Effect of shares issued through private placement (on average)	-	0%	2,150	71%
Weighted-average number of ordinary shares at the end of the reporting period	81,573		81,383	

in euro	2024	2023
Earnings per share		
Basic earnings per share (rounded)	0.01	0.12

Please refer to Note 21.A for capital measures involving the issue of ordinary shares that were carried out after the reporting date.

12.2. DILUTED EARNINGS PER SHARE

With regard to the calculation of diluted earnings per share and diluted comprehensive income per share we refer to the explanations on the calculation of basic earnings per share and basic comprehensive income as there are no dilution effects resulting from newly issued ordinary shares.

12.3. OPTIONS AND CONDITIONAL CAPITAL

A. CONDITIONAL CAPITAL 2022

The Annual General Meeting on 21 July 2022 passed a resolution to conditionally increase the share capital by up to EUR 38,181,236.00 by issuing up to 38,181,236 new no-par value bearer shares with dividend rights for which no resolution on the appropriation of profits has yet been passed from the start of the last financial year (Conditional Capital 2022).

13. INCOME TAX

For accounting policies, please refer to Note 6.8.

13.1. AMOUNTS RECOGNISED IN PROFIT OR LOSS

Income taxes break down as follows:

in thousands of euro	2024	2023
Current tax expenses		
Current year	2,904	2,749
Income tax previous year	336	184
Deferred tax expense/benefit		
thereof from the origination and reversal of temporary differences	-2,672	-854
thereof from loss carryforwards	-379	2,581
recognition of previously unrecognised tax losses	-792	-911
Tax benefit (-)/ tax expenses (+)	**-604**	**3,749**

The deferred income tax expense mainly relates to temporary differences in the recognition and measurement of assets and liabilities in accordance with IFRSs as well as consolidation transactions recognised through profit or loss and changes in loss carryforwards that do not result from changes in the group of companies included in the consolidated financial statements.

It is determined on the basis of the tax rates that apply or are expected to apply according to the current legal provisions in the individual countries at the time of realisation.

The actual tax expense consisted of current tax expense for the year in the amount of EUR 2,904 thousand (previous year: EUR 2,749 thousand), plus income from prior-year adjustments in the amount of EUR 336 thousand (previous year: income of EUR 184 thousand). In total, current income taxes paid in the reporting period amounted to EUR 2,816 thousand (previous year: EUR 3,328 thousand).

13.2. AMOUNTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

Taxes recognised in other comprehensive income break down as follows:

in thousands of euro	2024			2023		
	Before tax	**Tax expense/ benefit**	**Net of tax**	**Before tax**	**Tax expense/ benefit**	**Net of tax**
Cash flow hedges	-3,833	1,127	-2,706	5,591	-1,600	3,991
Foreign operations – foreign currency translation differences	-2	-	-2	-17	-	-17

13.3. RECONCILIATION OF EFFECTIVE TAX RATE

The tax rate for the Group is the German tax rate applicable in Bayreuth, which amounts to 29.48% for the financial year (previous year: 29.48%).

The reconciliation from the expected to the reported tax result breaks down as follows:

in thousands of euro	%	2024	%	2023
Earnings before tax	29.48%	353	29.48%	15,190
Tax using the Company's domestic tax rate		104		4,478
Effect of tax rates in foreign jurisdictions	41.21%	145	-0.44%	-67
Tax rate change	-	-	-10.48%	924
Non-deductible expenses/ tax-exempt income	43.63%	154	0.49%	74
Tax incentives				
Temporary differences and losses for which no deferred tax asset is recognised	33.48%	118	-1.12%	-170
Income tax previous year	95.12%	336	1.21%	184
Reduction due to previously unrecognised tax losses and previously unrecognised temporary differences from previous periods	-404.84%	-1,428	-0.40%	-61
Extraordinary effects on changes in deferred taxes recognised	-	-	-10.48%	-1,593
Other tax effects	-9.32%	-33	-0.13%	-19
Effective tax rate	**-171.25%**	**-604**	**24.68%**	**3,749**

The decrease in the effective tax rate in the reporting year compared to the previous year is mainly due to deferred tax assets not recognised in the previous year (EUR 1.4 million). Offsetting effects arose from income taxes relating to the previous year (EUR 0.3 million), non-deductible expenses (EUR 0.2 million) and effects from foreign tax rates (EUR 0.1 million).

13.4. UNRECOGNISED DEFERRED TAX ASSETS

The Group did not recognise deferred tax assets of EUR 1.2 million on corporate income tax loss carryforwards and deferred tax assets of EUR 0.5 million on trade tax loss carryforwards for three German Group companies in the financial year, as the Group uses a planning period of six years to assess usability and these losses cannot be used within this period based on the assumptions underlying the tax planning. Furthermore, for the same reason, deferred tax assets from loss carryforwards in the amount of EUR 0.4 million were not recognised for one Belgian Group company.

No deferred tax liabilities were recognised on temporary differences relating to investments in subsidiaries in the amount of EUR 495 thousand (previous year: EUR 427 thousand), because it is not probable that these temporary differences will be reversed in the foreseeable future.

13.5 CHANGES IN DEFERRED TAXES RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

Changes in deferred tax assets and liabilities were as follows:

Deferred tax assets (in thousands of euro)	2024	2023	Change
Intangible assets	212	39	n.a.
Property, plant and equipment	3,162	2,798	11%
Financial liabilities and lease liabilities	8,952	8,899	1%
Other non-current provisions	4,243	4,048	5%
Tax loss carryforwards	13,146	12,767	3%
Other items	2,531	868	192%
Total	**32,245**	**29,420**	**9%**
Netting of deferred tax assets and liabilities	-23,797	-24,239	-2%
Deferred tax assets after netting	**8,447**	**5,181**	**62%**

Deferred tax liabilities (in thousands of euro)	2024	2023	Change
Intangible assets	-432	-825	-48%
Property, plant and equipment (incl. right-of-use assets)	-43,567	-45,401	-4%
Financial liabilities and lease liabilities	-1,135	-2,076	-45%
Other non-current provisions	-53	-86	-38%
Other items	-201	-261	-23%
Total	**-45,388**	**-48,649**	**-7%**
Netting of deferred tax assets and liabilities	23,797	24,239	-2%
Deferred tax liabilities after netting	**-21,591**	**-24,410**	**-10%**

Deferred taxes from the use of tax loss carryforwards are capitalised to the extent that it is probable that future income will be available that can be offset against existing loss carryforwards.

The Group has incurred losses in several companies in the reporting year as well as in the previous year. After offsetting deferred tax assets against deferred tax liabilities, the Group has recognised deferred tax assets of EUR 3,779 thousand for these companies. The Group expects that the future taxable profit will probably be sufficient to realise these deferred tax assets.

The net amount of deferred tax liabilities at the end of the reporting period is therefore EUR 13,144 thousand (previous year: EUR 19,229 thousand). The following table shows the changes in the net amount of deferred tax liabilities:

in thousands of euro	2024	2023
Net amount of deferred tax assets (-) or liabilities (+) at 1 January	**19,229**	**15,672**
Adjustment of the net amount of deferred tax liabilities as at 1 January (see Note 17).	-1,158	-
Deferred tax liabilities in the statement of profit or loss	-3,843	816
Deferred taxes recognised in other comprehensive income	-1,087	1,600
Net addition of deferred tax liabilities from acquisitions	-	1,130
Net decrease of deferred tax liabilities due to company liquidation	-	-
Other changes	4	12
Net amount of deferred tax (assets or) liabilities (+/-) at 31 December	**13,144**	**19,229**

14. INVENTORIES

For accounting policies, please refer to Note 6.9.

in thousands of euro	31.12.2024	31.12.2023
Raw materials and consumables	189	52
Modules	1,140	2,908
Total	**1,329**	**2,960**

The Group inventories consist of modules for the construction of solar assets for the Group portfolio and spare parts for (emergency) repairs to solar assets, such as inverters, modules and consumables.

The decrease in inventories is primarily attributable to the start of construction of new solar assets, in particular the projects Rötz V, Pirk, Kohlberg and Reuth-Premenreuth.

The year-end measurement also had an impairing effect. In accordance with the measurement principles and market price developments, the modules were measured at net realisable value as of the reporting date, which was below their acquisition cost. The corresponding impairment of EUR 651 thousand (previous year: EUR 333 thousand) was recognised in other operating expenses.

15. TRADE AND OTHER RECEIVABLES AND OTHER NON-CURRENT ASSETS

For accounting policies, please refer to Note 6.1, 6.12 as well as Note 26.

in thousands of euro	31.12.2024	31.12.2023
Prepayments	56	30
Trade receivables	4,588	4,955
Other non-current assets	348	495
Other current assets	3,821	14,020
Total	**8,814**	**19,500**
of which non-current assets	348	495
of which current assets	8,465	19,005
Total	**8,814**	**19,500**

Current trade receivables mainly refer to credit notes or invoices relating to the sale of electricity to grid operators with good credit ratings. The receivables are expected to be collectible.

Non-current receivables decreased from EUR 0.5 million to EUR 0.3 million, mainly due to the decline in the change in fair value of electricity price swap agreements (minus EUR 0.2 million).

The decrease in trade receivables compared to the previous year (minus EUR 0.5 million) is mainly attributable to the settlement of a receivable of EUR 0.8 million from the sale of a solar asset under construction at the end of December 2023 and the expansion of the solar portfolio (plus EUR 0.3 million). This is because grid operators typically payout the credit note one to two months after delivery.

Other current assets decreased from EUR 14.0 million to EUR 3.8 million. This development is mainly attributable to the change in the fair value of electricity price swap agreements (minus EUR 3.5 million), the impairment of a receivable from FPM Solar Epsilon GmbH & Co. KG (minus EUR 5.4 million) (for further information, see Note 10.2), as well as a reduction in VAT prepayments amounting to EUR 858 thousand.

Other current assets also comprise derivative assets of EUR 614 thousand (previous year: EUR 4,134 thousand) that result from the positive fair value of the electricity price swap agreements concluded with a European utility, as well as receivables from VAT prepayments of EUR 1,121 thousand (previous year: EUR 1,979 thousand), deferred income of EUR 426 thousand (previous year: EUR 442 thousand) and other current receivables of EUR 408 thousand (previous year: EUR 994 thousand).

The Group's credit and market risks, impairments of trade receivables and other receivables are explained in Note 26.

16. CURRENT FINANCIAL ASSETS AND CASH AND CASH EQUIVALENTS

For accounting policies, please refer to Note 6.12.

16.1. CURRENT FINANCIAL ASSETS

in thousands of euro	31.12.2024	31.12.2023
Current financial assets	11,592	18,273
Current financial assets	**11,592**	**18,273**

Due to the change in the interest rate environment, the Group invested cash and cash equivalents with various European banks during the financial year in fixed-term deposit accounts with a term of more than three months at the time of investment. The funds in the fixed-term deposit accounts are recognised under other investments.

At the reporting date, current financial assets totalled EUR 11.6 million, of which EUR 3.3 million still had a term of more than three months at the reporting date.

16.2. CASH AND CASH EQUIVALENTS

in thousands of euro	31.12.2024	31.12.2023
Restricted cash and cash equivalents	15,196	12,103
Cash and cash equivalents on hand	66,881	50,179
Total cash and cash equivalents	**82,077**	**62,282**

Restricted cash and cash equivalents relates to project-specific reserve accounts amounting to EUR 14,585 thousand (previous year: EUR 11,466 thousand), mortgage savings accounts amounting to EUR 264 thousand (previous year: EUR 212 thousand) and other accounts amounting to EUR 347 thousand (previous year: EUR 425 thousand). These accounts are furnished to the bank or leasing company as security for making the agreed regular debt servicing payments in connection with the financing of the respective solar asset (especially in the months from December to February). These securities are inherent to the type of business and serve to guarantee the payments owed in the scope of ordinary business operations. Given the excellent liquidity situation, no amounts were drawn from these accounts to meet ordinary debt servicing payments in the reporting year.

The reserve accounts serve to preserve the liquidity of the respective project company during times with low irradiation or during technical disturbances as both events have a direct effect on cash. They are to guarantee that the project company remains in a position to cover running costs and debt servicing and/or make the necessary repairs. The liquidity to be maintained on these reserve accounts depends on the cash flows of the respective project company (primarily, the servicing of financing debts). The accounts are continuously adjusted, meaning they are constantly reduced as the financing volume decreases or stocked up to ensure that funds are available in case of repairs. They are subject to restrictions concerning the disposal over such accounts, for instance concerning distributions. No restrictions apply, however, to the use of funds for the operations of the respective project company.

Through acquisitions of subsidiaries (see Note 7) in the financial year, the Group acquired cash and cash equivalents totalling EUR 950 thousand (previous year: EUR 4,625 thousand).

Restricted and unrestricted cash is presented separately in Note 26.

17. PROPERTY, PLANT AND EQUIPMENT

17.1. PROPERTY, PLANT AND EQUIPMENT

For accounting policies, please refer to Note 6.10 and 6.14.

