INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2026

(This document is a translation of the original Bulgarian text, in case of divergence the Bulgarian original shall prevail)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the period ended June 30

	Note №	**2026 EUR thousand**	**2025 EUR thousand**
Revenue	*6*	141,986	114,870
Other income	*7*	1,585	888
Cost of goods sold		(125,927)	(99,359)
Materials and consumables	*8*	(1,100)	(1,072)
Hired services	*9*	(5,682)	(5,053)
Employee benefits	*10*	(6,682)	(6,054)
Depreciation and amortisation	*15,16,17*	(1,932)	(2,088)
Impairment profit (losses), net	*11*	248	(31)
Other expenses	*12*	(317)	(390)
Finance income	*13*	3,542	3,594
Finance costs	*13*	(4,903)	(5,093)
Profit before tax		**818**	**212**
Tax expense	*14*	(272)	(149)
Profit for the period		**546**	**63**
Total comprehensive income for the period		**546**	**63**
Profit for:			
Owners of the Parent company		**546**	**63**
Non-controlling interest		**-**	**-**
Profit for the period		**546**	**63**
Total comprehensive income attributable to:			
Owners of the Parent company		**546**	**63**
Non-controlling interest		**-**	**-**
Total comprehensive income for the period		**546**	**63**
Profit per share (EUR)	*24*	**0.02**	**0.00**

The notes on pages 8 to 62 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note №	**June 30 2026 EUR thousand**	**December 31 2025 EUR thousand**
Non-current assets			
Property, plant and equipment and intangible assets	*15*	49,556	51,241
Investment property	*16*	730	743
Right-of-use assets	*17*	3,994	4,664
Goodwill	*18*	3,331	3,331
Deferred tax assets	*14*	2,406	2,367
Loans granted	*21*	26,789	26,332
Deposits	*21*	35,450	35,450
Total non-current assets		122,256	124,128
Current assets			
Inventories	*20*	7,449	7,550
Non-current assets, held for sale	*19*	410	732
Loans granted	*21*	42,445	40,239
Trade and other receivables	*22*	24,252	20,825
Cash and cash equivalents	*23*	1,409	2,251
Total current assets		75,965	71,597
Total assets		**198,221**	**195,725**

The notes on pages 8 to 62 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	Note №	**June 30 2026 EUR thousand**	**December 31 2025 EUR thousand**
Equity			
Registered capital	*24*	13,929	13,964
General reserves		20,808	21,052
Accumulated loss		(22,123)	(22,913)
Total equity attributable to the owners of the Parent company		12,614	12,103
Non-controlling interest		18	18
Total equity		12,632	12,121
Non-current liabilities			
Loans and borrowings	*25*	101,452	121,858
Liabilities under lease agreements	*17*	2,326	3,774
Deferred tax liabilities	*14*	732	717
Obligation for defined benefit retirement compensations	*26*	562	562
Total non-current liabilities		105,072	126,911
Current liabilities			
Trade and other payables	*27*	43,322	41,734
Loans and borrowings	*25*	33,270	12,463
Liabilities under lease agreements	*17*	3,058	1,701
Current income tax liabilities	*28*	867	795
Total current liabilities		80,517	56,693
Total liabilities		185,589	183,604
Total equity and liabilities		**198,221**	**195,725**

The notes on pages 8 to 62 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period ending on 30 June 2026

	Capital contributed to the Parent-company					Non-controlling interests	Total equity
	Registered capital	General Reserves	Reval. reserve	Accumulated profit (loss)	Total		
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand
Balance as at January 1, 2025	**55,858**	**9,645**	**13,579**	**(68,297)**	**10,785**	**18**	**10,803**
Changes in equity for the period ended December 31, 2025							
Comprehensive income for the period							
Profit for the period	-	-	-	1,373	1,373	-	1,373
Remeasurement of defined benefit plan obligations	-	-	-	(55)	(55)	-	**(55)**
Total other comprehensive income	-	-	-	**(55)**	**(55)**	-	**(55)**
Total comprehensive income	-	-	-	**1,318**	**1,318**	-	**1,318**
Increases (decreases) through transfer between registered capital and accumulated losses	(41,894)	-	-	41,894	-	-	-
Transfer of revaluation reserve of assets to the accumulated profit, net of taxes	-	-	(2,172)	2,172	-	-	-
Balance as at December 31, 2025	**13,964**	**9,645**	**11,407**	**(22,913)**	**12,103**	**18**	**12,121**
Changes in equity for the period ending on 30 June 2026							
Comprehensive income for the period							
Profit for the period	-	-	-	546	546	-	546
Total comprehensive income	-	-	-	**546**	**546**	-	**546**
Change from currency revaluation	(35)	-	-	-	(35)	-	(35)
Transfer of revaluation reserve of assets to the accumulated profit, net of taxes	-	-	(244)	244	-	-	-
Balance as at June 30, 2026	**13,929**	**9,645**	**11,163**	**(22,123)**	**12,614**	**18**	**12,632**

The notes on pages 8 to 62 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended June 30

	2026 EUR thousand	2025 EUR thousand
Cash flows from operating activities		
Profit for the period	546	63
Adjustments for:		
Tax expense	272	149
Depreciation/amortization of property, plant and equipment, intangible assets and right-of-use assets	1,932	2,088
Interest expense and bank commissions, net	1,397	1,657
Shortages and normal loss, net of excess assets	(16)	13
Provisions for unused paid leave and retirement benefits	309	110
Impairment losses (profit), net	(248)	31
Profit on sale of assets	(1,447)	(695)
Profit from acquisition of subsidiaries	-	(216)
	2,745	**3,200**
Change in trade payables	1,393	5,918
Change in inventories	117	(12)
Change in trade receivables	(3,890)	(1,705)
Cash generated from operating activities	**365**	**7,401**
Interest, bank fees and commissions paid	(1,603)	(2,529)
Income tax paid	(226)	(79)
Net cash from operating activities	**(1,464)**	**4,793**

The notes on pages 8 to 62 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended June 30 (continued)

	2026 EUR thousand	2025 EUR thousand
Cash flows from investing activities		
Payments for purchase of property, plant and equipment, excl. VAT	(50)	(28)
Proceeds from sale of property, plant and equipment, excl. VAT	2,717	1,154
Payments for loans and deposits provided, net	(298)	(5,373)
Proceeds from loans and deposits granted, net	60	233
Proceeds from the sale of subsidiaries, net of cash	-	1,258
Interest received on loans granted and deposits	272	276
Net cash flows from investing activities	**2,701**	**(2,480)**
Cash flows from financing activities		
Repayments of loans and borrowings	(1,206)	(5,804)
Proceeds from loans and borrowings	-	5,493
Lease payments	(1,029)	(1,104)
Payments for dividends	-	(627)
Net cash flows from financing activities	**(2,235)**	**(2,042)**
Net change in cash and cash equivalents during the period	**(760)**	**271**
Cash and cash equivalents at the beginning of the period	**2,202**	**843**
Effect of exchange rate changes	(36)	59
Cash and cash equivalents at the end of the period (see also note 23)	**1,406**	**1,173**

The notes on pages 8 to 62 are an integral part of these consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2026

1. Legal status

Petrol AD (Parent company) was registered in Bulgaria in 1990 and was registered in the Commercial Register at the Registry Agency with UIC 831496285. As at the end of the reporting period, the address of the Parent company is Lovech, 12 Targovska Str., Hotel Lovech. No change in the name of the parent company or other means of identification since the end of the previous reporting period. As of June 30, 2026, its shareholders were legal entities, the state through the Ministry of Energy and natural persons. (see also note 24).

The main activity of Petrol AD and its subsidiaries (the Group) is wholesale and retail of petroleum products and non-petrol goods. The parent company is one of the oldest commercial companies in the Republic of Bulgaria and operates one of the largest chains of petrol stations in the country.

The Parent company is a public company within the meaning of POSA. The web site where is published the inside information under Art. 7 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 is http://www.x3news.com.

2. Basis of preparation of the consolidated financial statements and accounting principles

2.2.1. Standards and clarifications entered into force and applied during the current reporting period

The following amendments to existing standards issued by the International Accounting Standards Board and adopted by the EU are effective from 1 January 2026:

• *Amendments to IFRS 9 and IFRS 7 on classification and measurement of financial instruments.* The amendments to IFRS 9 and IFRS 7 aim to address recent questions that have arisen in practice and to include new requirements not only for financial institutions but also for corporate entities. Those amendments:

- clarify the date of recognition and write-off of certain financial assets and liabilities, with a new exception for certain financial liabilities governed by an electronic money transfer system;
- clarify and add further guidance on whether a financial asset meets the criterion of solely payments of principal and interest;
- add requirements for new disclosures for certain instruments with contractual terms that may alter cash flows (such as certain financial instruments with features related to achieving environmental, social and management objectives); and
- update disclosures of equity instruments determined at fair value through other comprehensive income.

• *Amendments to IFRS 9 and IFRS 7 Contracts relating to electricity dependent on natural factors.* The amendments introduce targeted changes to the 'own use' and hedging requirements under IFRS 9 and the disclosures under IFRS 7 for contracts where the quantity of electricity depends on uncontrollable natural conditions (e.g. weather).