2024

in thousands of euro	Note	Land and buildings	Solar assets	Wind farms	Right-of-use assets	Other PPE*	Solar assets under con-struction	Total
Cost								
Balance at 1 January 2024		**15,253**	**583,374**	**12,366**	**50,955**	**1,405**	**16,073**	**679,425**
Disposals due to adjustment of acquisition cost at 1 January 2024	13.5		-1,158					-1,158
Additions through business combinations	7.1				786		2,988	3,775
Additions		5	2,563	10	1,686	102	10,819	15,185
Other additions	25		1,015					1,015
Disposals						-20		-20
Reclassification			14,884				-14,884	-
Reclassification of intangible assets	18		86					86
Remeasurement					-13			-13
Balance at 31 December 2024		**15,258**	**600,762**	**12,376**	**53,414**	**1,487**	**14,997**	**698,293**
Accumulated depreciation and impairment losses								
Balance at 1 January 2024		**-815**	**-217,101**	**-3,055**	**-8,416**	**-951**	**-25**	**-230,366**
Depreciation		-114	-33,248	-673	-2,459	-83		-36,577
Impairment loss			-3,294	-429				-3,723
Disposals		4				20		20
Balance at 31 December 2024		**-929**	**-253,643**	**-4,157**	**-10,871**	**-1,015**	**-25**	**-270,646**
Carrying amounts								
Balance at 1 January 2024		**14,437**	**366,271**	**9,308**	**42,541**	**454**	**16,050**	**449,060**
Balance at 31 December 2024		**14,329**	**347,119**	**8,217**	**42,539**	**472**	**14,974**	**427,649**

2023

in thousands of euro	Note	Land and buildings	Solar assets	Wind farms	Right-of-use assets	Other PPE*	Solar assets under construction	Total
Cost								
Balance at 1 January 2023		**14,067**	**529,867**	**12,361**	**44,389**	**1,342**	**15,598**	**617,622**
Additions through business combinations	7	337	34,826		5,566			40,729
Additions		855	8,916	5	2,047	255	11,375	23,423
Other additions	25		848					848
Disposals		-7	-1,292		-484	-161	-690	-2,635
Reclassification			10,209				-10,209	-
Remeasurement					-562			-562
Balance at 31 December 2023		**15,253**	**583,374**	**12,366**	**50,955**	**1,405**	**16,073**	**679,425**
Accumulated depreciation and impairment losses								
Balance at 1 January 2023		**-704**	**-180,607**	**-2,383**	**-5,994**	**-967**	**-25**	**-190,678**
Depreciation		-115	-32,541	-672	-2,425	-46		-35,800
Impairment loss			-3,953					-3,953
Disposals		4				62		66
Balance at 31 December 2023		**-815**	**-217,101**	**-3,055**	**-8,416**	**-951**	**-25**	**-230,366**
Carrying amounts								
Balance at 1 January 2023		**13,364**	**349,259**	**9,975**	**38,398**	**375**	**15,574**	**426,943**
Balance at 31 December 2023		**14,437**	**366,271**	**9,308**	**42,541**	**454**	**16,050**	**449,060**

Impairment losses of EUR 3.7 million (previous year EUR 4.0 million) were recognised on solar assets and wind farms in the reporting period due to factors specific to the assets, mainly due to increased operating expenses and also as a result of the increase in the pre-tax discount rate to be used in the measurement of the solar assets.

As at the reporting date, we performed an impairment test for our solar assets and wind farms where indications of impairment had been identified.

For the purpose of the impairment test, the assets were grouped into cash-generating units (CGUs) that represent the lowest levels at which largely independent cash flows can be identified. The recoverable amount was determined based on the value in use by deriving the expected future cash flows from current management planning and discounting them using a pre-tax discount rate (WACC) of 5.7%.

The planning assumptions primarily include the applicable feed-in tariff, expected electricity prices, the conclusion of future electricity price swap agreements or electricity price option contracts, production volumes, operating costs and the applicable regulatory framework. Key assumptions such as expected asset availability and maintenance costs were also taken into account.

The impairment tests performed revealed an impairment loss of EUR 3.7 million.

Sensitivity analyses were carried out to assess the impact of potential changes in key parameters on the recoverable amount. An increase in the discount rate (WACC) by 1 percentage point would result in an additional impairment need of EUR 6.8 million. A decrease in the EPEX Spot solar electricity price by EUR 10 would lead to an additional impairment need of EUR 3.5 million. An increase in operating costs by 10% would lead to an additional impairment need of EUR 3.2 million. If, in the future, the Group were no longer able to enter into electricity price swap agreements or option contracts, this would result in an additional impairment need of EUR 1.1 million.

Solar assets, wind farms and land and buildings with a carrying amount of EUR 272 million serve as collateral for financial liabilities explained in Note 23.1.

Financial obligations in connection with the construction of solar assets amounted to EUR 3.2 million (previous year: EUR 2.2 million) at the reporting date. These unrecognised obligations are related to work in progress at the installations under construction at the end of the year.

17.2. DETAILED INFORMATION ON RIGHT-OF-USE ASSETS

2024

ACQUISITION VALUE **Right-of-use assets related to** **in thousands of euro**	**Land**	**Solar assets**	**Rental agreements related to solar assets**	**Rental agreements related to wind farms**	**Other assets**	**Total**
Balance at 1 January 2024	**91**		**48,986**	**1,589**	**291**	**50,955**
Changes in group of consolidated companies			786			2,822
Additions			1,686			1,619
Remeasurement			-13			-13
Balance at 31 December 2024	**91**		**51,445**	**1,589**	**291**	**53,412**
ACCUMULATED DEPRECIATION						
Balance at 1 January 2024			**-7,918**	**-308**	**-190**	**-8,416**
Depreciation			-2,366	-68	-44	-2,459
Balance at 31 December 2024			**-10,284**	**-376**	**-215**	**-10,873**
CARRYING AMOUNTS						
Balance at 1 January 2024	**91**		**41,068**	**1,281**	**101**	**42,541**
Balance at 31 December 2024	**91**		**41,161**	**1,213**	**76**	**42,539**

2023

ACQUISITION VALUE **Right-of-use assets related to** **in thousands of euro**	**Land**	**Solar assets**	**Rental agreements related to solar assets**	**Rental agreements related to wind farms**	**Other assets**	**Total**
Balance at 1 January 2023	**91**	**-**	**42,516**	**1,589**	**193**	**44,389**
Changes in group of consolidated companies			5,566			5,566
Additions			2,047			2,047
Remeasurement			-562			-562
Disposals			-484			-484
Reclassification			-98		98	-
Balance at 31 December 2023	**91**		**48,986**	**1,589**	**291**	**50,955**
ACCUMULATED DEPRECIATION						
Balance at 1 January 2023		**-**	**-5,605**	**-240**	**-146**	**-5,993**
Depreciation			-2,313	-68	-44	-2,425
Balance at 31 December 2023			**-7,918**	**-308**	**-190**	**-8,416**
CARRYING AMOUNTS						
Balance at 1 January 2023	**91**	**-**	**36,911**	**1,349**	**47**	**38,398**
Balance at 31 December 2023	**91**		**41,068**	**1,281**	**101**	**42,541**

The Group leases several assets, including one piece of land, a solar asset as well as rooftops, free fields, cable routes for solar assets and wind farms and, to a lower extent, office space. The average term of the rights of use in connection with lease or rental agreements for solar assets and wind farms is 19.2 years as at the reporting date.

Usually the Group does not assume any option or obligation to acquire leased assets after the end of the lease for leases pertaining to lease or rental agreements. The Group's obligations to pay a usage fee under the lease or rental agreements are unsecured as the lessors usually waive their right of lien in this respect. The site deconstruction in connection with solar assets and wind farms built on leased property is often secured by means of sureties or pledging of bank accounts. The lessor is usually entitled to cancel the lease contract if the Group fails to meet its obligations (including the lease payments).

No lease or rental agreements were cancelled or have expired in the reporting year.

The Group has a purchase option for one piece of land (EUR 10 thousand).

18. GOODWILL AND INTANGIBLE ASSETS

For accounting policies, please refer to Note 6.11 and 6.14.B.

18.1. RECONCILIATION OF THE CARRYING AMOUNT

2024

in thousands of euro	Note	Goodwill	Acquired contracts	Project rights	Other	Total
Cost						
Balance at 1 January 2024		**5,688**	**1,786**	**1,932**	**113**	**9,519**
Disposals related to changes in group of consolidated companies			-64			-64
Acquisitions				1,694		1,694
Reclassification to property, plant and equipment				-86		-86
Balance at 31 December 2024		**5,688**	**1,722**	**3,540**	**113**	**11,063**
Accumulated amortisation and impairment losses						
Balance at 1 January 2024		**-4,489**	**-606**	**-1,005**	**-109**	**-6,209**
Depreciation			-89			-89
Impairment loss				-677		-677
Disposals related to changes in group of consolidated companies			53			53
Balance at 31 December 2024		**-4,489**	**-642**	**-1,682**	**-109**	**-6,922**
Carrying amounts						
Balance at 1 January 2024		**1,199**	**1,180**	**927**	**4**	**3,309**
Balance at 31 December 2024		**1,199**	**1,080**	**1,859**	**4**	**4,140**

2023

in thousands of euro	Note	Goodwill	Acquired contracts	Project rights	Other	Total
Cost						
Balance at 1 January 2023		**5,688**	**2,158**	**2,015**	**113**	**8,995**
Disposals related to changes in group of consolidated companies			-372			-372
Disposals				-83		-83
Balance at 31 December 2023		**5,688**	**1,786**	**1,932**	**113**	**9,519**
Accumulated amortisation and impairment losses						
Balance at 1 January 2023		**-4,489**	**-569**	**-1,005**	**-109**	**-5,192**
Depreciation			-100			-100
Disposals related to changes in group of consolidated companies			64			64
Balance at 31 December 2023		**-4,489**	**-606**	**-1,005**	**-109**	**-6,209**
Carrying amounts						
Balance at 1 January 2023		**1,199**	**1,588**	**1,012**	**4**	**3,803**
Balance at 31 December 2023		**1,199**	**1,180**	**927**	**4**	**3,309**

Several service contracts acquired as part of acquisitions in previous years are reported under intangible assets. This includes for example contracts governing the commercial management of investment companies.

In the reporting year, the Group acquired new project rights amounting to EUR 1.7 million for the development of solar assets (previous year: EUR 0.0 million).

18.2. AMORTISATION

As the contracts acquired have a fixed term, they were subject to scheduled amortisation of EUR 89 thousand during the financial year (previous year: EUR 100 thousand).

18.3. IMPAIRMENT

At the end of the financial year, the Group reported goodwill of EUR 1,199 thousand (previous year: EUR 1,199 thousand) resulting from the business combinations ‘Sun-X PV Portfolio (incl. Säritz Solar)’ (EUR 551 thousand) and ‘Operational management business’ (EUR 648 thousand).

The impairment test did not lead to any impairment of the individual goodwill of the companies. For the purpose of impairment testing, the Group formed cash-generating units at the individual portfolio level of ‘Sun-X PV Portfolio’, the ‘Operational management business’ and GSI Solarfonds Drei GmbH & Co. KG . The recoverable amount for each cash-generating unit was higher than its carrying amount, and therefore no impairment was recognised. The pre-tax discount rate used for this is 5.70%. An increase in this pre-tax discount rate by one percentage point would not have resulted in an impairment of goodwill in any of the three tests performed.

The following additional assumptions were made by the Group:

A. SUN-X-PV PORTFOLIO

On the one hand, the Group made assumptions when testing the goodwill of the Sun-X-PV portfolio (incl. Säritz Solar) for impairment concerning the profitability of the solar assets, in particular with regard to irradiation, performance ratio, feed-in tariffs and estimated electricity prices after the feed-in tariff period. On the other hand, assumptions were made with regard to costs recognised for the Sun X-PV Portfolio. The detailed planning phase is 20 years, which corresponds to the expected remaining life of the solar assets in the Sun-X-PV portfolio. There is no assumption of terminal value. The costs recognised are based on existing contracts and expected costs based on past experience.

B. OPERATIONAL MANAGEMENT BUSINESS

Assumptions regarding the income-generating capacity of the managed solar assets, in particular with respect to irradiation, performance ratio and feed-in tariffs. The detailed planning phase is 8 years, which corresponds to the expected remaining life of the operational management business. This in turn is derived from the expected remaining useful life of the managed solar assets. There is no assumption of terminal value. The costs recognised are based on existing contracts and expected costs based on past experience.

C. PROJECT RIGHTS

As of 31 December 2024, the Group recognised an impairment loss on the project rights of an 80 MWp solar project. The impairment test was carried out due to indications of a decline in the recoverable amount, mainly resulting from changes in market conditions, regulatory developments and project-specific factors that affect the expected future cash flows. The recoverable amount was determined using a value in use calculation based on a weighted average cost of capital (WACC) of 3.49%. As a result, an impairment loss of EUR 0.7 million was recognised. The Group will continue to monitor developments that could affect the measurement of this asset.

19. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

For accounting policies, please refer to Note 6.12, 6.14.

19.1. LIST OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

in thousands of euro	2024	2023
Viriflux BV	538	547
Infrastrukturgesellschaft Bischheim GmbH & Co. KG	8	8
Terra-Werk Clean Lerchenberg GmbH	4	-
Solarpark Zerre Infrastruktur GbR	-	-
Zweite Solarpark Nowgorod GmbH & Co. KG	-	-
Investments accounted for using the equity method	**548**	**554**

On 29 May 2024, the Group co-founded Terra-Werk Clean Lerchenberg GmbH, in which it has held a 20% shareholding since that date.

No further information is provided on the companies Infrastrukturgesellschaft Bischheim GmbH & Co. KG, Solarpark Zerre Infrastruktur GbR and Zweite Solarpark Nowgorod GmbH & Co. KG as they are insignificant for the Group.

19.2. ASSOCIATES

A. VIRIFLUX BV

in thousands of euro	2024	2023
Shareholding	**50%**	**50%**
Non-current assets	1,173	1,215
Current assets (incl. cash and cash equivalents – 2024: EUR 56 thousand/2023: EUR 163 thousand)	265	253
Non-current liabilities (incl. non-current financial liabilities excluding trade and other payables and provisions – 2024: EUR 360 thousand/2023: EUR 359 thousand)	-359	-359
Current liabilities (including current financial liabilities excluding trade and other payables and provisions – 2023: minus EUR 3 thousand/2022: minus EUR 6 thousand)	-2	-10
Net assets (100%)	**1,076**	**1,095**
Group’s share in net assets (50%)	538	548
Carrying amount of interest		
Revenue	51	157
Interest expenses	-12	-12
Profit and total comprehensive income (100%)	-19	515
Group’s share in total comprehensive income (50%)	**-11**	**257**

On 4 October 2021, the Group acquired 50% of the shares in Viriflux BV. Viriflux operates a rooftop solar asset in Lokeren with a capacity of 1,288.50 kWp that was connected to the grid on 14 September 2021.

20. OTHER FINANCIAL ASSETS

The other financial assets listed in this note are financial assets that are measured at fair value through profit or loss.

in thousands of euro	31.12.2024	31.12.2023
Cooperative shares	85	85
Shares and other holdings	1,256	1,431
Financial assets from interest rate swaps	260	161
Other financial assets	**1,601**	**1,677**

As in the previous year, the other financial assets consist of cooperative shares in banks that the Group holds in connection with its business relationships with these banks. Mainly, however, these financial assets consist of shares in investment companies that are managed by the Group. The cost of acquisition of other financial assets recognised as at the reporting date amounted to EUR 1,256 thousand (previous year: EUR 1,346 thousand). Finally, this item in the statement of financial position also includes financial assets from interest rate swaps (EUR 0.3 million), which the Group has concluded to mitigate its rate risk exposure. Information regarding the extent to which the Group is exposed to interest, currency and liquidity risks is presented under Note 26.

21. CAPITAL AND RESERVES

For accounting policies, please refer to Note 6.13.

For changes in capital and reserves, please refer to the statement of changes in equity.

21.1. SHARE CAPITAL AND SHARE PREMIUM

A. ISSUE OF ORDINARY SHARES

181,050 new no-par value bearer shares were issued against cash in the reporting period. These shares were issued at a share price of EUR 3.63 per share in return for 181,050 options granted in the scope of the option bond 2023/2028 that were exercised.

The Group held 449,176 treasury shares at the end of the reporting period.

B. CHANGE IN THE NUMBER OF SHARES OUTSTANDING

	Thousand shares
Shares outstanding at 1 January 2023	**79,848**
Issue of ordinary shares in 2023	3,005
Shares outstanding at 1 January 2024	**82,853**
of which treasury shares held by the Group	*449*
Issue of ordinary shares in 2024	181
Shares outstanding at 31 December 2024	**83,034**
of which treasury shares held by the Group	*1,667*

C. CONDITIONAL CAPITAL 2022

The Annual General Meeting on 21 July 2022 passed a resolution to conditionally increase the share capital by up to EUR 38,181,236.00 by issuing up to 38,181,236 new no-par value bearer shares with dividend rights for which no resolution on the appropriation of profits has yet been passed from the start of the last financial year (Conditional Capital 2022). After partial utilisation through the issue of 3,458,400 options in connection with the option bond issued on 23 May 2023 (see note 12), Conditional Capital 2022 still amounted to EUR 34,722,836.00 in the reporting year.

D. AUTHORISED CAPITAL 2023

The Annual General Meeting on 12 June 2023 authorised the Management Board to increase the Company's share capital by up to EUR 41,423,991.00 with the consent of the Supervisory Board by issuing new no-par value bearer shares against cash and/or contribution in kind on one or several occasions until 28 June 2028 (Authorised Capital 2023) with the authorisation to exclude the shareholders' subscription rights. The resolution was entered into the commercial register on 21 June 2023.

21.2. NATURE AND PURPOSE OF RESERVES

A. SHARE PREMIUM

in thousands of euro	2024	2023
Balance at beginning of the year	103,356	94,655
Change in share premium account (see Note 21.1)	-	8,250
Exercised options of the option bond	476	14
Accrual due to the emission of the option bond	-	622
Transaction costs recognised directly in equity	-1	-185
Balance at end of the year	**103,833**	**103,356**

The share premium of the Group does not correspond to the parent's capital reserve in the financial statements prepared in accordance with the German Commercial Code (HGB) as the Group's capital and reserves is, due to the reverse acquisition carried out in 2014, not determined on the basis of the parent's equity as reported in its financial statements in accordance with IFRSs.

The transaction costs amounting to EUR 1 thousand (previous year: EUR 185 thousand) were recognised directly in equity. No deferred tax liabilities were recognised with respect to these transaction costs.

B. RETAINED EARNINGS

in thousands of euro	2024	2023
Balance at beginning of the year	42,303	42,172
Transactions with non-controlling interests	-	-9
Profit for the period attributable to shareholders of 7C Solarparken AG	451	10,082
Dividends	-4,882	-9,942
Balance at end of the year	**37,871**	**42,303**

A dividend of EUR 0.06 per share (previous year: EUR 0.12 per share) was distributed to the shareholders of 7C Solarparken AG in the financial year. This corresponds to a total distribution of EUR 4,882 thousand (previous year: EUR 9,942 thousand).

The Management Board of 7C Solarparken AG has resolved not to propose a dividend distribution at the upcoming Annual General Meeting in 2025.

C. RESERVE FOR TREASURY SHARES

On 27 November 2023, the Management Board of 7C Solarparken resolved, with the approval of the Company's Supervisory Board, to carry out a buyback of up to 1,666,666 own shares via the stock exchange at a total purchase price (excluding incidental acquisition costs) of up to EUR 6.0 million. The share buyback is being carried out on the basis of the authorisation granted by the Company's Annual General Meeting on 17 July 2020.

At the end of the reporting period, the Company had bought back 1,666,667 shares at an average price of EUR 3.43 per share and had thus spent EUR 5,649 thousand on the buyback programme. A reserve for treasury shares was recognised in the corresponding amount.

in thousands of euro	
Reserve for treasury shares at 1 January 2023	**0**
Acquisition of treasury shares in 2023	-1,573
Reserve for treasury shares at 1 January 2024	**-1,573**
Acquisition of treasury shares in 2024	-4,076
Reserve for treasury shares at 31 December 2024	**-5,649**

D. TRANSLATION RESERVE

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as the effective portion of any foreign currency differences arising from hedges of a net investment in a foreign operation (see Note 6.3). The changes in this account are shown in the table below.

in thousands of euro	
Translation reserve at 1 January 2023	**10**
Other comprehensive income/expense from currency translation in 2023	-17
Translation reserve at 1 January 2024	**-7**
Other comprehensive income/expense from currency translation in 2024	-3
Translation reserve at 31 December 2024	**-10**

E. OTHER COMPREHENSIVE RESULT FROM HEDGING TRANSACTIONS

The hedging reserve comprises the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flows in other comprehensive income.

in thousands of euro	
Other comprehensive result from hedging transactions at 1 January 2023	**-638**
Changes in other comprehensive income due to changes in fair value of financial instruments designated as hedge accounting in 2023 incl. deferred tax	3,991
Other comprehensive result from hedging transactions at 1 January 2024	**3,353**
Changes in other comprehensive income due to changes in fair value of financial instruments designated as hedge accounting in 2024 incl. deferred tax	-2,706
Other comprehensive result from hedging transactions at 31 December 2024	**646**

The changes in other comprehensive income are due to changes in fair value of financial instruments designated as hedge accounting of minus EUR 2.7 million. They relate to the recognition of electricity price swap agreements entered into with large European utilities in the reporting period as well as the continuation of such an electricity price swap agreement from the previous year and to interest rate swaps that had already been in place in previous reporting periods.

This relates to other comprehensive income from new electricity price swap agreements for the next three financial years amounting to EUR 0.7 million (see Note 15). The positive other comprehensive income after tax from the effective portion of the interest rate swap that had already been in place in previous reporting periods, in turn, had an opposite effect of EUR 0.3 million.

Electricity price swap agreement from October 2023:

in thousands of euro	
Recognition of the electricity price swap agreement in October 2023 at fair value	**0**
Changes in the fair value of the electricity price swap agreement in financial year 2023	3,752
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2023 financial year	-
Fair value of the electricity price swap agreement from October 2023 to 31 December 2023	**3,752**
Changes in the fair value of the electricity price swap agreement in financial year 2024	-6,523
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2024 financial year	2,771
Fair value of the electricity price swap agreement from October 2023 to 31 December 2024	**0**

Electricity price swap agreement from November 2023:

in thousands of euro	
Recognition of the electricity price swap agreement in November 2023 at fair value	**0**
Changes in the fair value of the electricity price swap agreement in financial year 2023	646
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2023 financial year	-
Fair value of the electricity price swap agreement from November 2023 to 31 December 2023	**646**
Changes in the fair value of the electricity price swap agreement in financial year 2024	-1,147
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2024 financial year	946
Fair value of the electricity price swap agreement from November 2023 to 31 December 2024	**445**

Electricity price swap agreement from May 2024:

in thousands of euro	
Recognition of the electricity price swap agreement in May 2024 at fair value	**0**
Changes in the fair value of the electricity price swap agreement in financial year 2024	-235
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2024 financial year	193
Fair value of the electricity price swap agreement from May 2024 to 31 December 2024	**-42**

Electricity price swap agreement from May 2024:

in thousands of euro	
Recognition of the electricity price swap agreement in May 2024 at fair value	**0**
Changes in the fair value of the electricity price swap agreement in financial year 2024	-55
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2024 financial year	55
Fair value of the electricity price swap agreement from May 2024 to 31 December 2024	**-0**

Electricity price swap agreement from May 2024:

in thousands of euro	
Recognition of the electricity price swap agreement in May 2024 at fair value	**0**
Changes in the fair value of the electricity price swap agreement in financial year 2024	-66
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2024 financial year	-
Fair value of the electricity price swap agreement from May 2024 to 31 December 2024	**-66**

Electricity price swap agreement from October 2024:

in thousands of euro	
Recognition of the electricity price swap agreement in October 2024 at fair value	**0**
Changes in the fair value of the electricity price swap agreement in financial year 2024	-235
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2024 financial year	193
Fair value of the electricity price swap agreement from October 2024 to 31 December 2024	**-42**

Electricity price swap agreement from October 2024:

in thousands of euro	
Recognition of the electricity price swap agreement in October 2024 at fair value	**0**
Changes in the fair value of the electricity price swap agreement in financial year 2024	-1
Change in other comprehensive income due to reclassification to the statement of profit or loss in the 2024 financial year	-
Fair value of the electricity price swap agreement from October 2024 to 31 December 2024	**-1**

22. CAPITAL MANAGEMENT

See Notes 16 and 23 as well as the statement of changes in equity.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Management Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Group monitors capital and financial leverage using the adjusted net debt-to-equity ratio. The adjusted net debt includes interest-bearing loans and bonds as well as lease liabilities less cash and cash equivalents, current financial assets in fixed-term deposit accounts and lease liabilities related to right-of-use assets under lease or rental agreements for solar assets and wind farms. Adjusted equity comprises all components of equity with the exception of the hedging reserve.

The calculation of adjusted net debt and the equity ratio is as follows:

in thousands of euro	31.12.2024	31.12.2023
Current and non-current financial liabilities	204,491	210,085
Current and non-current lease liabilities	42,232	42,364
Financial assets from interest swaps measured at fair value through profit or loss	-260	-161
Less cash and cash equivalents*	-82,077	-62,282
Less current financial assets	-11,592	-18,273
Less current and non-current lease liabilities as per IFRS 16 in connection with right-of-use assets from rental agreements of solar assets and wind farms	-38,942	-38,416
Adjusted net debt	**113,852**	**133,317**
Capital and reserves without hedging reserve	**238,020**	**246,810**
Total assets	547,076	564,361
Equity ratio (in %)	**43.5**	**43.7**

** of which EUR 15,196 thousand ((previous year: EUR 12,103 thousand) with restricted right of disposal.*

23. FINANCIAL LIABILITIES

23.1. LOANS & BORROWINGS

in thousands of euro	31.12.2024	31.12.2023
Non-current liabilities		
Secured bank debts	141,593	144,397
Unsecured bonds	6,750	28,442
Non-current lease liabilities	38,895	39,095
Interest rate swaps for hedging	5	5
Total	**187,243**	**211,939**
Current liabilities		
Current portion of secured banks debts and accrued interest	34,039	36,693
Current portion of unsecured bonds and accrued interest	22,104	549
Current lease liabilities	3,337	3,269
Total	**59,480**	**40,510**

Information regarding the extent to which the Group is exposed to interest, currency and liquidity risks is presented under Note 26.

23.2. BANK DEBTS

Outstanding bank loans were all concluded in euros with the following terms and conditions:

in thousands of euro	Fixed until	Interest rate	Year of maturity	31 December 2024 Face value	31 December 2024 Carrying amount	31 December 2023 Face value	31 December 2023 Carrying amount
7C Solarparken NV	n.a.	EURIBOR3M +1.75%	2025-27	437	450	611	636
7C Solarparken AG	05.05.26	1.76%	2017–26	653	653	747	747
	31.07.27	1.51%	2017–31	764	679	764	764
	31.12.32	1.55%	2017–32	1,358	1,345	1,527	1,513
	31.12.32	2.10%	2017–32	229	296	336	333
	30.06.24	2.30%	2017–24	-	-	200	200
	30.12.26	1.68%	2019–36	4,602	4,571	5,529	5,496
	30.09.29	1.13%	2019–37	366	366	395	395
	n.a.	EURIBOR 3M +1.50%	2023–29	9,750	9,725	9,750	9,719
	n.a.	EURIBOR 3M +1.20%	2023–33	9,000	8,967	10,000	9,963
Tannhäuser Solar UG	30.12.34	1.90%	2017–34	373	373	411	411
Solardach Gutenberg GmbH & Co.	30.03.25	2.04%	2019–28	495	496	627	628
Sabrina Solar BV	16.08.29	1.69%	2017–29	257	257	312	312
Solar4Future Diest NV	31.12.26	5.70%	2017–26	957	957	1,361	1,412
Solarpark Green GmbH	30.06.25	4.75%	2017–25	62	62	252	252
Solarpark Heretsried GmbH	30.12.24	2.00%	2017–24	-	-	578	575
	30.12.25	2.13%	2017–25	730	728	1,460	1,451
	30.03.25	3.49%	2017–25	255	256	726	734
	30.03.25	2.16%	2017–29	1,854	1,854	2,225	2,225
Solarpark Longuich GmbH	30.12.25	2.13%	2017–25	760	757	1,520	1,511
Solarpark Oberhörbach GmbH	30.12.25	2.13%	2017–25	515	511	1,030	1,020
Solarpark Neudorf GmbH	n.a.	EURIBOR 3M +1.6%	2017–24	-	-	78	78
	31.05.28	1.35%	2020–27	171	171	220	220
	30.06.27	1.95%	2017–27	497	497	695	695
	30.03.25	3.99%	2019–26	156	159	246	253
SonnenSolarPark GmbH	31.03.24	2.00%	2017–25	-	-	127	127
Melkor UG	30.11.27	2.75%	2017–27	145	144	195	194
	31.01.27	3.07%	2017–28	99	99	148	148
	30.06.26	1.96%	2017–26	251	251	418	418
Solardach Wandersleben GmbH & Co. KG	31.03.26	2.59%	2017–26	315	315	566	570
	30.12.25	2.53%	2018–25	9	9	19	19
Solardach LLG GmbH	31.12.32	1.65%	2017–32	475	470	534	529
	30.12.34	2.10%	2017–34	657	650	723	715
	30.12.31	2.30%	2018–36	410	410	445	445
	30.12.28	1.80%	2019–37	299	299	322	322
Solardach Stieten GmbH & Co. KG	31.12.26	2.26%	2017–26	414	414	621	623
Solardach Steinburg GmbH	30.03.27	1.45%	2017–35	452	451	493	491
Solardach Neubukow GmbH & Co. KG	31.12.26	2.07%	2017–26	373	373	559	560
ProVireo Solarpark 3 Schönebeck GmbH & Co. KG	30.09.30	1.54%	2017–30	1,397	1,402	1,640	1,647
	30.09.30	1.99%	2017–30	198	202	233	237
Lohengrin Solar UG	31.12.34	2.10%	2017–34	477	472	525	520
	30.09.28	1.83%	2019–36	427	424	462	458
Sonnendach K19 GmbH & Co. KG	30.06.26	2.79%	2017–26	383	383	638	638
	30.06.26	1.74%	2017–26	126	126	211	211
Erste Solarpark Xanten GmbH & Co. KG	30.09.26	1.00%	2017–26	228	228	343	343
Erste Solarpark Wulfen GmbH & Co. KG	30.06.27	1.48	2017–27	176	176	247	247
	30.06.27	1.59%	2017–27	60	60	83	83
	n.a.	EURIBOR 3M +1.59%	2017–26	55	55	81	81
Säugling Solar GmbH & Co. KG	30.06.26	1.99%	2019–26	1,600	1,592	2,667	2,653
Solarpark Taurus GmbH & Co. KG	30.06.29	1.10%	2017–29	441	435	539	530
Solarpark Bitterfeld II GmbH & Co. KG	30.12.35	2.10%	2018–35	1,864	1,856	2,033	2,025
Sonnendach M55 GmbH & Co. KG	30.03.25	3.49%	2017–25	796	823	947	986
	31.12.29	1.95%	2018–29	822	814	987	977
Solarpark Carport Wolnzach GmbH & Co. KG	30.09.29	2.04%	2017–29	512	525	611	618
	31.12.29	2.50%	2017–29	437	427	523	509