2.2.1. Standards and clarifications entered into force and applied during the current reporting period (continued)

•*Annual improvements, Part 11 in: IFRS 1* Application for the first time of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosure, Guidelines for the Introduction of IFRS 7 Financial Instruments: Disclosure, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, IAS 7 Cash Flow Statement.
These amendments include clarification, simplifications, adjustments and changes in the following areas:

- first-time hedge accounting (IFRS 1);
- gains or losses on written-offs (IFRS 7);
- disclosure of the deferred difference between fair value and transaction price (IFRS 7);
- introduction and disclosure of credit risk (IFRS 7);
- derecognition of lease liabilities by the lessee (IFRS 9);
- transaction price (IFRS 9);
- determination of "actual agent" (IFRS 10);
- Cost method (IAS 7).

2.2.2. New standards and interpretations, not yet applied

The following new or revised standards, new clarifications and changes to existing standards issued by the International Accounting Standards Board (IASB) at the reporting date but not yet in force for annual periods beginning on 1 January 2025 or not approved for EU application and respectively not taken into account in the preparation of this financial statements:

•*New IFRS 19 subsidiaries without public reporting:* Disclosures in force for annual periods beginning on or after 1 January 2027 not adopted by the EU. Published in May 2024, IFRS 19 allows certain eligible subsidiaries of parent undertakings that report to IFRS accounting standards to apply reduced disclosure requirements.

• *Amendments to IFRS 19 No public reporting subsidiaries:* Disclosures (published on 21 August 2025) in force from 1 January 2027 not published by the EU The amendments to the IFRS 19 help eligible subsidiaries by reducing disclosure requirements for standards and amendments published between February 2021 and May 2024. These amendments to IFRS 19 reflect changes in IFRS accounting standards that enter into force until 1 January 2027 when IFRS 19 will be applicable.

•New IFRS 18 Presentation and disclosure in the financial statements in force for annual periods beginning on or after 1 January 2027 adopted by the EU. IFRS 18 will replace IAS 1 Presentation of Financial Statements by introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more appropriate information and transparency for users and introduce new requirements for the structure of the profit or loss account, disclosure of performance indicators and principles for aggregation/disaggregation. The management expects IFRS 18 to mainly affect the presentation and disclosures in financial statements rather than the recognition and valuation of assets and liabilities and is in the process of analysing the specific effect. The Group does not expect a significant change in the information currently disclosed in the explanatory notes as the requirement to disclose material information remains unchanged. However, the way information is grouped may change as a result of the principles of aggregation or breakdown. In addition, significant new disclosures are expected. The Group will apply the new IFRS 18 from its binding date of entry into force 1 January 2027.

2.2.2. New standards and interpretations, not yet applied (continued)

Retrospective application is required so that comparative information for the financial year ending 31 December 2026 will be recalculated in accordance with IFRS 18.

•*New IFRS 20 Regulatory Assets and Regulatory Liabilities* (issued on 27 May 2026 replacing interim IFRS 14 and effective for periods from 1 January 2029) This standard affects companies with regulated prices in sectors such as electricity, water, gas and transport.

• *Amendments to IAS 21 Translation to a hyperinflationary presentation currency* (effective from 1 January 2027, not adopted by the EU). The amendments are of limited scope and relate to undertakings whose presentation currency is the currency of a hyperinflationary economy. The management does not expect a significant impact on the Group's financial statements unless it operates/ submits reports in such a currency.

• *Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures* (with a deferred effective date of entry into force to be determined by the IASB) These changes are aimed at resolving the accounting treatment of sales or contributions of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the assets sold or the non-monetary assets contributed, constitute or not, essentially, a business within the meaning of IFRS 3. If these assets as a set do not meet the definition of a business, the investor recognises profit or loss up to the percentage corresponding to the share of other unrelated investors in the associate or joint venture. In cases where assets are sold or non-monetary assets that together constitute a business are contributed, the investor fully recognises the profit or loss of the transaction. These changes will be applied prospectively. The IASB postponed the date of application of these changes indefinitely.

The management is in the process of examining, analysing and evaluating the effects of changes made to the above standards which have not yet entered into force, whether they will affect accounting policy and values and classifications of the Group's assets, liabilities, operations and results in subsequent reporting periods.

2.3. Functional and presentation currency of the consolidated financial statements

The functional currency is the currency of the main economic environment in which Petrol Group operates, reflecting the main transactions and events. This consolidated financial statement is presented in euro (EUR) and the comparative data for the previous period have been restated at the official fixed rate of 1.95583 BGN = 1 EUR. The financial information is presented in thousands of euros (EUR thousand), unless otherwise specified.

2.4. Foreign currency

Foreign exchange transactions shall be entered initially with the European Central Bank (ECB) reference rate applied to the foreign currency amount at the date of the transaction. The exchange rate differences arising from settlement of foreign exchange or reporting of those cash positions at rates other than those initially recognised shall be reported in profit or loss over the relevant period.

2.4. Foreign currency (continued)

The monetary positions in foreign currency on 30 June 2026 and 31 December 2025 are assessed in these financial statements on the final reference rate at the end of the relevant reporting period. The historical data for the previous period, which were initially reported in Bulgarian BGN, were transformed entirely into euro at the official fixed rate of conversion of 1.95583 BGN = 1 EUR. The final rate of the euro (EUR) against the US dollar (USD) at the end of the current and previous reporting period is as follows:

30 June 2026:	1 USD = 0.878 EUR
31 December 2025:	1 USD = 0.851 EUR

2.5. Accounting assumptions and approximate estimates

The application of IFRS requires the management to make certain accounting assumptions and estimates when preparing the consolidated financial statements to determine the value of certain assets, liabilities, income and expenses. They shall be carried out based on the best assessment of the Management based on the historical experience and analysis of all factors affecting the circumstances given at the date of drawing up the consolidated financial statements. Actual results could differ from those presented in these consolidated financial statements.

Information on uncertainty in assumptions and estimates for which there is a significant risk of material adjustments in the following financial year is included in the following notes:

- Note 14 – recoverability of recognised deferred tax assets;
- Note 18 – assessment of the recoverable amount of goodwill recognised arising from a business combination;

2.6. Basis for consolidation

2.6.1. Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred with the acquisition is generally measured at fair value, as the acquired identifiable net assets. On initial recognition, the assets and liabilities of the acquired subsidiary are included in the consolidated statement of financial position at their fair value, which serves as the basis for subsequent measurement in accordance with the accounting policies applied by the Group. A bargain purchase gain is recognised immediately in profit or loss and presented within other income in the consolidated statement of profit or loss and other comprehensive income. Transaction costs are expensed as incurred, except those related to the issuance of debt or equity securities.

In a business combination in stages, the Group remeasures the previously held equity interest in the acquiree at fair value at the date control is obtained, and recognises the resulting gain or loss, if any, in profit or loss. Amounts recognised in other comprehensive income from the equity interest in the acquiree before the date control is obtained are recognised on the same basis as if the Group had disposed directly of the previously held equity interest.

2.6.1. Business combinations (continued)

The remuneration transferred does not include amounts relating to the settlement of pre-existing relationships. Such amounts are generally recognised in profits and losses. A contingent consideration due shall be measured at fair value at the acquisition date. If the conditional remuneration is classified as equity, it shall not be revalued and its settlement shall be accounted for in equity. Otherwise, subsequent changes to the fair value of the conditional remuneration shall be recognised in profit or loss. Where remuneration is required by share-based (substitutional) payments to be replaced for the remuneration of employees of the acquired undertaking (the remuneration of the acquired undertaking) and relate to earlier services, then the whole or part of the amount of the replacement remuneration of the acquirer shall be included in the assessment of the remuneration transferred for the business combination. This determination is based on the market value of the replacement remuneration compared to the market-based value of the remuneration of the acquired party and the extent to which the replacement remuneration refers to earlier services.

2.6.2. Non-controlling interest

Non-controlling interest is the equity in a subsidiary not attributed directly or indirectly to the Parent company. Non-controlling interest is presented within equity in the consolidated statement of financial position, separately from the equity attributable to the owners of the Parent company.

Non-controlling interest is measured at its proportional share of its identifiable net assets as at the acquisition date.

Any changes in the Group’s interest in a subsidiary that do not result in loss of control are accounted for in equity.

2.6.3. Subsidiaries

Subsidiaries are companies controlled by the Group. Control is the power to govern the financial and operating policy of a subsidiary in order to benefit from it. The financial statements of the subsidiaries are included in the consolidated financial statements from the date of control establishment until the date on which control ceases.

2.6.4. Loss of control

On loss of control, the Group derecognises the assets and liabilities of the subsidiary at the carrying amount at the date of loss of control (including goodwill, if any), non-controlling interests and other components of equity relating to the Group. Any resulting from the loss of control gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. Subsequently it is recognized as under equity method or as an available-for-sale financial asset depending on the level of influence retained pursuant to the adopted accounting policy by the Group.

2.6.5. Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest. Unrealised losses are eliminated in the same way as unrealized gains, but only if there is no evidence for impairment.