Solarpark Gemini GmbH & Co. KG	n.a.	EURIBOR 3M +1.66%	2017–31	2,345	2,416	2,681	2,785
Sphinx Solar GmbH & Co. KG	31.07.25	2.40%	2017–25	38	38	76	76
Solarpark Pflugdorf GmbH & Co KG	31.03.28	1.00%	2017–24	-	-	196	195
	30.06.27	3.50%	2017–27	1,858	1,858	2,532	2,541
Solarpark Zschornewitz GmbH & Co. KG	30.06.28	1.90%	2019–37	1,053	1,040	1,141	1,127
Solarpark Pflugdorf GmbH & Co KG	30.06.30	1.15%	2020–38	3,993	3,976	4,289	4,271
Siebente Solarpark Zerre GmbH & Co. KG	30.06.26	3.40%	2017–26	309	309	515	515
	30.06.25	4.60%	2017–25	2	2	5	5
	30.01.29	2.35%	2017–29	188	186	234	231
	n.a.	0.00%	2017–31	235	197	244	200
Solarpark Zerre IV GmbH & Co. KG	30.06.26	1.05%	2017–26	209	209	348	348
	30.01.29	3.60%	2017–29	140	140	168	168
Vardar UG	31.08.25	2.37%	2017–25	187	187	220	220
Erste Solarpark Sandersdorf GmbH & Co. KG	31.03.30	3.60%	2017–30	2,530	2,410	3,011	2,845
Dritte Solarpark Glauchau GmbH & Co. KG	31.12.27	3.10%	2017–27	223	224	297	299
	31.12.27	3.18%	2017–27	625	627	833	838
Colexon 1. Solarprojektgesellschaft mbH & Co. KG	30.06.24	2.30%	2017–24	-	-	115	115
Pinta Solarparks GmbH & Co. KG	30.06.27	1.80%	2018–27	1,146	1,147	1,251	1,250
	30.12.29	1.40%	2020–37	371	371	400	400
Solarpark Meyenkrebs GmbH & Co. KG	31.12.28	4.50%	2018–28	164	173	200	213
	31.12.28	2.25%	2018–28	127	128	159	160
Solarpark Tangerhütte GmbH & Co. KG	30.03.35	2.65%	2018–35	2,289	2,369	2,512	2,608
	30.03.36	3.15%	2018–36	383	408	417	466
Solarpark Brandholz GmbH & Co. KG	31.12.27	1.85%	2019–34	853	844	938	928
Windpark Medard 2 GmbH & Co. KG	30.06.26	1.90%	2019–33	2,796	2,811	3,125	3,144
Windpark Stetten II GmbH & Co. KG	30.06.31	2.10%	2019–31	2,214	2,255	2,555	2,609
Renewagy 5. Solarprojektgesellschaft mbH & Co. KG	30.06.26	2.15%	2017–26	2,769	2,769	4,159	4,159
	30.12.25	1.79%	2017–25	1,727	1,710	3,453	3,419
	31.12.31	1.15%	2022–39	1,910	1,899	2,046	2,033
Renewagy 11.Solarprojektgesellschaft mbH & Co. KG	31.12.26	2.20%	2017–26	709	707	1,066	1,060
Renewagy 21.Solarprojektgesellschaft mbH	n.a.	EURIBOR 3M +1.3%	2017–23	1,083	1,051	2,167	2,168
	31.12.25	2.30%	2017–25	9	9	18	18
Renewagy 22.Solarprojektgesellschaft mbH	31.12.25	2.50%	2017–25	564	557	1,127	1,114
	30.09.26	1.35%	2017–34	401	401	443	443
Tristan Solar GmbH & Co. KG	30.12.29	2.16%	2018–29	1,679	1,679	1,934	1,934
Amatec PV 20 GmbH & Co. KG	30.03.28	1.82%	2019–35	353	351	383	380
	31.12.28	1.78%	2019–36	576	574	624	622
	30.03.28	1.82%	2018–36	383	381	415	412
	31.12.28	1.78%	2019–36	280	287	312	311
	30.06.28	1.82%	2018–36	353	349	383	379
	31.12.28	1.78%	2019–36	288	287	312	311
	30.06.28	2.45%	2018–37	441	441	476	476
Solarpark Bernsdorf GmbH & Co. KG	31.07.28	1.95%	2018–36	482	482	519	519
Solardach Derching GmbH & Co. KG	23.02.28	2.13%	2018–29	902	904	1,108	1,112
Amatec PV 31 GmbH & Co. KG	30.09.44	3.65%	2024-44	6,000	6,000	-	-
Amatec PV 32 GmbH & Co. KG	30.06.34	3.98%	2024-42	2,972	2,964	-	-
Amatec PV 37 GmbH & Co. KG	n.a.	EURIBOR 3M +1.87%	2019–24	-	-	123	124
Amatec PV Chemnitz GmbH & Co.	28.02.25	2.15%	2018–33	1,369	1,380	1,510	1,524
Solarpark Rötz GmbH & Co. KG	30.10.27	1.25%	2020–27	238	238	285	286
	30.12.27	1.40%	2020–27	240	245	287	292
	30.12.27	1.03%	2020–27	300	299	345	343
	30.06.34	3.90%	2024-47	3,050	3,050	-	-
Trüstedt I Solar GmbH & Co. KG	28.02.25	2.80%	2018–31	562	576	653	673
	30.06.26	1.40%	2018–34	96	94	107	104
	28.02.25	2.80%	2018–31	272	279	316	326
	28.02.25	2.80%	2018–31	522	535	606	624
	30.06.26	1.40%	2018–34	96	94	107	104
	28.02.25	2.80%	2018–31	527	541	613	631
	30.06.26	1.40%	2018–34	96	94	107	104
	30.09.26	2.00%	2018–31	115	115	131	131
	30.03.24	2.75%	2018–30	-	-	303	311
	30.09.26	2.00%	2018–31	23	23	26	26
	28.02.25	2.80%	2018–31	275	282	320	329
	30.03.25	2.80%	2018–31	497	510	576	594

	30.03.25	2.80%	2018–31	489	501	567	584
	31.12.27	3.70%	2017–27	656	656	875	875
Erste Solarpark Nowgorod GmbH & Co. KG	30.06.30	1.15%	2020–37	357	357	386	386
Solarpark Draisdorf-Eggenbach	30.12.31	1.01%	2022–41	8,160	8,140	8,640	8,619
	30.12.31	0.86%	2022–31	1,007	1,007	1,146	1,146
PV Görike GmbH & Co. KG	30.06.28	2.25%	2019–37	2,135	2,227	2,306	2,412
Solarpark Gorgast GmbH & Co. KG	30.12.29	1.40%	2020–38	196	194	209	207
	30.12.29	1.40%	2020–38	190	188	204	202
PV Gumtow GmbH & Co. KG	30.09.29	1.03%	2020–39	2,081	2,081	2,222	2,222
	30.09.29	1.03%	2020–39	404	404	431	431
Photovoltaik-Park Dessau-Süd GmbH & Co. KG	30.03.30	3.25%	2021–33	820	896	920	1,015
Solarpark Wölbattendorf GmbH & Co. KG	30.03.45	EURIBOR 3M	2024-45	3,714	3,696	-	-
Solarpark Schwerin GmbH & Co. KG	31.12.33	2.23%	2015-–33	3,600	3,472	4,000	3,844
7C Groeni BV	31.07.29	2.86%	2021–29	151	158	184	194
	31.01.30	2.91%	2021–30	94	99	113	119
	31.12.29	2.81%	2021–29	286	299	343	362
	31.12.27	2.23%	2021–27	146	149	192	198
Solar Park Blankenberg GmbH & Co. KG	05.01.26	4.60%	2019–28	114	119	149	158
	31.03.28	3.25%	2019–28	371	367	485	479
Solarpark Glasewitz GmbH & Co. KG	30.07.25	3.25%	2019–28	653	682	827	873
BBS Solarpark Alpha GmbH & Co. KG	n.a.	EURIBOR 3M +1.15%	n.a.	440	442	587	591
Solarpark WO GmbH & Co. KG	30.06.29	1.40%	2020–37	379	376	408	405
PWA Solarparks GmbH & Co. KG	30.12.26	1.18%	2021–37	957	954	1,034	1,030
REG PVA zwei GmbH & Co. KG	01.07.31	2.10%	2020–35	1,259	1,279	1,351	1,399
	01.09.34	2.10%	2020–37	151	157	163	170
	01.04.33	1.99%	2020–35	486	499	531	546
	01.09.34	2.10%	2020–37	267	276	288	299
	01.09.34	2.10%	2020–37	378	391	408	424
MES Solar XX GmbH & Co. KG	31.03.31	0.99%	2022–32	3,729	3,716	3,843	3,831
Renewagy 5. Solarprojektgesellschaft mbH & Co. KG	30.08.31	1.03%	2021–38	5,371	5,360	5,745	5,733
Renewagy 5. Solarprojektgesellschaft mbH & Co. KG	30.03.31	1.14%	2021–39	2,386	2,376	2,551	2,540
Solarpark Floating GmbH & Co. KG	30.12.39	1.50%	2020–39	262	261	262	261
	30.06.30	1.10%	2020–30	147	145	173	170
FPM Solar Epsilon GmbH & Co. KG	31.03.32	1.31%	2025	15,624	3,156	-	-
Solardach Walternienburg GmbH & Co. KG	n.a.	EURIBOR 3M +1.15%	2013–29	316	311	379	372
Energiepark SP Theilenhofen GmbH & Co. KG	30.12.38	1.20%	2021–44	666	677	666	678
	n.a.	EURIBOR 3M +1.34%	2021–41	4,548	4,695	4,824	4,990
Solarpark am Schaugraben GmbH & Co. KG	30.12.38	1.21%	2021–29	1,418	1,424	1,520	1,527
Solarpark Zerre IV GmbH & Co. KG	30.09.38	1.33%	2021–39	3,111	3,159	3,278	3,332
Erste Solarpark Sandersdorf GmbH & Co. KG	30.09.35	1.42%	2021–35	1,496	1,481	1,592	1,622
	30.09.39	1.16%	2021–39	541	543	577	580
Solarpark Höttingen GmbH & Co. KG	30.12.40	1.34%	2021-40	3,736	3,835	3,970	4,081
	n.a.	1.20% until 30 June 2030 then EURIBOR 3M + 0.95%	2021–43	663	692	663	693
Solarpark Kohlberg GmbH & Co. KG	30.11.34	3.50%	2024-37	1,953	1,953	-	-
Solarpark Reuth-Premenreuth GmbH & Co. KG	30.06.34	3.90%	2024-44	2,560	2,560	-	-
Photovoltaikkraftwerk Brodswinden GmbH & Co. KG	30.09.30	2.15%	2023–30	1,377	1,433	1,616	1,693
HCI Solarpark Neuhaus-Stetten GmbH & Co. KG	30.09.25	1.25%	2020–25	245	245	490	491
HCI Solarpark Oberostendorf GmbH & Co. KG	30.03.25	3.85%	2020–27	1,059	1,103	1,445	1,524
HCI Solarpark Dettenhofen GmbH & Co. KG	30.03.25	3.85%	2020–27	1,504	1,572	2,005	2,123
Current account	n.a.	n.a.		83	83	59	59
Total				**187,218**	**175,352**	**179,984**	**180,888**

The bank debts are secured by the solar assets, wind farms as well as land and buildings (see Note 17) and also by current and future trade receivables from the sale of electricity or incoming rental payments (see Note 15) as is customary in the industry. In addition, the Company pledged sight deposits with a carrying amount of EUR 14,585 thousand (previous year: EUR 11,466 thousand) (see Note 16) as security for certain bank debts. This refers to the accounts reserved for debt servicing and mortgage savings accounts that can be accessed in connection with regular debt servicing payments.

At the reporting date, accrued interest of the above-stated bank debts amounted to EUR 122 thousand (previous year: EUR 40 thousand), recognised under the current portion of secured bank debts and accrued interest.

On 31 December 2024, two bank loans in connection with solar assets amounting to EUR 0.7 million had not been fully disbursed.

The Group fulfilled all obligations under covenants for bank liabilities as at the reporting date.