2.6.6. Goodwill

The goodwill represents future economic benefits arising from other assets acquired in a business combination that are not individually identified and recognised separately. The goodwill arising from the acquisition of subsidiaries represents the excess of the sum of the fair value of the consideration transferred at the acquisition date and the amount of any non-controlling interest in the acquiree (in the case of step acquisitions, the fair value at the acquisition date of the Group's previously held equity interest in the acquiree) over the fair value of the identifiable net assets of the acquiree at the acquisition date. Changes in the fair value of contingent consideration that represent provisional amounts during the measurement period are reflected retrospectively against goodwill. Goodwill is measured at cost less accumulated impairment losses. Goodwill arising is tested for impairment annually. Impairment losses are presented in the consolidated statement of profit or loss under the line item “Impairment losses”.

2.7 Going concern basis of accounting

These consolidated financial statements have been prepared on a going concern basis. The management has made an assessment taking into account all available information on the foreseeable future, which is at least, but not limited to, twelve months from the end of the reporting period. This implies that, at the date of preparation of the consolidated financial statements, the management's assessment is that the Group will be able to pay on a regular basis the debenture and trade payables, loans and interest due in accordance with the contractual commitments made.

3. Material accounting policy information. Definition and measurement of the items of the consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income

3.1. Property, plant and equipment and intangible assets

With effect from 1 January 2020 the Group has adopted the revaluation model for property, plant and equipment and intangible assets of IAS 16 and IAS 38. Property, plant and equipment and intangible assets are presented in the financial statements at revalued amount less accumulated depreciation and impairment losses. At their initial acquisition, the property, machinery and equipment shall be measured at cost that includes the purchase price, including customs fees and any direct costs necessary to bring the asset into operation. Direct costs are: costs of preparation of the site, costs of initial delivery and processing, costs of installation, costs of fees of persons associated with the project, non-recoverable taxes and others. A material asset acquired by the Group shall be recognised within property, plant and equipment when it is expected to be used in the activities of the Group (for renting, for the provision of other services or for administrative purposes) for a period longer than one year. The revalued (fair) value of property, plant and equipment and intangible assets was initially determined by a market valuation of an independent valuer and applied in the accounting policy from 01 January 2020. A further valuation shall be applied no later than five years after the initial valuation, with indicators showing that there is a material deviation between fair values of assets and their carrying amount when their fair value changes substantially at shorter intervals, the revaluation may take place at shorter periods.

3.1. Property, plant and equipment and intangible assets (continued)

Based on the NSI consumer price index in December 2022 compared to the same month 2021, which shows an annual inflation of 16.9%, the management estimated that there could be a significant deviation in the fair values of assets and commissioned a new market valuation as at 31 December 2022. In these consolidated financial statements, the properties, machinery, equipment and fixed intangible assets are presented according to the valuation prepared by an independent valuer on 31 December 2022. In assessing that there is a material deviation between fair values of assets and their carrying amount, where their fair value changes substantially at shorter intervals, the revaluation may take place at shorter periods.

In the case of re-evaluation of the property, machinery and equipment and fixed intangible assets, the carrying amount is reduced against the accumulated depreciation and, with the increase in the fair value of the asset in relation to its carrying amount at the valuation date, the latter (against the revaluation reserve) shall be increased which becomes the new carrying amount of the assets.

Where the carrying amount of the assets exceeds the new fair value, the difference between the two values shall be reported in the consolidated profit or loss report and the other comprehensive income, unless a revaluation reserve was formed for that asset in previous periods. The difference shall then be treated as a reduction in that reserve and other comprehensive income, unless it exceeds its amount, in which case the excess shall be recognised as a loss in the consolidated profit or loss account and other comprehensive income. Depreciation shall be calculated on the basis of the defined useful life by consistently applying the straight-line method. Depreciation is reflected in profit or loss over the current period. No depreciation of land, assets under construction and fully depreciated assets shall be charged. The residual useful life of revalued properties, machinery, equipment, equipment and intangible assets has been revised according to an assessment of physical wear, specifics of equipment, future intentions for use and expected obsolescence. The expected useful lives of property, plant and equipment and intangible assets are as follows:

Administrative and commercial buildings	4 - 80 years
Machinery, plant and equipment	2 – 80 years
Transport vehicles	2 - 60 years
Office furnishing	1 - 44 years
Intangible fixed assets	2 - 70 years

Depreciation starts from the beginning of the month following the month in which the asset is available for use and ceases at the earlier of the beginning of the month following the month of its classification as held for sale in accordance with IFRS 5 Non-current assets held for sale and discontinued operations or from the beginning of the month following the month of its derecognition.

Impairment of assets

The carrying amounts of property, plant and equipment and intangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may differ permanently from their recoverable amount. If there are indicators that the estimated recoverable amount is lower than their carrying amount, the latter is adjusted to the recoverable amount of the assets. The recoverable amount of property, plant and equipment and intangible fixed assets is the higher of fair value less costs to sell and value in use.

3.1. Property, plant and equipment and intangible assets (continued)

To determine the value in use of the assets, future cash flows are discounted to their present value by applying a pre-tax discount factor that reflects current market conditions and estimates of the time value of money and the risks specific to the asset. Impairment losses are recognized in the consolidated statement of profit or loss and other comprehensive income, unless a revaluation reserve is formed for the asset. Impairment is then treated as a reduction of this reserve, unless it exceeds its amount, and the excess is included as an expense in the consolidated statement of profit or loss and other comprehensive income.

Tangible and intangible fixed assets are derecognised from the consolidated statement of financial position when they are permanently withdrawn from use and no future economic benefits are expected from them or they are sold. Gains or losses on the sale of individual assets in the Group of property, plant and equipment are determined by comparing the proceeds from the sale with the carrying amount of the asset at the date of sale. They are reported net, in other operating income / expenses, net in the consolidated income statement and other comprehensive income. The portion of the revaluation reserve relating to the asset sold is transferred directly to retained earnings.

3.2. Investment property

Investment property is property (together with the facilities, equipment, fixtures, etc. attached to it) held by the Group to earn rental income or for capital appreciation, or both (including property under construction that will be held for the same purposes). Investment property is initially measured at cost, which includes the transaction costs of the acquisition. After initial recognition, investment property is measured at cost less accumulated depreciation and any impairment losses. Transfers to and from the “investment property” category are made when there is a change in the functional purpose and use of a property. In the case of a transfer from “investment property” to “owner-occupied property”, the asset is recognised in its new category at its deemed historical cost, which is its fair value at the date of transfer. Conversely, when a transfer is made from “owner-occupied property” to “investment property”, the asset is measured at its fair value at the date of transfer, and the difference to its carrying amount is presented as a component of the consolidated statement of comprehensive income (within other components of comprehensive income) and is presented within “revaluation reserve – property, plant and equipment” in the consolidated statement of changes in equity. The gain or loss on the sale of an investment property (the difference between the net proceeds from the sale and the carrying amount of the property) is recognised in profit or loss for the year.

Depreciation of investment property is recognised in profit or loss, over their estimated useful lives, applying the straight-line method.

The estimated useful lives for investment property are as follows:

Administrative and commercial buildings	25 years

At the end of each reporting period, the Management of the Group reviews useful lives and the depreciation/amortization method of investment property. In case the Management identifies differences between expectations and previous accounting estimates, the relevant adjustments are made.

3.3. Inventory

Inventories are stated at the lower of cost and net realizable value. The cost of inventories comprises purchase price, transportation costs, custom duties, excise duties and other similar costs. The net realizable value represents the estimated selling price less estimated selling expenses.

Upon its consumption, the cost of inventories is measured using the weighted average cost method.

3.4. Financial instruments

3.4.1. Non-derivative financial assets and financial liabilities – recognition, measurement and derecognition

The Group shall recognise a financial asset or financial liability in the statement of financial position only when it becomes party to the contractual clauses of the financial instrument concerned. Initially, all financial assets and financial liabilities are recognised at fair value. The fair value of a financial asset/liabilities at its initial recognition is usually the contractual price. The contractual price for financial assets/liabilities other than those that are classified at fair value through profit or loss shall include the transaction costs directly related to the acquisition/issue of the financial instrument. The transaction costs incurred in the acquisition of a financial asset and the issuance of a financial liability classified at fair value through profit or loss shall be reported immediately as expenses.

The Group recognises financial assets using the settlement date of the transaction, thus recognising an asset on the day it is received by the Group and is derecognised on the day it is provided by the Group. A financial asset is derecognised by the Group when the contractual cash-flow rights of that asset mature or when The Group transferred those rights through a transaction in which all material risks and benefits arising from the ownership of the asset are transferred to the buyer. Any participation in an already transferred financial asset that the Group retains or creates shall be reported separately as a separate asset or liability.

In cases where the Group has retained all or substantially all of the risks and rewards associated with the assets, the latter are not derecognised from the statement of financial position (examples of such transactions are repo transactions – sales with an agreement to repurchase).

For transactions in which The Group shall neither retain nor transfer the risks and benefits associated with a financial asset, the latter shall be derecognised from the statement of financial position when and only when the Group has lost control of it. The rights and obligations that the Group retains in these cases shall be reported separately as an asset or liability. For transactions in which The Group retains control of the asset, its reporting in the statement of financial position continues, but to the extent determined by the extent to which the Group has retained its participation in the asset and carries the risk of a change in its value.