23.3. LEASE LIABILITIES

The outstanding lease liabilities are subject to the following terms as at the reporting date:

Lease liabilities related to				31.12.2024		31.12.2023	
in thousands of euro	**Currency**	**Interest rate***	**Year of maturity**	**Face value**	**Carrying amount**	**Face value**	**Carrying amount**
Land	EUR	2.0%	2032	10	9	10	8
Solar assets Belgium	EUR		2029–2031	3,297	3,153	3,933	3,910
Rental agreements related to solar assets	EUR	2.1%	2020–2052	46,797	37,598	45,235	37,005
Rental agreements related to wind farms	EUR	1.6%	2020–2043	1,067	1,290	1,561	1,346
Rental agreements related to other assets	EUR	2.2%	2020–2027	71	68	98	94
Total				**51,242**	**42,232**	**50,837**	**42,364**

** This refers to the incremental borrowing rate.*

In financial year 2024, new lease contracts related to solar assets were concluded, leading to an increase in lease liabilities of EUR 1.6 million (previous year: EUR 1.7 million). Lease liabilities increased by EUR 0.8m (previous year EUR 0.7 million). Repayments, in turn, reduced lease liabilities by EUR 3.4 million (previous year: EUR 3.0 million) in the reporting period.

The Group fulfilled all obligations under lease contracts as at the reporting date, and it did not have any conditional lease payment obligations in the current or in the previous reporting period.

The changes in lease liabilities were as follows:

in thousands of euro	31.12.2024	31.12.2023
Balance at beginning of reporting period	**42,364**	**39,057**
Changes in group of consolidated companies	788	5,566
New leases	1,684	1,708
Acquired leases	-	-
Repayment of leases	-3,361	-3,602
Remeasurement of rental agreements related to wind farms	-	-
Remeasurement of rental agreements related to solar assets	-21	-568
Unwinding of discount on leases	778	699
Disposals	-	-496
Balance at end of reporting period	**42,232**	**42,364**

23.4. UNSECURED BONDS

The Group recognises an option bond established in financial year 2023, several promissory note loans as well as some crowdfunding loans that are shown as unsecured bonds in the statement of financial position.

A. Option bond 2023

On 30 May 2023, 7C Solarparken AG placed an option bond with its shareholders.

in thousands of euro

Option bond 2023	Nominal interest rate	Year of maturity	2024 Face value	2024 Carrying amount	2023 Face value	2023 Carrying amount
Option bond 2023	2.50%	2023–28	6,917	6,326	6,917	6,295
Total			**6,917**	**6,326**	**6,917**	**6,295**

The option bond was issued at a fixed interest rate of 2.5% with a final maturity date of 30 May 2028 and a total volume of EUR 6,916,800.

B. Promissory Note 2018

In February 2018, 7C Solarparken AG issued its first promissory note loan with a face value of EUR 25 million at an average, mostly fixed interest rate of about 2.78% on the capital market. The promissory note loan is divided into three tranches with terms of five or seven years.

in thousands of euro

Promissory Note 2018	Nominal interest rate	Year of maturity	2024 Face value	2024 Carrying amount	2023 Face value	2023 Carrying amount
Tranche C	3.29%	2025	10,000	9,980	10,000	9,939
Total			**10,000**	**9,980**	**10,000**	**9,939**

The Promissory Note 2018 was repaid on 28 February 2025 and is thus shown in current financial liabilities.

C. Promissory Note 2020

In March 2020, 7C Solarparken AG issued another promissory note loan with a face value of EUR 11.5 million at a fixed interest rate of about 1.80% on the capital market. The promissory note loan has a term of five years.

in thousands of euro

Promissory Note 2020	Nominal interest rate	Year of maturity	2024 Face value	2024 Carrying amount	2023 Face value	2023 Carrying amount
Tranche A	1.80%	2025	11,500	11,492	11,500	11,471
Total			**11,500**	**11,492**	**11,500**	**11,471**

The Promissory Note 2020 was repaid on 31 March 2025 and is thus shown in current financial liabilities.

D. Crowdfunding bonds

As a result of the acquisition of the subsidiary 7C Groeni BV in January 2021, project-related crowdfunding bonds subscribed by individual investors with a carrying amount of EUR 1.3 million were taken over. The project bonds were issued to finance 7C Groeni BV's own contribution of capital funds to its projects. The following table shows these bonds as at the reporting date:

in thousands of euro				2024		2023	
Project bonds	**Maturity**	**Nominal interest rate**	**Year of maturity**	**Face value**	**Carrying amount**	**Face value**	**Carrying amount**
Tranche A	Annual payments	4.50%–5.00%	31.12.2028	432	473	526	585
Tranche B	Annual payments	2.00%	30.11.2025	17	20	30	34
Tranche C	Annual payments	2.00%	31.12.2025	7	7	7	7
Tranche D	Due at maturity	2.00%	31.12.2025	58	58	58	58
Tranche E	Annual payments	1.75%	28.11.2031	50	50	50	50
Total				**564**	**608**	**671**	**734**

Interest expense for Promissory Note 2018, tranche B and C and for Promissory Note 2020 is payable once a year in February (Promissory Note 2018) and March (Promissory Note 2020), respectively. Interest expense for tranche A (Promissory Note 2018) is paid to the investors of the promissory note twice a year (in February and August). Interest expenses in relation to the promissory note loan of EUR 257 thousand were accrued as at the reporting date and reported in the current portion of secured bank loans and accrued interest. For the Promissory Note 2020, EUR 172 thousand were accrued.

As a result of the acquisition of the subsidiary 7C Groeni BV in January 2021, project-related bonds subscribed by individual investors with a carrying amount of EUR 1.3 million were taken over. The project bonds were issued to finance 7C Groeni BV's own contribution of capital funds to its projects. The following table shows these bonds as at the reporting date:

in thousands of euro				2024		2023	
Project bonds	**Maturity**	**Nominal interest rate**	**Year of maturity**	**Face value**	**Carrying amount**	**Face value**	**Carrying amount**
Tranche A	Annual payments	4.50%–5.00%	31.12.2028	526	585	617	699
Tranche B	Annual payments	2.00%	30.11.2025	30	34	47	51
Tranche C	Annual payments	2.00%	31.12.2025	7	7	11	11
Tranche D	Due at maturity	2.00%	31.12.2025	58	58	57	55
Tranche E	Annual payments	1.75%	28.11.2031	50	50	50	50
Total				**671**	**734**	**782**	**869**

The current portion of these bonds amounts to EUR 175 thousand as at 31 December 2024 (previous year: EUR 119 thousand).

24. TRADE AND OTHER PAYABLES

For accounting policies, please refer to Note 6.1, 6.6, 6.12 A.

in thousands of euro	**31.12.2024**	**31.12.2023**
Trade payables	4,962	4,459
Other non-current liabilities	105	45
Long-term and short-term government grants	934	753
Other current liabilities	3,343	2,146
Total	**9,344**	**7,405**

For the currency and liquidity risks of the Group arising from trade payables and other current liabilities please refer to Note 26.

Other current liabilities consist mainly of liabilities related to the acquisition of FPM Solar Epsilon GmbH & Co. KG (EUR 1,544 thousand) and contingent consideration from conditional purchase prices arising from changes in the group of consolidated companies in the previous year (EUR 452 thousand) and security deposits received (EUR 413 thousand). In addition, this item also includes personnel-related liabilities (EUR 127 thousand), VAT liabilities (EUR 137 thousand) and accrued deferred items (EUR 243 thousand).

Trade payables remained stable at approximately EUR 4.5 million. These liabilities consist mainly of unpaid invoices to general contractors for solar assets in Germany and Belgium that are still under construction and outstanding operating and maintenance invoices.

The Group was awarded several investment grants in the Belgian tender procedure, which have not yet been paid out at the reporting date but which the Group is confident to receive. Government grants are accounted for based on the accounting policies stated under Note 6.7. At the end of the year, the Group recognised such investment grants of EUR 934 thousand in its statement of financial position (previous year: EUR 753 thousand).

25. NON-CURRENT PROVISIONS

For accounting policies, please refer to Note 6.15.

2024

	Site deconstruction	Warranties	Project business	Individual risks	Own real estate and leases	Other	Total
Balance at 1 January 2024	**22,771**	**869**	**570**	**677**	**1,828**	**143**	**26,857**
New provisions	1,015			3			1,018
Increase of provisions		2	66				67
Use of provisions		-45		-6	-86	-77	-214
Reversal of provisions		-249	-192				-441
Winding/unwinding of discounts	928	5					932
Balance at 31 December 2024	**24,711**	**581**	**444**	**674**	**1,742**	**66**	**28,217**

2023

	Site deconstruction	Warranties	Project business	Individual risks	Own real estate and leases	Other	Total
Balance at 1 January 2023	**19,877**	**1,157**	**0**	**1,015**	**1,855**	**62**	**23,966**
Additions through business combinations	1,597						1,597
New provisions	859		570			81	1,507
Increase of provisions		226					226
Use of provisions		-283		-140	-24		-448
Reversal of provisions	-427	-241		-198	-4		-868
Winding/unwinding of discounts	867	11					878
Balance at 31 December 2023	**22,771**	**869**	**570**	**677**	**1,828**	**143**	**26,857**

A. SITE DECONSTRUCTION OBLIGATIONS

The site deconstruction obligations refer to costs that will be incurred when a solar asset or wind farm is decommissioned, i.e. after 10 to 30 years when the asset is deconstructed. The Group estimates the site deconstruction costs based on an assumed price per kWp for deconstruction that is derived from market prices, taking into account the unwinding of discount at an estimated inflation rate until the time of deconstruction. This amount is recognised at its discounted value, and unwinding of discount is added every year.

B. WARRANTIES

The provisions for warranties refer mainly to assets built by COLEXON in the past that are subject to warranty risks. The risks regarding the likelihood and amount of warranty claims were assessed in the scope of the purchase price allocation and have been continually reviewed since initial recognition. Proceedings for the preservation of evidence or legal disputes have been initiated for all provisions recognised.

Warranty provisions relate to legal disputes, most of which are appeals and some proceedings in the first instance. These warranties will in all likelihood be called or the decisions of the first or second instance passed in one to two years' time. The estimates regarding the amount and extent of potential claims are based on many years of experience with former clients of COLEXON, but are subject to a certain degree of uncertainty. The extent and likelihood of these warranties being called is assessed to be very high, although the outcome of the proceedings is extremely hard to predict as at the reporting date. As a matter of course, there is considerable uncertainty regarding the extent of potential claims, as this depends on the outcome of the proceedings. The outflow of funds could thus be significantly lower or higher than estimated.

C. INDIVIDUAL RISKS

The individual risks refer to assumed contingent liabilities (that were recognised in the scope of purchase price allocation in accordance with IFRS 3 and are carried forward).

Individual risks exist mainly in connection with buy-back obligations relating to individual assets built by COLEXON. The buy-back obligations will potentially come into effect in five years' time at the earliest.

D. OWN REAL ESTATE AND LEASES

In the scope of a business acquisition in accordance with IFRS 3 in 2017, the Group assumed the obligation under a lease to maintain the roofs on which the Group operates its own rooftop solar assets. The Group established in the current financial year that there had been repair backlogs before the acquisition in connection with the maintenance of these roofs. The contracting party further requested in the current financial year that the Group should carry out the required repair work. The Group is currently negotiating with this contracting party whether and during which period and to what extent the maintenance measures to be further specified shall be carried out. Nevertheless, the Group assesses the outflow of funds to be probable and therefore set aside a corresponding provision. As a matter of course, there is considerable uncertainty regarding the extent of related cost, as this depends on the outcome of the negotiations with the other contracting party. The outflow of funds could thus be lower or higher than estimated.

The Group owns a piece of land, which was found in the reporting period to be contaminated. The obligation to remove contamination is legally incumbent on the landowner, which is why the Group considers an outflow of funds to be probable. For this purpose, the Group has formed a provision in the reporting period. There is considerable uncertainty regarding the extent of the contamination, the costs of removal and the timeframe in which the contamination must be removed, so that the utilisation of the provision is fraught with a high degree of uncertainty. The outflow of funds could thus be lower or higher than estimated.

E. PROVISIONS IN CONNECTION WITH PROJECT BUSINESS

The Group currently operates a solar asset which is highly likely to be dismantled from its existing location for safety reasons and must be rebuilt at a new location. To cover this eventuality, a risk provision of EUR 0.2 million was recognised.

The Group has also recognised provisions of EUR 0.4 million for amounts that may have to be paid if documents in connection with solar assets relating to the past, in this case often the pre-acquisition period, cannot be submitted in full or within a reasonable period of time after being requested to do so.

26. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

26.1. CATEGORISATION AND FAIR VALUES

The following table shows the carrying amounts and fair values of financial assets and liabilities, including the corresponding levels in the fair value hierarchy. It does not contain any information on the fair value of financial assets not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2024

		Carrying amount			
in thousands of euro	*Note*	Fair value hedging instruments	Mandatory at FVTPL – Other	Financial assets at amortised cost (AC)	Total
Financial assets measured at fair value					
Equity investments	*20*		1,341		1,341
Electricity price swap agreement		615			615
Interest rate swaps for hedging	*20*	260			260
Total		**875**	**1,341**		**2,156**
Financial assets not measured at fair value					
Trade and other receivables	*15*			4,588	4,588
Current financial assets	*16*			10,693	10,693
Cash and cash equivalents on hand	*16*			67,779	67,779
Restricted cash and cash equivalents	*16*			15,196	15,196
Other current assets	*15*			3,206	3,206
Total				**101,462**	**101,462**

31 December 2024

in thousands of euro	Fair value Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Equity investments	1,341			**1,341**
Electricity price swap agreement			615	**615**
Interest rate swaps for hedging		260		**260**
Total	**1,341**	**260**	**615**	**2,216**
Financial assets not measured at fair value				
Trade and other receivables				
Current financial assets				
Cash and cash equivalents on hand				
Bank accounts with restricted right of disposal				
Other non-current assets				
Other current assets				
Total				

31 December 2024

in thousands of euro	*Note*	Carrying amount Fair value hedging instruments	Mandatory at FVTPL – Other	Other financial liabilities	Total
Financial liabilities measured at fair value					
Interest rate swaps for hedging	*23, 26.3*		-5		**-5**
Electricity price swap agreement	*26.E.3*	-214			**-214**
Total		**-214**	**-5**		**-219**
Financial liabilities not measured at fair value					
Bank debts	*23*			-175,633	**-175,633**
Unsecured bonds	*23*			-28,854	**-28,854**
Option bond	*23,4*			-6,569	**-6,569**
Lease liabilities	*23*			-42,232	**-42,232**
Trade payables	*24*			-4,962	**-4,962**
Other current liabilities	*24*			-3,343	**-3,343**
Total				**-261,225**	**-261,225**

31 December 2024

in thousands of euro	Fair value			
	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value				
Interest rate swaps for hedging		-5		**-5**
Electricity price swap agreement			-214	**-214**
Total		**-5**	-214	**-219**
Financial liabilities not measured at fair value				
Bank debts			-148,067	**-148,067**
Unsecured bonds			-21,851	**-21,851**
Option bond			-6,569	**-6,569**
Lease liabilities			-39,679	**-39,679**
Trade payables				
Other current liabilities				
Total			**-216,167**	**-216,167**

31 December 2023

in thousands of euro	Note	Carrying amount Fair value hedging instruments	Mandatory at FVTPL – Other	Financial assets at amortised cost (AC)	Total
Financial assets measured at fair value					
Equity investments	*20*		1,516		1,516
Electricity price swap agreement		4,398			4,398
Interest rate swaps for hedging	*20*	161			161
Total		**4,559**	**1,516**		**6,075**
Financial assets not measured at fair value					
Trade and other receivables	*15*			4,955	4,955
Current financial assets	*16*			18,273	18,273
Cash and cash equivalents on hand	*16*			50,179	50,179
Restricted cash and cash equivalents	*16*			12,103	12,103
Other current assets	*15*			9,886	9,886
Total				**95,396**	**95,396**

The notes on pages 96 to 205 are an integral part of these consolidated financial statements.

31 December 2023

in thousands of euro	Fair value Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Equity investments	1,516			**1,516**
Electricity price swap agreement			4,398	**4,398**
Interest rate swaps for hedging		161		**161**
Total	**1,516**	**161**	**4,398**	**6,075**
Financial assets not measured at fair value				
Trade and other receivables				
Current financial assets				
Cash and cash equivalents on hand				
Bank accounts with restricted right of disposal				
Other non-current assets				
Other current assets				
Total				

31 December 2023

		Carrying amount			
in thousands of euro	*Note*	Fair value hedging instruments	Mandatory at FVTPL – Other	Other financial liabilities	**Total**
Financial liabilities measured at fair value					
Interest rate swaps for hedging	*23, 26.3*		-5		**-5**
Electricity price swap agreement	*26.E.3*				
Total			**-5**		**-5**
Financial liabilities not measured at fair value					
Bank debts	*23*			-181,090	**-181,090**
Unsecured bonds	*23*			-22,680	**-22,680**
Option bond	*23,4*			-6,311	**-6,311**
Lease liabilities	*23*			-42,364	**-42,364**
Trade payables	*24*			-4,459	**-4,459**
Other current liabilities	*24*			-2,146	**-2,146**
Total				**-259,049**	**-259,049**

31 December 2023

in thousands of euro	Fair value			
	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value				
Interest rate swaps for hedging		-5		**-5**
Electricity price swap agreement				
Total		**-5**		**-5**
Financial liabilities not measured at fair value				
Bank debts			-156,441	**-156,441**
Unsecured bonds			-21,461	**-21,461**
Option bond			-6,311	**-6,311**
Lease liabilities			-39,221	**-39,221**
Trade payables				
Other current liabilities				
Total			**-223,434**	**-223,434**

26.2. MEASUREMENT OF FAIR VALUES

VALUATION TECHNIQUES AND SIGNIFICANT UNOBSERVABLE INPUTS

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values as well as the significant unobservable inputs used:

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Electricity price swap agreement**	DCF method: the difference between the forward electricity prices and the fixed price of the swap agreement are discounted to fair value using the expected production volumes for the solar assets included in the swap agreement.	Production volumes do not classify as input factors that can be observed by an external third party.	Production volumes are based on expected cash flows that have been calculated.
Interest rate swaps	Market comparison technique: The fair values are based on standardised calculations using the dollar-offset method of a reputable German financial institution using only input factors observable on the market.	Not applicable	Not applicable

FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

Type	Valuation technique	Significant unobservable inputs
Other financial liabilities *	Discounted cash flows in a DCF model using market interest rates and the term of the loan	Not applicable
Option bond	Discounted cash flows in a DCF model using market interest rates and the term of the loan	Not applicable
Lease liabilities	Discounted cash flows from leases in a DCF model using market-oriented incremental borrowing rates	Not applicable

* *Other financial liabilities include secured and unsecured bank loans and unsecured bonds.*

*** Equity component and derivative match as at the reporting date, as the underlying contracts will only affect cash flow from 1 January 2025.*

26.3. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see B);
- liquidity risk (see C);
- market risk (see D);
- electricity price risk (see E).

A. RISK MANAGEMENT FRAMEWORK

The Company's Management Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Management Board has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Management Board on its activities. The risk management framework can be transferred to financial risks as further explained in the risk report included in the combined management report, see page 68.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Supervisory Board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

B. CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables and debt investments in the form of loans granted by the Group to third parties. The receivables of the solar assets are essentially trade receivables from the sale of the generated kilowatt hours. The purchase of the electricity generated is based on contractual remuneration rates and legally regulated and ensured in all markets in which the Group is active. These receivables are exclusively current receivables that are usually settled within two months.

The carrying amounts of financial assets represent the maximum credit exposure.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Management Board also considers the factors that may influence the credit risk of its entire customer base, including the credit risk associated with the industry and country in which customers operate. Nevertheless, the Management Board has limited influence on the customer base, as customers are often legally obliged to purchase certain electricity volumes, or the Group is obliged to supply the electricity generated.

Most of the Group's customers are semi-public grid operators. To date, all receivables from these customers have been received in full, and therefore no credit losses are expected in the future either. In addition, a significant amount of electricity is sold via direct sellers to energy trading companies. These companies usually have a higher risk of default than semi-public grid operators. To monitor this type of credit risk, the Group pays particular attention to the timing of invoicing, which is usually determined by the customer, and to the timing of settlement of the invoice.

IMPAIRMENT LOSSES ON TRADE RECEIVABLES

For trade receivables, the Group applies the simplified expected loss impairment model in accordance with IFRS 9. This is based on expected credit losses (ECL).

The Group allocates the trade receivables from the sale of electricity to largely homogenous categories that have similar characteristics regarding the estimated risk of default. Here it is significant whether the Group's rights are based directly on legal provisions, whether the customer can pass on the receivables to be paid to the Group to its own customers (EEG levy) or whether the customer is a state-owned or semi-public enterprise.

The Group further differentiates whether security was furnished for the receivables and whether such security consists of a bank guarantee or a letter of comfort.

The Group assesses the risk of credit losses from other trade receivables not resulting from the sale of electricity on a case-by-case basis depending on the characteristics of the individual customer and any security that was provided.

The Group uses a special impairment account. As at 31 December 2024, impairment of trade receivables was recognised at a nominal amount of EUR 1,932 thousand (previous year: EUR 1,788 thousand).

The increase in impairment losses thus amounted to EUR 154 thousand in the reporting period (previous year: EUR 190 thousand), which is recognised in profit or loss in other operating expenses.

in thousands of euro	**2024**	**2023**
Impairment account at 1 January	**1,778**	**1,588**
Increase	163	413
Decrease	-9	-223
Impairment account at 31 December	**1,932**	**1,778**

Trade receivables are not subject to interest and have a maturity of 15–30 days due to the credit note process customary in this industry.

As at 31 December, the trade receivables have the following maturity structure:

in thousands of euro	Total	neither past due nor impaired	past due but not impaired < 30 days	30–60 days	60–90 days	>90 days
2024	4,588	4,193	143	8	25	219
2023	4,955	4,111	227	35	19	563

For the receivables > 90 days listed above, the Group carried out an individual credit assessment, which did not reveal any need for impairment.

IMPAIRMENT OF OTHER FINANCIAL ASSETS MEASURED AT AMORTISED COST

Other financial assets measured at amortised cost mainly relate to cash and cash equivalents, current financial assets as well as debt investments in the form of loans granted by the Group to third parties.

As explained in Note 6.14, the Group makes an individual assessment of the timing and amount of the impairment for these financial assets based on whether there is a reasonable expectation of recovery. The impairment account kept for these assets stood at EUR 5,642 thousand (previous year: EUR 626 thousand) at the end of the reporting year.

CURRENT FINANCIAL ASSETS

As at 31 December 2024, the Group had current financial assets of EUR 11,592 thousand (previous year: EUR 18,273 thousand). These are fixed-term deposit accounts with banks in the European Union with a term of more than three months at the time of investment. This amount therefore represents the maximum default risk with regard to these assets. The Group has not recognised any impairment losses on these financial assets. The Group assumes that current financial assets in the form of fixed-term deposit accounts have an insignificant default risk.

CASH AND CASH EQUIVALENTS

As at 31 December 2024, the Group held cash and cash equivalents of EUR 82,077 thousand (previous year: EUR 62,282 thousand). This amount therefore represents the maximum default risk with regard to these assets. The Group has not recognised any impairment losses on these financial assets. The Group assumes that its cash and cash equivalents have an insignificant default risk.

Cash and cash equivalents are held at various banks or financial institutions throughout Germany, but also to a limited extent in other countries such as Belgium.

COLLATERAL RECEIVED

The Group received collateral for the sale of electricity by traders on the electricity exchanges (see Notes 6.1 A, 6.4). This collateral is mostly provided in the form of guarantees. At the end of the reporting period, such collateral amounted to EUR 0.2 million (previous year : EUR 2.5 million).

C. LIQUIDITY RISK

Liquidity risk means the risk that the Group is not able to meet its financial obligations on time and when due. There are no liquidity risks resulting from financial liabilities, as the Group had cash and cash equivalents of EUR 82,077 thousand (previous year: EUR 62,282 thousand) as well as current financial assets (fixed-term deposit accounts in the amount of EUR 11,592 thousand (previous year: EUR 18,273 thousand)) at the reporting date. Moreover, the solar assets in operation are expected with a great degree of certainty to generate cash flows that will suffice to pay interest and redeem loans and to settle financial liabilities when they fall due. Responsibility for liquidity risk management ultimately lies with the Management Board who has established an appropriate concept for the management of short-, medium- and long-term funding and liquidity requirements. The Group manages liquidity risks by maintaining adequate reserves and by constantly monitoring the forecast and actual cash flows as well as matching the maturity profiles of financial assets and liabilities.

IFRS 7 continues to require a maturity analysis for both derivative and non-derivative financial liabilities. The following maturity analysis shows the extent to which the undiscounted cash flows related to the liabilities as at 31 December 2024 (31 December 2023) affect the future liquidity situation of the Group.

SIGNIFICANCE OF LIQUIDITY RISK

The following table shows the remaining contractual maturities of the financial liabilities as at the reporting date, including estimated interest payments. It states the undiscounted gross amounts including the estimated interest payments, but before any set-offs.

31 December 2024

	Carrying amount	Nominal amount	Contractual cash flow			
in thousands of euro			**Total**	**< 1 year**	**< 5 years**	**> 5 years**
Secured bank loans incl. interest rate swaps	175,392	174,594	190,358	34,414	82,178	73,766
Unsecured bonds	28,992	28,975	30,167	22,409	7,707	51
Lease liabilities related to rental agreements	41,261	50,383	60,830	3,914	16,012	40,905
Other lease liabilities	9	10	11	1	-	10
Total	**245,654**	**253,962**	**281,366**	**60,465**	**105,897**	**114,732**

31 December 2023

	Carrying amount	Nominal amount	Contractual cash flow			
in thousands of euro			**Total**	**< 1 year**	**< 5 years**	**> 5 years**
Secured bank loans incl. interest rate swaps	180,888	179,984	198,757	33,078	84,564	81,115
Unsecured bonds	29,095	29,087	31,018	854	22,950	7,214
Lease liabilities related to rental agreements	42,296	51,387	62,270	3,810	17,255	41,605
Other lease liabilities	8	10	11	1	-	10
Total	**252,287**	**260,468**	**292,056**	**37,743**	**124,769**	**129,944**

The gross inflows and outflows stated in the above table are the undiscounted cash flows of financial liabilities and lease liabilities from interest rate swaps that are held for risk management purposes and usually not settled before the end of their contractual term.

As disclosed under Note 23, most of the Group's bank loans contain covenants. If these covenants were to be violated in the future, a loan might have to be paid back earlier than disclosed in the above table. This is limited to project financing and is generally without recourse to other Group companies (non-recourse).

The interest payments for variable-rate loans and bonds in the above table that are covered by interest rate swaps were recognised at a fixed interest rate. They reflect the market conditions for forward interest rates at the end of the financial year. These amounts may change as market interest rates change.

D. MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of the financial instruments it holds. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group buys and sells derivatives or enters into financial liabilities to manage market risks. All such transactions are carried out within the guidelines set by the risk management committee. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss. At the end of the reporting period, no risk concentrations were identified for Group companies.

CURRENCY RISK

The Company was not exposed to any significant currency risks, as the Group has only one Danish subsidiary, which does not carry out any independent operating activities, but can be classified as a holding company. The Danish subsidiary has no financial liabilities, and the liquidity risk is limited to current assets, with the exception of cash and cash equivalents as these are denominated in euros. Moreover, the Danish subsidiary had no significant receivables from third parties for which the Group would have to bear the currency risk of the Danish krone against the euro.

INTEREST RATE RISK

The Group is mainly exposed to interest rate risk in connection with the financing of solar assets. Bank loans with variable interest rates, which are listed under Notes 20 and 23.2, result in an interest-related cash flow risk. As a general rule, these liabilities are hedged with interest rate swaps. The following table shows an overview of the interest rate swaps concluded by the Group:

in thousands of euro	Currency	Interest rate	Year of maturity	31.12.2024 Carrying amount	31.12.2023 Carrying amount
PWA Solarparks GmbH & Co. KG	EUR	2.00% vs. EURIBOR (3M)	2016–34	-	-
7C Solarparken NV	EUR	3.35% vs. EURIBOR (3M)	2017–27	5	5
Solarpark Höttingen GmbH & Co. KG	EUR	1.30% vs. EURIBOR (3M)	2021–43	-85	-77
Energiepark SP Theilenhofen GmbH & Co. KG	EUR	1.50% vs. EURIBOR (3M)	2021–44	-73	-66
Amatec PV 37 GmbH & Co. KG	EUR	1.87% vs. EURIBOR (3M)	2009–24	-	1
BBS Solarpark Alpha GmbH & Co. KG	EUR	2.74% vs. EURIBOR (3M)	2021–27	-4	-
Solardach Walternienburg GmbH & Co. KG	EUR	1.95% vs. EURIBOR (3M)	2021–29	2	-7
Solarpark Wölbatendorf GmbH & Co. KG	EUR	2.78% vs. EURIBOR (3M)	2024-34	-101	-
Total				**-256**	**-144**

With regard to the nominal amount of the bank loans hedged using interest rate swaps, please refer to Notes 20 and 23.2.

The reconciliation of interest rate swaps during financial year 2024 can be derived as follows:

in thousands of euro	Currency	Fair value 31 December 2024	Fair value 31 December 2023	Difference through profit or loss for the period	Difference in other comprehensive income
PWA Solarparks GmbH & Co. KG	EUR	**-**	-	-	-
7C Solarparken NV	EUR	**-5**	-5	-	-
Solarpark Höttingen GmbH & Co. KG	EUR	**85**	77	-	8
Energiepark SP Theilenhofen GmbH & Co. KG	EUR	**73**	66	-	7
Amatec PV 37 GmbH & Co. KG	EUR	**-**	-1	-	1
BBS Solarpark Alpha GmbH & Co. KG	EUR	**4**	-	-	4
Solardach Walternienburg GmbH & Co. KG	EUR	**-2**	7	-	-9
Solarpark Wölbatendorf GmbH & Co. KG	EUR	**101**	-	-	101
Total		**256**	**144**	**-**	**112**

As at the reporting date, there were no bank loans with variable interest rates not hedged by interest rate swaps. 7C Solarparken NV (as legal successor of Swan Energy NV) has taken out a loan of EUR 450 thousand (previous year: EUR 636 thousand) with a variable interest rate, for which a pro rata interest rate swap of 75% of the loan volume was concluded. Consequently, there is an interest rate risk for the remaining loan amount of EUR 113 thousand (previous year: EUR 159 thousand).

The following table shows the effects of an assumed interest rate change of +/-100 basis points for a term of one year for variable-rate bank financing that is not hedged by interest rate swaps.

in thousands of euro	**31.12.2024**		**31.12.2023**	
Interest rate level	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Bank financing with variable interest rates	239	-239	220	-220
Effects on earnings of non-effective derivative financial instruments	6	-6	8	-8
Total	**245**	**-245**	**228**	**-228**

In order to hedge interest rate risk, 7C Solarparken has entered into interest rate swaps. Pursuant to IFRS 7, interest rate risks are disclosed in sensitivity analyses. These analyses show the effects of changes in market interest rates on interest payments, interest income and expenses, other components of profit or loss and, where applicable, equity. The interest rate sensitivity analyses are based on the following underlying assumptions.

Changes in the market interest rate of non-derivative financial instruments with fixed interest rates only affect the profit or loss if these are measured at fair value. The fixed-interest financial instruments measured at amortised cost are not subject to interest rate risks within the meaning of IFRS 7.

Changes in the market interest rates of financial instruments designated as hedging instruments (interest rate swaps) for cash flows to hedge interest-related payment fluctuations affect the hedging reserve in equity and are therefore taken into account in the equity-related sensitivity analyses.

The following table shows the effect of assumed changes in interest rate of +/-100 basis points ceteris paribus for the effective portion of derivative financial instruments on equity:

in thousands of euro	**31.12.2024**		**31.12.2023**	
Interest rate level	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Changes in equity from effective derivative financial instruments	320	43	297	-39

The effectiveness tests carried out at 31 December 2024 indicated an effectiveness in the range of 98% to 100% for all hedging relationships, which is within a range of 80% to 120%.

E. ELECTRICITY PRICE RISK

As a general rule, the Group receives income from the sale of electricity in Germany based on the feed-in tariffs for electricity from renewable energy sources in accordance with the German Renewable Energy Sources Act (EEG). Since 2012, the German government has been trying to integrate solar assets into the market by means of direct seller agreements (Direktvermarktung). Operators with assets commissioned before 2016 have the option of also offering their electricity on the European Energy Exchange (EEX), whereas operators of assets commissioned after 2016 are under an obligation to offer their electricity on the EEX.

In addition to the current EEX price, operators who sell electricity directly also receive a market premium amounting to the difference between the legally or contractually agreed feed-in tariff and the current price on the EEX plus EUR 4/MWh for those who participate voluntarily. Under the current law, the market premium cannot be negative, meaning that with higher electricity prices, particularly for assets that have a lower feed-in tariff than the electricity price, there is potential to generate additional revenue, while the feed-in tariff is the minimum. This results in high volatility, particularly for assets with a low feed-in tariff.

Nevertheless, renewable energy assets that have been commissioned after 1 January 2016 are also exposed to a greater downside price risk. Different statutory regulations apply to them depending on which date a renewable energy plant was commissioned under the German Renewable Energy Act (EEG). Section 24 of the EEG 2014 introduced the so-called six-hour rule for these plants. In contrast, Section 51 (1) EEG 2021 imposed a four-hour rule. The EEG 2023 introduced a prospective reduction of this time threshold to one hour for those commissioned from 2027 onwards (Section 51 EEG 2023). Solar assets commissioned on or after 25 February 2025 will be subject to the Solar Peak Load Act 2025, which stipulates a one-hour rule from the date of commissioning. By applying these different rules, the market premium (or the compensation payment under Redispatch 2.0) is reduced to zero if the electricity price is negative for at least six, four, or prospectively as little as one consecutive hour(s). This means that on days when the electricity price is negative for a longer period of time, the subsidies for the assets are reduced and the Group loses revenue.

The Group manages electricity price risk on the German market partly by concluding electricity price swap agreements and also by actively controlling production volumes by switching individual solar assets on or off. In the financial year under review, the Group also entered into an electricity price option contract for the first time. These agreements are explained in more detail below.

In Belgium, the Group generally generates income from the sale of green electricity certificates, but also from electricity generation by selling electricity produced to on-site building users at contractually agreed prices, as well as by feeding surplus electricity into the public grid. This feed-in is remunerated at prevailing electricity prices. The sale of surplus electricity is usually conducted via the Day-Ahead market, one day prior to the actual feed-in. The Group must therefore estimate the expected feed-in volumes for the following day. These volumes depend not only on the production output of the solar asset, but also on the building users' on-site consumption. If the feed-in volume sold on the Day-Ahead market deviates from the actual volumes fed into the grid, the Group must balance the shortfall or surplus via the imbalance market. If electricity prices on the imbalance market are positive, a lower-than-estimated feed-in results in an expense. Conversely, if prices are negative, it would lead to income.

The Group manages electricity price risk in the Belgian market partly by actively controlling the production volumes of its Belgian solar assets, including by switching individual solar assets on or off. In addition, the Group occasionally enters into electricity price swap agreements. Further details are provided below.

The Group occasionally concludes electricity price swap agreements to hedge the electricity price risk; the purpose of these agreements is to fix an electricity price above the feed-in tariff. The conditions of the electricity price swap agreements, which pertain solely to previous reporting periods, are set out in the table below.

	Electricity price swap agreement from April 2022
Contractual partner	European utility*
Output	93 MWp
Average feed-in tariff rate for the contractually agreed output**	57.90 EUR/MWh
Volume	Actual production of the affected asset portfolio during the term of the swap agreement
Term	June 2022 to December 2023
Fixed electricity price	149.50 EUR/MWh
Variable (electricity) price	Maximum price between the EEX solar market value and the value to be applied (feed-in tariff rate)

The contractual terms of the electricity price swap agreements, which refer (in part) to the financial year, are shown in the table below.

	Electricity price swap agreement from October 2023	**Electricity price swap agreement from May 2024**	**Electricity price swap agreement from November 2023**
Contractual partner	European utility*	European utility*	European utility*
Output	110 MWp Until April 2024 60 MWp From May 2024	10 MWp	22 MWp
Average feed-in tariff rate for the contractually agreed output	57.30 EUR/MWh	n.a.	58.70 EUR/MWh
Volume	Actual production of the affected asset portfolio during the term of the swap agreement		
Term	January 2024 to December 2024	June 2024 to December 2024	January 2023 to December 2025
Fixed electricity price	106.00 EUR/MWh	61.70 EUR/MWh	89.00 EUR/MWh
Variable (electricity) price	Maximum price between the EEX solar market value and the value to be applied (feed-in tariff rate)	EPEX Spot Solar	EPEX Spot Solar

	Electricity price swap agreement from May 2024
Contractual partner	European utility*
Output	22 MWp
Average feed-in tariff rate for the contractually agreed output**	50.00 EUR/MWh
Volume	Actual production of the affected asset portfolio during the term of the swap agreement
Term	June 2024 to December 2025
Fixed electricity price	65.00 EUR/MWh
Variable (electricity) price	EPEX Spot

The contractual terms of the electricity price swap agreements concluded, which refer only to future financial years, are shown in the table below.

	Electricity price swap agreement from May 2024	Electricity price swap agreement from October 2024	Electricity price swap agreement from October 2024
Contractual partner	European utility*	German direct sellers	European utility*
Output	41 MWp	7 MWp	23 MWp
Average feed-in tariff rate for the contractually agreed output**	57.6 EUR/MWh	49.0 EUR/MWh	50.8 EUR/MWh
Volume	Actual production of the affected asset portfolio during the term of the swap agreement		
Term	January 2025 to December 2025	January 2025 to December 2025	January 2025 to December 2027
Fixed electricity price	72.00 EUR/MWh	58.00 EUR/MWh	56.00 EUR/MWh
Variable (electricity) price	EPEX Spot Solar	EPEX Spot Solar	Maximum price between the EEX solar market value and the value to be applied (feed-in tariff rate)

* Not necessarily the same contractual partner. **Weighted according to output.

Under a swap agreement, the Group receives from the contractual partner for the term of the swap agreement, either a fixed price less any positive difference between the feed-in tariff and the EEX electricity prices for PV instead of the EEX electricity price, or a fixed price instead of the EPEX spot price solar. The swap agreement covers the real output volumes of the solar assets.

The aim of the agreement is that the Group generates the fixed price for the real output of its solar assets over the term of the swap agreement, irrespective of the EEX electricity prices for PV.

Derivatives are initially and subsequently measured at fair value (see Note 6.12 E), and changes therein are generally recognised in profit or loss.

The Group, however, classifies the swap agreements concluded to hedge against price swings as a derivative which is used to hedge against fluctuations in cash flow resulting from highly probable forecast transactions that arise from changes in electricity prices.

At inception of each swap agreement, the Group documented the risk management objective and strategy for undertaking the hedge. The Group also documented the economic relationship between the hedged item and the hedging instrument, and the Group expects the changes in cash flows of the hedged item and hedging instrument to offset each other.

Therefore, the swap agreements were classified as derivatives, i.e. as a cash flow hedging instrument, and the effective portion of changes in the fair value is recognised in other comprehensive income and accumulated in the hedging reserve. This portion is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

For transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve are reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. The hedging reserve and the cost of hedging reserve are consistently grouped and presented in other comprehensive income from hedging relationships in the equity item.

If the hedge in the form of a swap agreement no longer meets the criteria for hedge accounting, or if the hedging instrument expires, is sold, terminated or exercised, then this hedge accounting is discontinued prospectively.

Once accounting for the swap agreement is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until it is reclassified to profit or loss in the same period or periods in which the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been recognised in other comprehensive income from hedging relationships and the cost of hedging reserve are immediately reclassified to profit or loss.

In the financial year under review, the Group entered into an electricity price option contract for the first time. This option contract comprised the following terms:

	Electricity price swap agreement from November 2024
Contractual partner	European utility*
Output	22 MWp
Average feed-in tariff rate for the contractually agreed output**	Market value
Volume	Actual production of the affected asset portfolio during the term of the swap agreement
Term	January 2025 to December 2025
Fixed electricity price	75.00 EUR/MWh
Variable (electricity) price	EPEX Spot

The Group therefore received a fixed option premium for the sale of the potential additional revenue, calculated as the difference between the EEX Spot Solar price and the fixed price, multiplied by the actual production volumes of the respective assets.

Option contracts are recognised as derivative liabilities and measured at fair value through profit or loss (FVTPL). Interim changes in the value of the option are recognised as profit or loss in the statement of profit or loss. Upon exercise, the option is derecognised, and any financial impact of delivering below market value is recognised in the statement of profit or loss. If the option expires without being exercised, the previously received premium is recognised as a gain.

The following derivative receivables (+)/liabilities (-) under the swap agreement were recognised at the reporting date:

in thousands of euro	Currency	Swap	Year of maturity	31.12.2024 Carrying amount	31.12.2023 Carrying amount
Electricity price swap agreement from October 2023	EUR	Fixed price vs. EEX electricity price for PV*	2023–2024	-	3,752
Electricity price swap agreement from November 2023	EUR	Fixed price vs. EPEX Spot PV on EEX	2023–2025	445	646
Electricity price swap agreement from May 2024	EUR	Fixed price vs. EPEX Spot PV on EEX	2024-2025	-43	
Electricity price swap agreement from May 2024	EUR	Fixed price vs. EPEX Spot PV on EEX	2025	170	
Electricity price swap agreement from October 2024	EUR	Fixed price vs. EPEX Spot PV on EEX	2025	-66	
Electricity price swap agreement from October 2024	EUR	Fixed price vs. EPEX Spot PV on EEX	2025-2027	-1	
Electricity price swap agreement from November 2024	EUR	Fixed price vs. EPEX Spot PV on EEX	2025	-62	
Total				**443**	**4,398**

** Less any positive difference between the feed-in tariff and the EEX electricity prices for PV.*

The following assumptions and estimates were made as at the reporting date to account for the fair value of the swap agreement:

The average forward electricity price in the period 1 January 2025 to 31 December 2025 of 76.48 EUR/MWh and an estimated specific output of between 895 kWh/kWp and 987 kWh/kWp for one financial year are spread over the hedged months on the basis of empirical data.