The Group derecognises a financial liability when its contractual obligations are met, either cancelled or expired.

3.4.2. Subsequent measurement of financial assets

Subsequent measurement of the financial assets depends on their classification in their initial recognition as assets. The Group classifies the financial assets in category as measured at amortised cost.

The classification is determined based on the business model of management of the particular class financial assets and the contractual characteristics of the cash flows. Investments in debt instruments, which the Group holds as a business model to collect the contractual cash flows, are classified as financial assets carried at amortised cost.

Financial assets carried at amortised cost

Debt instruments, which the Group holds as a business model to collect contractual cash flows and in which the contractual cash flows raise payments only of principal and interest, are carried at amortised cost. Following the initial recognition, the assets are carried at amortised cost. The accounting at amortised cost requires the application of the effective interest rate method. The amortised cost of a financial asset is the value of the financial asset based on its initial accounting, decreased by the repayments on principal plus or minus the cumulative amortisation using the effective interest rate method for each difference between the initial value and the value at maturity and decreased with the impairment. The following financial assets of the Group belong to this category, depending on the chosen business model and the characteristics of the cash flows from them: trade receivables, loans and borrowings, receivables on loans granted, receivables on cessions and other receivables.

Financial assets, carried at fair value through profit or loss

This category of financial assets is separated in two sub-categories: financial assets held for trading and financial assets which are not classified in other categories. Particular financial asset is classified in this category, if it is acquired to be sold in short time or its contractual characteristics do not meet the condition of giving rise to payments of solely principal and interest.

3.4.3. Subsequent measurement of financial liabilities

The subsequent measurement of the financial liabilities depends on their classification in their initial recognition. The Group classifies the financial liabilities in the following category:

Liabilities, carried at amortised cost

These liabilities are carried at amortised cost through the effective interest rate method. The elements, classified as trade and other liabilities usually are not assessed again, because the liabilities are known with a high degree of certainty and the settlement is short-term. Usually this category comprises the following financial liabilities: trade liabilities, loans and borrowings, liabilities on received deposits, other liabilities.

3.5. Impairment

3.5.1. Non-derivative financial assets

The impairment model expected credit losses is applied for financial assets, assessed at amortised cost or at fair value through other comprehensive income, excluding the investments in capital instruments and contract assets. According to IFRS 9, the losses are measured through one of the following bases: 1. Expected credit losses for the next twelve months after the date of the financial statements or 2. Expected credit losses for the whole term of the financial assets. The first base is applied when the credit risk does not increase significantly from the date of the initial recognition until the date of financial statements (and the credit risk is low to the date of financial statements). In the opposite case, the second base is applied. The Group applies the second base for the trade receivables and contract assets (whether or not are with or without a significant financial component). The increase of the credit risk is monitored and determined based on the information for risk factors as default, significant deterioration of the financial position of the debtor and other.

For financial assets, carried at amortised cost, if in the next period the amount of impairment loss decreases and the drop may be objectively connected with an event, which arises after the impairment is recognised, the impairment losses recognised before are reversed (directly, or through correction of corrective account for trade receivables) in profit or loss. However, the reversal may not result in a carrying amount of the financial asset, which surpasses the amortised cost, which would have been on the date of the reimbursement, if not impairment have been recognized.

3.5.2. Non-financial assets

The carrying amounts of the Group's non-financial assets (other than inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets that have indefinite useful lives, or that are not yet available for use, are tested annually for impairment. An impairment loss is recognised if the book value of an asset or its related cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are 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. For impairment testing, assets that cannot be tested individually 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 CGUs.

An impairment loss is reversed only to the extent that the asset's book value does not exceed the book value that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.6. Registered capital and repurchase of own shares

The registered capital is the capital of the Parent company, presented at historical cost as of the date of its registration.

Where, at the end of the reporting period, the Group holds repurchased own shares – shares of the Parent company acquired by the Parent company or by other companies within the Group – their nominal value is presented as a reduction of the share capital, and the difference below or above the nominal value – in retained earnings, in accordance with the requirements of IAS 32 Financial Instruments: Presentation.

3.7. Deferred income and prepaid expenses

As deferred revenue and prepaid expenditure, income and expenditure shall be presented in the Group's statement of financial position, which has been prepaid during this period but relate to subsequent reporting periods, guarantees, insurance, subscriptions, rents and others.

3.8. Employee benefits

Defined benefit plans

In accordance with the Labour Code, the Group has an obligation to pay retirement benefits to its employees upon retirement, based on the length of service, age and labour category. Since these benefits qualify for defined benefits plan in accordance with IAS 19 Employee benefits, in accordance with the requirements of this standard the Group recognises the present amount of the benefits as a liability. The Group's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

A qualified actuary using the projected unit credit method performs the calculation annually. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability.

The projected unit credit method presents a liability that may arise in future, based on a number of assumptions. From this point of view, the method is sensitive to assumptions of values of main parameters, on which the obligation and the due amount are dependent. The main assumptions, on which the amount of the obligation is dependent, are based on demographic, financial and other assumptions.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses and are recognised in other comprehensive income. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Short-term employee benefits

Short-term employee benefit obligations are expensed 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.

3.9. Income tax

Income tax expense comprises current and deferred tax. It 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.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

The current profit tax is calculated in accordance with the requirements of the Bulgarian tax legislation (in the Group there are no companies registered abroad) – the Corporate Income Tax Act. The nominal corporate tax rate for 2026 is 10% (2025:10%).

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial statements 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 and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax the Group considers the impact of uncertain tax positions and whether the additional taxes and interest may be due. The Group believes that the accruals for tax payables are sufficient for all open tax periods for several factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact on the tax expense in the period that such a determination is made.

3.10. Revenue and expenses recognition

3.10.1. Revenue from contracts with customers

A contract is an agreement between two or more parties that creates rights and obligations for the parties to it. A customer is a party that has concluded a contract with the Group to obtain goods or services that are subject to the normal activities of the Group in exchange for remuneration. The Group shall recognise revenue to reflect the transfer of the goods or services promised by the contract to customers to an amount that reflects the remuneration to which the Group expects to be entitled in exchange for the transferred goods or services. The transfer of goods or services is based on the concept of transferring control over them, the ability to direct the use of the asset and to obtain essentially all other benefits thereof. Control also includes the ability to prevent other companies from directing the use of the asset and receiving benefits from it. Revenue from contracts with customers shall be recognised either over time in a manner that reflects the work carried out by the Contracting Group or at a certain point when the control of the goods or services of the customer is transferred.

Revenue from contracts with customers is recognised based on the policies and models in IFRS 15.

3.10.2. Finance income and finance costs

Financial income includes interest income, earnings on own bond transactions, foreign exchange gains, revaluation gains on financial assets reported at fair value in profit or loss and others. Financial expenses include interest costs, foreign exchange losses, revaluation losses on financial assets reported at fair value in profit or loss, bank charges, commission and other financial costs. The costs of loans that may be directly attributed to an asset for which the acquisition, construction or production process, before it is ready for its intended use or sale, necessarily takes a significant period of time, shall be capitalised as part of the value of that asset. All other financial income and expenses shall be reflected in profit or loss for all instruments measured at amortised value using the effective interest rate method.

Gains and losses from exchange rate differences are reported on a net basis.

3.11. Leases

Right-of-use assets and lease liabilities

The lease agreements may contain both lease and non-lease components. For a contract containing a lease component and one or more additional leasing components or non-lease components, the Group shall allocate the remuneration of the contract to each lease component based on the relative unit cost of the lease component and the aggregate unit price of the non-lease components. The lease of assets shall be recognised as a right-of-use asset and a lease liability from the date on which the lease assets are available for use by the Group. At the start date, the lessee measures the lease liability at the present value of the lease payments not paid at that date. In 2026 lease payments were discounted at the incremental borrowing rate - 6.66% (at 30 June 2025: 6.59%).

3.11. Leases (continued)

At the initial date, the lease payments included in the measurement of the lease liability comprise the following payments for the right-of-use underlying asset during the term of the lease contract, which are not paid at the initial date: fixed payments (including essentially fixed payments), less lease incentives to be received, variable lease payments depending on an index or percentage, which are measured at the value of the index or percentage at the initial date, amounts expected to be owed by the lessee under the residual value guarantees, the exercise price of the purchase option, if it is sufficiently certain that the lessee will exercise this option and the payment of penalties for termination of the lease, if within the lease term, the contract reflects the exercise of the option to terminate the contract by the lessee. Periods in respect of which there is an option to extend the lease term, if it is sufficiently certain that the Group will exercise that option, are also included in the calculation of lease payments.

At the initial date, the Group measures the lease liability at the present value of the lease payments that have not been paid as of that date. Lease payments are discounted at the incremental borrowing rate - the rate that the Group would be required to pay for borrowing, for a similar period and with similar collateral, funds required to obtain an asset with a similar value as the right-of-use asset in a similar economic environment.

After the initial date, the Group recognizes in profit or loss, unless the costs are included in the carrying amount of another asset according to other applicable standards, the interest on the lease liability and the variable lease payments that are not included in the assessment of the lease liability in the period during which the event or circumstance that led to these payments occurred.