As at the reporting date, the following derivative receivables (+)/liabilities (-) under the option contract were recognised:

Option contracts are recognised as derivative liabilities.

The following table shows what effect a change in forward electricity prices of +/-10 EUR/MWh for the remaining term of the electricity price swap agreements in place as of the reporting date would have on other comprehensive income.

in thousands of euro	**31.12.2024**	
Change in other comprehensive income if forward electricity price changes by:	+10 EUR/MWh	-10 EUR/MWh
Other comprehensive income from electricity price swap agreements designated as hedge accounting, before tax	-1,309	+1,309
Deferred tax on other comprehensive income from electricity price swap agreements designated as hedge accounting	384	-384
Other comprehensive income from electricity price swap agreements designated as hedge accounting, after tax	**-924**	**+924**

27. LEASES

For accounting policies, please refer to Note 6.16.

27.1. LEASES AS A LESSEE

The Group has short-term leases and leases that only contain variable payments, which are not capitalised. This concerns a rented office space with a term of less than three months as well as various lease or rental agreements for which the lease payments depend on the revenue generated or the output generated by equipment operated on this real estate. These lease or rental agreements do not require a minimum lease payment. The variable lease payments under these lease or rental agreements are recognised in profit or loss under other operating expenses. The payments are variable because the contracts have a component according to which a part of the lease payments depends on the revenue generated with the solar asset on the piece of land.

Total cash outflow from recognised leases amounted to EUR 3,395 thousand in the financial year (previous year: EUR 3,602 thousand). Cash outflow from leases not recognised in the statement of financial position amounted to EUR 153 thousand in the financial year (previous year: EUR 179 thousand).

27.2. LEASES AS A LESSOR

The Group also owns some land and buildings, some of which are rented out on a long-term basis in addition to own use. This usually relates to operating leases with a term of more than 20 years for the rental of open space for the operation of photovoltaic systems as well as office space rented out in the short to medium term (up to five years).

A. FUTURE MINIMUM LEASE PAYMENTS

As at 31 December 2024, the following future minimum lease payments are outstanding under non-cancellable leases:

in thousands of euro	2024
2025	96
2026	96
2027	96
2028	96
2029	96
More than five years	140
Total	

As at 31 December 2023, the following future minimum lease payments were outstanding under non-cancellable leases:

in thousands of euro	2023
2024	98
2025	96
2026	96
2027	96
2028	96
More than five years	332
Total	**814**

B. AMOUNTS RECOGNISED IN PROFIT OR LOSS

In 2024, rental income from properties in the amount of EUR 230 thousand (previous year: EUR 201 thousand) was recognised in revenue:

in thousands of euro	2024	2023
Properties from which rental income is generated	230	201
Total	**230**	**201**

28. CONTINGENT LIABILITIES

The Group has construction obligations from investment grant procedures. A bank guarantee in the amount of EUR 15 thousand (previous year: EUR 39 thousand) has been deposited for this purpose, and the corresponding probability of utilisation is less than 50%, but not improbable.

29. RELATED PARTIES

29.1. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

A. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel compensation comprised the following:

in thousands of euro	2024	2023
Short-term employee benefits	576	625
Total	**576**	**625**

The compensation of the existing members of the Group's Management Board for their functions within the Group (direct and indirect) amounted to EUR 576 thousand in financial year 2024 (previous year: EUR 625 thousand).

B. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

On the date of publication, the members of the Management Board control 2.4% of the voting shares of the Company.

On 2 August 2024, with the approval of the Supervisory Board, the Group sold its 100% interest in the Group company Solarpark Espenhain Verwaltungs GmbH to Management Board member Mr. Koen Boriau. The sale was executed at a purchase price below the carrying amount of the Group company. This transaction resulted in a loss of EUR 56 thousand.

The aggregate value of transactions and outstanding balances related to key management personnel and entities over which they have control or significant influence were as follows:

in thousands of euro	**Transaction values**		**Balance outstanding at 31 December**	
Transaction	**2024**	**2023**	**2024**	**2023**
Services*(*)*	1	1	-	-
External services*(**)*	79	69	8	-

(*) The Group renders accounting services to a company owned by a member of the Management Board.

(**) One member of the Management Board indirectly provided the Group with an employee through his company in the current financial year. This transaction was recognised as external services in operating expenses and also presented in this table. The provision of staff is paid for at market rates.

C. TRANSACTIONS WITH MEMBERS OF THE SUPERVISORY BOARD

During the 2024 financial year, Ms. Bridget Woods provided advisory services to the Group through a consulting company, in a capacity separate from her role as a member of the Supervisory Board.

in thousands of euro	**Transaction values**		**Balance outstanding at 31 December**	
Transaction	**2024**	**2023**	**2024**	**2023**
Services	35	-	-	-

Apart from this, there were no transactions or outstanding balances related to members of the Supervisory Board and entities over which they have control or significant influence in the current or previous reporting period.

D. TRANSACTIONS WITH INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

in thousands of euro	**Viriflux BV**	**Zweite Solarpark Nowgorod GmbH & Co. KG**
Sale of services	1	3
Other operating income		-

E. TRANSACTIONS WITH OTHER RELATED PARTIES

A son of one of the Management Board members was employed as a part-time working student during the financial year.

in thousands of euro	Transaction values		Balance outstanding at 31 December	
Transaction	**2024**	**2023**	**2024**	**2023**
Employee benefits	1	-	-	-

Apart from this, there were no transactions with other related parties in the reporting period.

30. SUBSEQUENT EVENTS

30.1. NEW BANK FINANCING ARRANGEMENTS

While preparing the financial statements, the Group entered into two bank financing arrangements to refinance its promissory note loans. These included a EUR 5.3 million bank loan and a syndicated loan totalling EUR 18.0 million with a group of regional banks. The new loans have maturities until June 2030 and bear variable interest based on the EURIBOR 3M plus a credit margin of approximately 1.5%.

31. DISCLOSURES PURSUANT TO SECTION 315A GERMAN COMMERCIAL CODE (HGB)

31.1. AUDITOR'S FEE

in thousands of euro	2024	2023
Audit of the financial statements	184	206
Other assurance services	8	4
Other services	22	0
Total	**213**	**210**

The auditor's fee for the audit of financial statements in the financial year amounted to EUR 213 thousand as at 31 December 2024 (previous year: EUR 210 thousand). In addition to the fee for the audit of financial statements, auditor's fees for other assurance services of EUR 8 thousand (previous year: EUR 4 thousand) were recognised.

31.2. CORPORATE GOVERNANCE

The declaration of compliance with the German Corporate Governance Code pursuant to section 161 German Stock Corporation Act (AktG) was submitted and made permanently available to shareholders on the corporate website (https://www.solarparken.com/entsprechenserklaerung.php). For more detailed information, please refer to the Corporate Governance Report in the Annual Report.

31.3. EMPLOYEES

The Group had an average of 23 employees in financial year 2024 (previous year: 23). As at 31 December 2024, the Group had 24 employees (previous year: 19).

32. NEW STANDARDS AND INTERPRETATIONS NOT YET APPLIED

7C Solarparken applies the principles of the framework and all IFRSs issued by the International Accounting Standards Board (IASB) as endorsed by the EU and mandatory as at the reporting date 31 December 2024 as well as the mandatory Interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (IFRIC).

32.1. APPLIED FOR THE FIRST TIME IN THE FINANCIAL YEAR

The following new standards and interpretations or amendments to existing standards and interpretations were applicable for the first time in financial year 2024:

Standard (published on)	Applicable for financial years beginning on or after	Content and significance	Effects
IAS 1	1 January 2024	Non-current Liabilities with Covenants – Classification of Liabilities as Current or Non-current	insignificant
IFRS 16	1 January 2024	Lease Liability in a Sale and Leaseback	insignificant
IAS 7 & IFRS 17	1 January 2024	Supplier Finance Arrangements	insignificant

The changes had no significant impact on the presentation of the financial position, net assets and results of operations in these consolidated financial statements.

32.2. NOT YET APPLIED IN THE FINANCIAL YEAR

The IASB has issued the following new or amended standards that are relevant from today's perspective. However, as these standards are not yet mandatory or have not yet been endorsed by the EU, 7C Solarparken has not applied these standards in its consolidated financial statements as at 31 December 2024. The new or amended standards are applicable for annual reporting periods beginning on or after the respective effective date. They are not usually applied prematurely, even if some individual standards permit early application.

Standard (published on)	Applicable for financial years beginning on or after	Content and significance
IAS 21	1 January 2025	Non-current Liabilities with Covenants – Classification of Liabilities as Current or Non-current
IFRS 16	1 January 2026	Lease Liability in a Sale and Leaseback
IAS 7 & IFRS 17	1 January 2027	Supplier finance arrangements
IAS 21	1 January 2025	Lack of Exchangeability

The Group does not expect any material impact on its financial position, cash flows or results of operations.

33. LIST OF ABBREVIATIONS AND DEFINITIONS

EPC	EPC is the abbreviation of Engineering, Procurement and Construction and refers to the subject matter of a sales contract or a contract for work and services (Kauf- oder Werkvertrag) covering the design, component procurement and construction of a solar asset
O&M	Operating and maintenance
COLEXON	The listed Group or the Company, respectively, before it was taken over on 9 September 2014
Feed-in tariff	The remuneration paid for electricity that is fed into the grid
Direct seller (Direktvermarktung)	Sale of electricity on the European Energy Exchange (EEX)
EEG	The German Renewable Energy Sources Act as amended, for instance EEG 2017
GW	Gigawatts
GWp	Gigawatts-peak
Member of Management	The members of the Management Board themselves as well as the companies controlled by them or involved in management
MWp	Megawatts-peak
kWp	Kilowatts-peak
AktG	German Stock Corporation Act
HGB	German Commercial Code
IFRS	International Financial Reporting Standards
PV asset	Photovoltaic installation
PV estate	Acquisition of real estate that is used (partly) for generating solar electricity

34. CORPORATE BODIES

A. MEMBERS OF THE MANAGEMENT BOARD

Steven De Proost	
CEO	since 1 June 2014
Place of residence	Betekom, Belgium
Academic degree	Business Engineer

Koen Boriau	
CFO	since 28 May 2014
Place of residence	Antwerp, Belgium
Academic degree	Master of Applied Economics

Philippe Cornelis	
CTO	since 17 February 2025
Place of residence	Belsele, Belgium
Academic degree	Bachelor Electrical Engineering

B. MEMBERS OF THE SUPERVISORY BOARD

Joris De Meester	
Member	since 15 February 2013
Chairperson	since 15 July 2016
Deputy Chairperson	until 15 July 2016
Occupation	Managing Director of OakInvest BV, Antwerp, Belgium

Seats on supervisory boards and similar supervisory bodies within the meaning of section 285 no. 10 HGB:

- Director, HeatConvert U.A., Goor, Netherlands
- Director, PE Event Logistics Invest NV, Leuven, Belgium
- Director, Family Backed Real Estate NV, Antwerp, Belgium
- Director, Sebiog-Invest BV, Brecht, Antwerp, Belgium
- Director, JPJ Invest NV, Sint-Martens-Latem, Belgium
- Director, NPG Bocholt NV, Bocholt, Belgium
- Director, Biopower Tongeren NV, Tongeren, Belgium
- Director, Sebiog Group NV, Bocholt, Belgium
- Director, Agrogas BV, Geel, Belgium
- Director, Caloritum NV, Antwerp, Belgium
- Director, ExCausa BV, Geel, Belgium

Bridget Woods	
Member	since 17 December 2015
Deputy Chairperson	since 15 July 2016
Occupation	Management Consultant
Seats on supervisory boards and similar supervisory bodies within the meaning of section 285 no. 10 HGB:	
- Director, Quintel Intelligence Ltd., London, Great Britain	
- Director, Quintel Advisory Services Ltd., London, Great Britain	

Paul Decraemer	
Member	since 14 July 2017
Occupation	Managing Director Paul Decraemer BV, Lochristi, Belgium
Seats on supervisory boards and similar supervisory bodies within the meaning of section 285 no. 10 HGB:	
- Director, Seelution AB, Gothenburg, Sweden	
- Director, ABO-Group Environment NV, Ghent, Belgium	

Andrea Meyer	
Member	since 17 February 2025
Occupation	Commercial Clerk, Stadtwerke Ansbach, Germany
Seats on supervisory boards and similar supervisory bodies within the meaning of section 285 no. 10 HGB:	
- Member of the Board of Trustees, Hans Frisch Stiftung, Nuremberg, Germany	

Bayreuth, 3 April 2025

Steven De Proost Chief Executive Officer (CEO)	Koen Boriau Chief Financial Officer (CFO)	Philippe Cornelis Chief Technical Officer (CTO)

FURTHER DISCLOSURES

RESPONSIBILITY STATEMENT

“We assure that the financial statements or consolidated financial statements give, to the best of our knowledge, and in accordance with the applicable accounting principles, a true and fair view of the net assets, financial position and results of operation of the Group, and that the combined management report includes an accurate review of the business development, performance and overall position of the Group, together with a description of the main opportunities and risks associated with the outlook of the Group.”

Bayreuth, 3 April 2025

Steven De Proost	Koen Boriau	Philippe Cornelis
Chief Executive Officer (CEO)	Chief Financial Officer (CFO)	Chief Technical Officer (CTO)

AUDITOR’S OPINION

TO BE DELIVERED BY THE AUDITORS

DISCLAIMER

This report contains forward-looking statements that are based on the expectations and current assumptions and estimates of the Management Board of 7C Solarparken AG. Such forward-looking information is subject to risks and uncertainties. Many factors that are as yet unforeseeable may cause the actual performance and results of 7C Solarparken AG or the Group to differ considerably from such expectations. Such potential factors include the failure of the market to accept newly launched products or services, changes in the general macroeconomic and microeconomic environment, the failure to meet efficiency or cost savings targets or changes in the business strategy. The Management Board is convinced that the expectations underlying these forward-looking statements are well-founded and realistic. Should, however, any of the aforementioned or other unforeseen risks materialise, 7C Solarparken AG can provide no guarantee that these expectations will turn out to be accurate.