The cost of the right-of-use asset comprises the amount of the initial assessment of the lease liability, the lease payments made before or on the initial date, less the lease incentives received, the initial direct costs incurred by the Group and an estimate of the costs incurred by the Group for dismantling and relocation of the underlying asset, restoration of the site on which the asset is located, or restoration of the underlying asset to the condition required under the terms and conditions of the lease, unless these costs are incurred for the production of inventories. The liability for these costs is recognised by the Group at the initial date or, as a result of the use of the underlying asset over a specified period.

If ownership of the asset is transferred to the lessee under the lease contract until the end of the term of the lease contract or if the cost of the right-of-use asset included the exercise option to purchase by the lessee, the lessee depreciates the right-of-use asset from the effective date until the end of the useful life of the underlying asset. Otherwise, the lessee depreciates the right-of-use asset from the initial date until the end of the useful life of the right-of-use asset or until the expiration of the lease contract, whichever occurs earlier.

The Group has chosen to use the exceptions proposed by the standard for leases whose lease term ends within 12 months and leases with underlying assets of low value.

Lease payments under short-term leases or for low-value assets are reported as current expenses on a straight-line basis over the term of the contract or on another systematic basis.

3.12. Government grants

The government grants are recognized when the conditions for receiving are met and there is a reasonable certainty that the grant will be received. The grants related to assets are recognized initially as deferred income and are subsequently recognized in profit or loss on a systematic and reasonable basis over the useful lives of the respective assets.

The government grants received as a compensation of expenses and losses already accumulated or with the purpose of providing a direct financial support to the Group and no future expenses are expected, are recognised in profit and loss for the period when they become due.

When grants are related to non-depreciable assets and there is a requirement to meet certain obligations, the income is recognized in profit or loss during the periods when the costs related to the fulfilment of obligations are assumed.

A forgivable loan from the government is treated as a grant provided by the government when there is an acceptable guarantee that the Group will meet the conditions for loan forgiveness.

3.13. Segments reporting

The business segments are products and services for which the risk and economic benefits of them are different in individual business segments. Operating segments are products and services for which the risks and benefits vary.

An operating segment is a component of the Group that engages in business activities from which it can derive revenue and incur expenses (including income and expenses related to transactions with other components, the operational results of which are regularly reviewed by the Group's management, being the chief operating decision maker), in deciding on the resources to be allocated to the segment and evaluating the results of its activities and for which separate financial information is available.

The Group reports separately information for an operating segment that meets any of the following quantitative thresholds:

- its reported revenue, including both sales to external customers and sales or transfers between segments, is 10% or more of the combined revenue, internal and external, of all operating segments;

- the absolute amount of its reported profit or loss is 10% or more of the absolute amount of: the combined reported profit of all operating segments that did not report a loss and the combined reported loss of all operating segments that reported a loss;

- its assets are 10% or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered as reporting segments and disclosed separately at the discretion of Management.

The information on operating segments in these consolidated financial statements is presented in accordance with the operating reports provided to the Group's Management. Based on these reports decisions are taken in respect of the resources to be allocated to the segment and the results of its activity are evaluated.

4. Determination of fair values

Some of the Group's accounting policies and disclosures require an assessment of fair values for financial and non-financial assets and liabilities.

The Group has established a control framework for the fair value assessment. This includes an evaluation team that is responsible for the supervision of all significant fair value assessments, including fair values in Level 3.

Significant unobservable inputs and valuation adjustments are reviewed regularly. If information from third parties, such as quotes from brokers or similar services, is used to assess fair values, then the evidence received from third parties shall be evaluated to support the conclusion that such valuations meet the requirements of IFRS, including the level in the hierarchy of fair values in which such assessments must be classified. Significant valuation issues shall be reported to the Group's Management.

When measuring the fair value of an asset or liability, the Group shall use observable inputs as far as possible. Fair values shall be categorized at different levels in the fair value hierarchy based on inputs in valuation techniques as follows:

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

If inputs used to measure the fair value of the asset or liability can be categorized at different levels of the fair value hierarchy, then the fair value measurement shall be categorized in its entirety at this level by the fair value hierarchy whose input information is relevant for the overall valuation.

The Group recognises transfers between fair value hierarchy levels at the end of the reporting period during which the change took place.

5. Segments reporting

Based on the operational reports submitted to the Management of the Group serving as a basis for strategic decision-making, the Group identified the following operational segments:

- ***Wholesale fuel*** - wholesale in the country of oil products;
- ***Retail fuel*** - retail sale of petroleum and non-petrol products in a chain of petrol stations;

Other activities – financial and accounting services, consultancy, rental income, repairs and maintenance, and other activities.

The information by segments provided to the Group's Management for the periods ended 30 June 2026 and 2025 is as follows:

June 30, 2026	**Fuel, wholesale EUR thousand**	**Fuel, retail EUR thousand**	**All other segments EUR thousand**	**Total for the Group EUR thousand**
Total segment revenue	6,681	138,494	615	145,790
Intra-group revenue	13	1,687	519	2,219
Revenue from external customers	**6,668**	**136,807**	**96**	**143,571**
Adjusted EBITDA	**173**	**7,004**	**(3,314)**	**3,863**
Depreciation and amortisation	(49)	(1,719)	(164)	(1,932)
Net profit from impairments	-	-	248	248

30 June 2025	**Fuel, wholesale EUR thousand**	**Fuel, retail EUR thousand**	**All other segments EUR thousand**	**Total for the Group EUR thousand**
Total segment revenue	3,017	114,344	572	117,933
Intra-group revenue	17	1,678	480	2,175
Revenue from external customers	**3,000**	**112,666**	**92**	**115,758**
Adjusted EBITDA	**(43)**	**7,080**	**(3,207)**	**3,830**
Depreciation and amortisation	(52)	(1,604)	(432)	(2,088)
Impairment loss, net	-	-	(31)	(31)

The policies on the recognition of income from intra-group sales and sales to external customers for the purpose of reporting by operational segments do not differ from the accounting policies adopted by the Group on the recognition of income in the consolidated profit or loss account and other comprehensive income.

The Group's management assesses the performance of the segments on the basis of the adjusted EBITDA indicator. The effect of impairment of assets is not taken into account when calculating adjusted EBITDA.

5. Segments reporting (continued)

A reconciliation of the information on the reportable segments with the figures in the consolidated financial statements for the period ended 30 June 2026 and 2025 is presented in the following table:

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Revenue		
Total revenue from reporting segments	145,175	117,361
Revenue from other segments	615	572
Eliminations of intra-group sales	(2,219)	(2,175)
Revenue from external customers	**143,571**	**115,758**
Adjusted EBITDA		
Adjusted EBITDA of reported segments	7,177	7,037
Adjusted EBITDA of all other segments	(3,314)	(3,207)
Consolidated adjusted EBITDA before taxes	**3,863**	**3,830**
Depreciation and amortisation	(1,932)	(2,088)
Reversal of (impairment) losses	248	(31)
Finance costs, net	(1,361)	(1,499)
Profit before tax	**818**	**212**

6. Sales revenue

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Goods	140,562	113,313
Services	1,424	1,557
	141,986	**114,870**

7. Other income

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Profit from the sale of property, machinery and equipment, non-current assets held-for-sale and materials, including:	1,447	695
Sales revenue	*2,687*	*1,296*
Carrying amount	*(1,240)*	*(601)*
Insurance claims	62	25
Assets surpluses	31	11
Penalties and indemnities	7	6
Revenue from financing	-	99
Other	38	52
	1,585	**888**

8. Materials and consumables

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Electricity and heating	601	612
Fuel and lubricants	163	130
Spare parts	133	129
Office supplies	90	92
Water	34	26
Advertising materials	22	7
Working clothes	5	45
Other	52	31
	1,100	**1,072**

9. Hired services

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Dealers' remuneration and other commissions	3,075	2,913
Maintenance and repairs	847	719
Consultations, training and audit	357	320
State, municipal and other charges	280	228
Rents	274	120
Communications	130	127
Insurance	119	88
Cash collection expense	113	107
Security	98	122
Advertising	61	22
Software licenses	51	54
Transport costs	26	25
Other	251	208
	5,682	**5,053**

Rent costs include rentals of EUR 110 thousand (30 June 2025: EUR 81 thousand) in connection with operating leases that fall under the exceptions to IFRS 16 and whose contracts contain a clause which agrees that both parties are entitled to terminate the contract for individual sites or entirely against a minor penalty.

10. Personnel expenses

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Wages and salaries	5,310	4,805
Social security contributions and benefits	1,372	1,249
	6,682	**6,054**

10. Personnel expenses (continued)

The Group has concluded contracts with licensed operators for the provision of food vouchers to its workers and/or employees working on a labour relationship or persons employed under management and control contracts, separately from their remuneration, resulting in social costs for food vouchers amounting to EUR 451 thousand (30 June 2025: EUR 453 thousand) recorded on 30 June 2026.

11. Impairment losses

	June 30 2026 EUR thousand	**June 30 2025 EUR thousand**
A recognised loss on impairment of financial and other assets including:	22	32
Loss on impairment of loans granted	*22*	*32*
Reversed impairment loss on financial assets, including:	(270)	(1)
Reversed impairment loss on loans granted	*(259)*	-
Reversed impairment loss on trade and other receivables	*(11)*	*(1)*
Recognized (refunded) losses, net	**(248)**	**31**

As at 30 June 2026, in accordance with IFRS 9, IFRS 7 and IAS 10, the Group reviewed the expected credit loss model for trade receivables and trade loans granted, as a result of which it reflected as an adjusting event the payment of EUR 1,787 thousand subsequently received in July 2026 under a loan granted to an unrelated party. Due to the material reduction in credit risk, the previously recognised impairment of EUR 603 thousand was partially reversed, an amount of EUR 258 thousand being recognised as current income in the statement of profit or loss, and the remaining loss allowance as at 30 June 2026 being reduced to EUR 345 thousand.

12. Other expenses

	June 30 2026 EUR thousand	**June 30 2025 EUR thousand**
Local taxes and taxes on expenses	141	146
Representative expenditure and sponsorship	58	137
Business trips	16	4
Scrap and shortages	15	18
Penalties and indemnities	-	9
Loss on liquidation of property, machinery and equipment and materials including	-	6
Carrying amount	-	*7*
Revenue from sale	-	*(1)*
Other	87	70
	317	**390**

13. Finance income and costs

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Finance income		
Interest income, including	3,506	3,378
Interest on loans granted	*2,261*	*2,201*
Interest on granted guarantee deposits	*1,221*	*1,156*
Interest on trade receivables	*24*	*21*
Gain on sale of subsidiary	-	216
Positive foreign exchange differences, net	36	-
	3,542	***3,594***
Finance costs		
Interest expenses, including	(4,734)	(4,887)
Interest on bank loans received	*(3,862)*	*(3,957)*
Interest on bond loans	*(422)*	*(421)*
Interest on trade and other payables	*(287)*	*(312)*
Interest on leasing	*(162)*	*(188)*
Interest on trade loans received	*(1)*	*(9)*
Negative foreign exchange differences, net	-	(58)
Bank charges, commissions and other financial costs	(169)	(148)
	(4,903)	***(5,093)***
Finance costs, net	**(1,361)**	**(1,499)**

14. Taxation

14.1. Tax expenses

The tax expense recognised in profit or loss shall include the amount of the current cost of profit taxes and deferred cost of profit taxes as required by IAS 12 Income Taxes.

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Current tax expenditure	296	195
Changes in deferred taxes, including	(24)	(46)
Of temporary differences recognised during the period	*50*	*4*
From temporary differences occurring during the period	*(74)*	*(50)*
Tax expense	**272**	**149**

14.2 Effective tax rate

The reconciliation between accounting profit and tax expense and the calculation of the effective tax rate as at 30 June 2026 and 2025 are presented in the following table:

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Profit for the period before tax	818	212
Applicable tax rate	10%	10%
Corporate tax at the applicable tax rate	82	21
Tax effect of constant differences	11	44
Tax effect of a tax asset not recognised during the current period	133	94
Tax effect of consolidation adjustments	46	(10)
Tax expense	**272**	**149**
Effective tax rate	**33%**	**70%**

Until 5 years from the end of the year for which declarations were to be submitted, the relevant tax periods may be subject to verification by the tax authorities. As a result of such checks, additional tax obligations or fines may be imposed according to the interpretation of tax legislation. The Group's management does not have any known circumstances that could lead to additional material obligations in this area.

14.3. Recognized deferred tax assets and liabilities

Recognized deferred tax assets

	Asset (liability) as at January 1, 2025	Disposals in a business combination	Recognised in profit or loss	Asset (liability) as at December 31, 2025	Recognised in profit or loss	Asset (liability) as at June 30, 2026
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand
Property, plant and equipment	(1,412)	200	65	(1,147)	42	(1,105)
Impairment of assets	2608	-	44	2,652	(27)	2,625
Tax loss carry-forwards	39	(10)	6	35	(2)	33
Provisions for unused leave and other provisions	89	-	14	103	2	105
Excess of interest expenses under the CITA	440	-	266	706	21	727
Other temporary differences including outstanding income of natural persons	19	-	(1)	18	3	21
	1,783	**190**	**394**	**2,367**	**39**	**2,406**

14.3. Recognized deferred tax assets and liabilities (continued)

Recognized deferred tax liabilities

	Asset (liability) as at January 1, 2025	Disposals in a business combination	Recognised in profit or loss	Asset (liability) as at December 31, 2025	Recognised in profit or loss	Asset (liability) as at June 30, 2026
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand
Property, plant and equipment	(746)	-	(1)	(747)	(15)	(762)
Impairment of assets	28	-	2	30	-	30
	(718)	**-**	**1**	**(717)**	**(15)**	**(732)**

The Group has the right to carry forward tax assets on tax losses to subsequent reporting years until 2031.

14.4. Unrecognized deferred tax assets

As of 30 June 2026 the Group's management reviews the recoverability of deductible temporary differences and tax losses carried forward that form tax assets. As a result of this review, the Group's management considers that it is possible not to make enough taxable profits in the near future to deduct them. As a result, the Group does not recognise a tax asset on tax losses carried forward and impairment of assets arising in current and previous reporting years.

15. Property, Plant and Equipment, and Intangible Assets

	Land EUR thousand	Buildings EUR thousand	Machinery and equipment EUR thousand	Transport vehicles EUR thousand	Other assets EUR thousand	Assets under construction EUR thousand	Intangible assets EUR thousand	Total EUR thousand
Cost								
Balance as at January 1, 2025	**23,007**	**12,793**	**18,851**	**219**	**5,573**	**175**	**332**	**60,950**
Additions	3	67	340	-	239	126	56	831
Transfers	-	-	133	-	7	(140)	-	-
Transfers to assets held for sale	(424)	(215)	(117)	-	(9)	-		(765)
Disposals in a business combination	(1,284)	(761)	(234)	-	(45)	(1)	(2)	(2,327)
Disposals	(860)	(197)	(290)	-	(87)	(54)	(1)	(1,489)
Balance as at December 31, 2025	**20,442**	**11,687**	**18,683**	**219**	**5,678**	**106**	**385**	**57,200**
Additions	-	35	159	-	187	154	-	535
Disposals	(705)	(110)	(116)	-	(79)	(10)	-	(1,020)
Balance as at June 30, 2026	**19,737**	**11,612**	**18,726**	**219**	**5,786**	**250**	**385**	**56,715**
Accumulated depreciation and amortisation								
Balance as at January 1, 2025	**-**	**722**	**1,945**	**24**	**856**	**-**	**123**	**3,670**
Charged for the period	-	487	1,430	4	674	-	34	2,629
Transfers to assets held for sale	-	(14)	(18)	-	(2)	-	-	(34)
Disposals in a business combination	-	(90)	(43)	-	(15)	-	-	(148)
Written off during the period	-	(17)	(115)	-	(25)	-	(1)	(158)
Balance as at December 31, 2025	**-**	**1,088**	**3,199**	**28**	**1,488**	**-**	**156**	**5,959**
Charged for the period	-	209	686	2	341	-	12	1,250
Written off during the period	-	(9)	(22)	-	(19)	-	-	(50)
Balance as at June 30, 2026	**-**	**1,288**	**3,863**	**30**	**1,810**	**-**	**168**	**7,159**
Carrying amount as at 1 January 2025	**23,007**	**12,071**	**16,906**	**195**	**4,717**	**175**	**209**	**57,280**
Carrying amount as at December 31, 2025	**20,442**	**10,599**	**15,484**	**191**	**4,190**	**106**	**229**	**51,241**
Carrying amount as at June 30, 2026	**19,737**	**10,324**	**14,863**	**189**	**3,976**	**250**	**217**	**49,556**

As of 30 June 2026, Property, plant and equipment and intangible assets with a carrying amount of 43,184 EUR thousand (31 December 2025: 45,146 EUR thousand) were mortgaged or pledged as collateral on bank loans granted to the Parent company and to unrelated parties under credit limit contracts for issuing bank guarantees.

Assets under construction mainly include costs incurred in connection with the reconstruction of sites.

16. Investment property

	June 30 2026 EUR thousand	December 31 2025 EUR thousand
Reporting value		
Balance at the beginning of the period	**963**	**963**
Acquired	-	-
Balance at the end of the period	**963**	**963**
Accumulated depreciation and amortisation		
Balance at the beginning of the period	**220**	**195**
Period amortization	13	25
Balance at the end of the period	**233**	**220**
Carrying amount at the beginning of the period	**743**	**768**
End of period transfer value	**730**	**743**

Investment properties, representing land and a building, were acquired in December 2016 through a business combination. The Group measures the fair value of investment property for disclosure purposes using a valuation by an independent valuer, carried out under the depreciated replacement cost method, the direct comparison method and the capitalisation of future rental income method. The fair value of investment property as at 30 June 2026 and 31 December 2025 is EUR 1,343 thousand. Investment property serves as security for liabilities under a bank loan agreement.

17. Assets and liabilities under leases

The consolidated statement of financial position as at 30 June 2026 and 31 December 2025 presents the following items and amounts relating to lease agreements:

Consolidated statement of financial position	June 30 2026 EUR thousand	December 31 2025 EUR thousand
Right-of-use assets, including:	**3,994**	**4,664**
Properties (land and buildings)	*3,930*	*4,528*
Machinery, plant and equipment	*50*	*64*
Transport vehicles	*14*	*72*
Obligations, lease liabilities, including:	**(5,384)**	**(5,475)**
Current liabilities	*(3,058)*	*(1,701)*
Non-current liabilities	*(2,326)*	*(3,774)*
Net effect on equity	**(1,390)**	**(811)**

17. Assets and liabilities under leases (continued)

Expenditure recognised in the consolidated statement of profit or loss and other comprehensive income from ongoing and discontinued activities:

Consolidated statement of profit or loss and other comprehensive income	**June 30 2026 EUR thousand**	**June 30 2025 EUR thousand**
Depreciation of right-of-use assets, including:	669	840
Properties (land and buildings)	*597*	*708*
Machinery, plant and equipment	*14*	*2*
Transport vehicles	*58*	*130*
Interest on right-of-use asset lease agreements	162	188
	831	**1,028**

The total cash outflows under leases for right-of-use assets on 30 June 2026 and 2025 are EUR 1,029 thousand and EUR 1,104 thousand respectively, and the amount does not include the VAT paid.

The Group has leased various assets: land, commercial sites, small offices and buildings, transport vehicles, copying machines. The agreements are usually for 3 to 10 years but may include extension options.

18. Goodwill

The goodwill recognised arose as a result of acquisitions of subsidiaries in previous periods and, as at 30 June 2026 and 31 December 2025, amounts to EUR 13,761 thousand, against which total impairment losses of EUR 10,430 thousand have been charged.

The allocation of goodwill by company is as follows: for Varna Storage Ltd – recognised goodwill of EUR 10,117 thousand (fully impaired), Crystal Asset Property Ltd – EUR 2,725 thousand with accumulated impairment of EUR 261 thousand, Crystal Assets Trade Ltd – EUR 864 thousand with accumulated impairment of EUR 26 thousand, Crystal Assets Bulgaria Ltd – EUR 26 thousand (fully impaired), Lozen Asset AD – EUR 15 thousand and Petrol Technologies OOD – EUR 14 thousand.

As of 30 June 2026 and 31 December 2025 the management analysed the impairment indicators and confirmed that no events requiring additional adjustments to the carrying amount have occurred.

19. Non-current assets held for sale

	June 30 2026 EUR thousand	**December 31 2025 EUR thousand**
Non-current assets held for sale, including:	410	732
Land	*278*	*425*
Buildings	*105*	*201*
Machinery, plant and equipment	*21*	*99*
Other	*6*	*7*
	410	**732**

19. Non-current assets held for sale (continued)

At the end of 2025, two preliminary contracts were concluded for the sale of two separate commercial sites (petrol stations). The Group management considers that at this time the assets meet the requirements of IFRS 5 and are classified as non-current assets held-for-sale. In January 2026 one contract was finalised and all assets classified as held for sale related to it were successfully realised. The result of the sale is reflected in this interim consolidated statement of profit or loss.

The value of the assets held for sale as at 30 June 2026 amounts to EUR 410 thousand and relates entirely to the second commercial site (petrol station) for which the preliminary contract remains in force. The management confirms its commitment to the sale plan and expects the transaction to be finally completed before the end of 2026.

20. Inventories

	June 30 2026 EUR thousand	December 31 2025 EUR thousand
Goods, including:	7,131	7,174
Oil products	*3,381*	*3,818*
Other goods	*3,750*	*3,356*
Materials	318	376
	7,449	**7,550**

21. Loans granted

	June 30 2026 EUR thousand	December 31 2025 EUR thousand
Non-current receivables		
Deposits granted	35,450	35,450
Initial value	*35,790*	*35,790*
Allowance for impairment	*(340)*	*(340)*
Loans granted to unrelated parties, including	26,789	26,332
Initial value	*28,729*	*28,021*
Allowance for impairment	*(1,940)*	*(1,689)*
	62,239	**61,782**
Current receivables		
Loans granted to unrelated parties, including	34,321	32,424
Initial value	*40,266*	*38,859*
Allowance for impairment	*(5,945)*	*(6,435)*
Loans granted to related parties, incl.:	8,124	7,815
Initial value	*9,445*	*9,136*
Allowance for impairment	*(1,321)*	*(1,321)*
	42,445	**40,239**
	104,684	**102,021**

21. Loans granted (continued)

Loans granted to unrelated parties – legal entities registered in the Republic of Bulgaria are provided under the following interest rates and repayment deadline: In September 2023, The parent company has provided cash at a commercial bank under Debt Product Agreements (pursuant to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26.06.2013) against interest linked to the bank's base interest rate (BIR) plus a margin of 2.9093 points for a period of 10 years with a maturity of 15.08.2033. As of 31 December 2023, the amounts deposited shall total EUR 28,121 thousand. The parent company has concluded contracts to block these funds in order to secure the implementation of the parent company's granted credit line by the same bank, with the same duration. As of 30 June 2026, the receivable amounts to EUR 27,830 thousand net of impairment under the policy of recognising expected credit losses for financial assets.

In December 2024 and in January and February 2025 the Parent company placed with the same commercial bank, under Debt Product Agreements (pursuant to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26.06.2013), cash against interest linked to the bank's base interest rate (BIR) plus a margin of 3.2100 points for a term of five years. The amounts deposited under these terms total EUR 7,669 thousand. The Parent company has concluded agreements for blocking these funds in order to secure performance under an overdraft granted on the account of the Parent company by the same bank, with the same term. As at 30 June 2026 the receivable amounts to EUR 7,620 thousand, net of impairment, in accordance with the policy for recognition of expected credit losses for financial assets.

21. Loans granted (continued)

Borrower	Receivables on loans granted as at 30.06.2026, net EUR thousand	*Principal EUR thousand*	*Interest EUR thousand*	*Allowance for impairment EUR thousand*	Annual interest rate %	Maturity
Commercial company	**13,010**	*13,038*	*503*	*(531)*	6.70%	Principal – 31 Dec 28; Interest – current for the year
Commercial company	**8,990**	*7,567*	*1,423*	*-*	7.20%	31 Dec 28
Commercial company	**5,648**	*4,981*	*949*	*(282)*	7.00%	31 Dec 26
Commercial company	**5,277**	*4,977*	*511*	*(211)*	6.70%	31 Dec 28
Commercial company	**4,755**	*4,006*	*783*	*(34)*	7.00%	31 Dec 26
Commercial company	**3,969**	*3,911*	*403*	*(345)*	7.30%	31 Dec 26
Commercial company	**3,962**	*3,541*	*421*	*-*	6.70%	31 Dec 26
Commercial company	**3,318**	*2,981*	*575*	*(238)*	7.00%	31 Dec 26
Commercial company	**2,929**	*2,567*	*1,230*	*(868)*	6.70%	31 Dec 26
Commercial company	**2,019**	*1,693*	*342*	*(16)*	7.00%	31 Dec 26
Commercial company	**1,517**	*1,442*	*78*	*(3)*	7.20%	31 Dec 26
Commercial company	**1,256**	*1,107*	*267*	*(118)*	7.00%	31 Dec 26
Commercial company	**779**	*667*	*126*	*(14)*	6.70%	31 Dec 25
Commercial company	**763**	*736*	*77*	*(50)*	5.00%	31 Dec 26
Commercial company	**763**	*613*	*156*	*(6)*	7.00%	31 Dec 26
Commercial company	**563**	*488*	*95*	*(20)*	7.00%	31 Dec 26
Commercial company	**516**	*500*	*22*	*(6)*	7.20%	31 Dec 26
Commercial company	**298**	*334*	*12*	*(48)*	6.70%	31 Dec 26
Commercial company	**293**	*249*	*47*	*(3)*	7.00%	31 Dec 26
Commercial company	**227**	*220*	*7*	*-*	6.70%	31 Dec 26
Commercial company	**216**	*202*	*14*	*-*	7.20%	31 Dec 26
Commercial company	**15**	*15*	*-*	*-*	0.00%	31 Dec 26
Commercial company	**10**	*10*	*-*	*-*	0.00%	31 Dec 25
Commercial company	**10**	*10*	*-*	*-*	5.00%	31 Dec 27
Commercial company	**5**	*160*	*75*	*(230)*	5.00%	31 Dec 27
Commercial company	**1**	*62*	*14*	*(75)*	5,00%	31 Dec 26
Commercial company	**1**	*1*	*-*	*-*	6.80%	31 Dec 26
Commercial company	**-**	*643*	*325*	*(968)*	6.70%	18 Dec 28
Commercial company	**-**	*8*	*4*	*(12)*	6.70%	31 Dec 26
Commercial company	**-**	*2,654*	*-*	*(2,654)*	0.00%	28 Oct 15
Commercial company	**-**	*1,130*	*-*	*(1,130)*	9.50%	28 Oct 15
Commercial company	**-**	*22*	*-*	*(22)*	9.50%	21 Jan 17
Commercial company	**-**	*-*	*1*	*(1)*	8.50%	26 Aug 15
	61,110	***60,535***	***8,460***	***(7,885)***		

21. Loans granted (continued)

Borrower	Receivables on loans granted as at 31.12.2025, net EUR thousand	*Principal* EUR thousand	*Interest* EUR thousand	*Allowance for impairment* EUR thousand	Annual interest rate %	Maturity
Commercial company	*12,570*	*13,038*	*63*	*(531)*	6.70%	Principal – 31 Dec 28; Interest – current for the year
Commercial company	*8,715*	*7,567*	*1,149*	*(1)*	7.20%	31 Dec 28
Commercial company	*5,383*	*4,886*	*778*	*(281)*	7.00%	31 Dec 26
Commercial company	*5,110*	*4,977*	*344*	*(211)*	6.70%	31 Dec 28
Commercial company	*4,678*	*4,071*	*641*	*(34)*	7.00%	31 Dec 26
Commercial company	*3,842*	*3,541*	*301*		6.70%	31 Dec 26
Commercial company	*3,567*	*3,911*	*259*	*(603)*	7.30%	31 Dec 26
Commercial company	*3,215*	*2,981*	*472*	*(238)*	7.00%	31 Dec 26
Commercial company	*2,808*	*2,531*	*1,144*	*(867)*	6.70%	31 Dec 26
Commercial company	*1,971*	*1,703*	*284*	*(16)*	7.00%	31 Dec 26
Commercial company	*1,465*	*1,442*	*26*	*(3)*	7.20%	31 Dec 26
Commercial company	*1,232*	*1,123*	*228*	*(119)*	7.00%	31 Dec 26
Commercial company	*749*	*620*	*135*	*(6)*	7.00%	31 Dec 26
Commercial company	*715*	*706*	*59*	*(50)*	5.00%	31 Dec 26
Commercial company	*681*	*590*	*105*	*(14)*	6.70%	31 Dec 26
Commercial company	*549*	*491*	*78*	*(20)*	7.00%	31 Dec 26
Commercial company	*484*	*486*	*4*	*(6)*	7.20%	31 Dec 26
Commercial company	*285*	*250*	*39*	*(4)*	7.00%	31 Dec 26
Commercial company	*282*	*330*	*1*	*(49)*	6.70%	31 Dec 26
Commercial company	*220*	*220*	-	-	6.70%	31 Dec 26
Commercial company	*209*	*202*	*7*	-	7.20%	31 Dec 26
Commercial company	*15*	*15*	-	-	0.00%	31 Dec 26
Commercial company	*10*	*10*	-	-	0.00%	31 Dec 26
Commercial company	*1*	*1*	-	-	6.80%	31 Dec 26
Commercial company	-	*160*	*70*	*(230)*	7.00%	07 Aug 26
Commercial company	-	*62*	*13*	*(75)*	5.00%	31 Dec 26
Commercial company	-	*2,654*	-	*(2,654)*	0.00%	28 Oct 15
Commercial company	-	*1,130*	-	*(1,130)*	9.50%	28 Oct 15
Commercial company	-	*643*	*303*	*(946)*	6.70%	18 Dec 28
Commercial company	-	*22*	-	*(22)*	9.50%	21 Jan 17
Commercial company	-	*9*	*4*	*(13)*	6.70%	31 Dec 26
Commercial company	-	-	*1*	*(1)*	8.50%	26 Aug 15
	58,756	***60,372***	***6,508***	***(8,124)***		

22. Trade and other receivables

	June 30 2026 EUR thousand	December 31 2025 EUR thousand
Claims on customers, including	19,199	10,532
Initial value	*21,477*	*12,821*
Allowance for impairment	*(2,278)*	*(2,289)*
Claims on related parties	1,114	6,869
Receivables on assignments (cessions), debt assumption and recourse	1,096	1,081
Initial value	*2,250*	*2,235*
Allowance for impairment	*(1,154)*	*(1,154)*
Financial assets, measured at fair value through profit or loss	917	917
Guarantees for tenders	397	390
Advances granted, including	242	101
Initial value	*277*	*136*
Allowance for impairment	*(35)*	*(35)*
Prepaid expenditure	160	334
Tax refundable, incl.:	35	18
Real estate tax and TBO	*23*	*14*
Value added tax	*12*	*4*
Litigation and awarded receivables, including	1	-
Initial value	*6*	*5*
Allowance for impairment	*(5)*	*(5)*
Other	1,091	583
Initial value	*1,097*	*589*
Allowance for impairment	*(6)*	*(6)*
	24,252	**20,825**

In accordance with the established policy, the Group provides its customers with a credit period, after which default interest is charged on the unpaid balance at the rates provided for in each individual contract. As at the end of every reporting period the Group carries out a detailed review and analysis of overdue trade receivables of material amount and the assessed as uncollectible are impaired.

The adoption of IFRS 9 substantially changed the accounting of impairment losses for financial assets by replacing the incurred loss approach of IAS 39 with the future-oriented model of expected credit losses. IFRS 9 requires the Group to recognise a provision for expected credit losses for all debt instruments that are not reported at fair value through profit or loss and for contract assets.

The Group considers that non-impaired overdue amounts are collectable based on historical information on payments, guarantees provided and detailed analysis of credit risk and collateral to the customers concerned.

23. Cash and cash equivalents

	June 30 2026 EUR thousand	December 31 2025 EUR thousand
Cash in transit	923	812
Cash on bank accounts	452	1,352
Cash	31	38
Cash and cash equivalents in the consolidated statement of cash flows	**1,406**	**2,202**
Cash blocked	3	49
Cash and cash equivalents in the consolidated statement of financial position	**1,409**	**2,251**

As at 30 June 2026 and 31 December 2025 the Group reported respectively EUR 3 thousand and EUR 49 thousand of cash in demand deposits blocked under attachments in enforcement proceedings.

Cash in transit represents cash collected from the commercial sites at the end of the reporting period but actually credited to the Group's bank accounts at the beginning of the following reporting period.

24. Registered capital

The Group's registered capital is presented at its nominal value. It represents the registered capital of the Parent company Petrol AD.

As of 30 June 2026, the fully paid-up registered capital, following changes in subsequent increases and reductions, amounted to EUR 13,929 thousand distributed into 27,312,403 registered shares, each with a nominal value of 0,51 euro.

The shareholders of the parent company on 30 June 2026 and 31 December 2025 are as follows:

	June 30 2026	December 31 2025
Alpha Capital AD	28.85%	28.85%
Storage Invest Ltd	26.77%	26.77%
Perfeto consulting EOOD	16.43%	16.43%
Balance as at	9.82%	9.82%
Petrol Bulgaria AD	7.05%	7.05%
Griffon Power AD	5.39%	5.39%
Ministry of Energy	0.65%	0.65%
Other minority shareholders	5.04%	5.04%
	100.00%	**100.00%**

24. Registered capital (continued)

The procedure for distribution of profits and coverage of losses is laid down in the Commercial Act and the Articles of Association of the Parent company.

Profit (loss) per share

Earnings per share are calculated based on net profit and the weighted average number of ordinary shares in circulation for the period ending on 30 June 2026 and 2025:

	June 30 2026 EUR thousand	June 30 2025 EUR thousand
Weighted average number of shares (in thousands)	27,312	27,312
Profit for the period relating to the parent company's equity holders in EUR thousand	546	63
Profit per share (EUR)	**0.02**	**0.00**

25. Loans and borrowings

	June 30 2026 EUR thousand	December 31 2025 EUR thousand
Non-current liabilities		
Bank loans	101,452	103,226
Debenture loans	-	18,632
	101,452	**121,858**
Current liabilities		
Bank loans	14,268	12,100
Debenture loans	18,981	342
Loans from non-related parties	19	19
Loans from related parties	2	2
	33,270	**12,463**
	134,722	**134,321**

25.1. Debenture loans

In October 2006, the Parent company issued 2,000 registered, transferable bonds with a fixed annual interest rate of 8.375% and an issue value of 99.507% of par, which was set at EUR 50,000 per bond. The purpose of the issue is to provide funds for working capital, financing of investment projects and restructuring of the Group's previous debt. The principal is payable once on maturity and interest is payable annually. At General Meetings of Bondholders held in October and December 2011, it was resolved to extend the maturity date of the issue to January 26, 2017. On December 23, 2016, a procedure was successfully completed to reschedule the maturity of the bond loan until 2022 and reduce the interest rate to a range of 5.5 to 8% with interest payments once a year.

In September 2020 the Parent company successfully completed a new procedure for renegotiating the terms of the debenture loan. The maturity of the principal of the debenture loan was rescheduled until January 2027, the agreed interest rate was reduced to 4.24% per annum, and the interest (coupon) payments due are payable every six months – in January and in July of each year until the maturity of the loan.

At the date of these consolidated financial statements, the nominal value of the debenture loan is EUR 18,659 thousand and the fair value is EUR 17,629 thousand (2025: 16,828 thousand) calculated at interest rate 29.33% (2025: 29.33%).

The liabilities under the debenture loan are presented in the statement of financial position at their amortised cost. In 2026 the annual effective interest rate of the issue is 4.51% (including 4.24% annual coupon interest).

25.2. Bank loans

In July 2023 the Parent company entered into a contract with a commercial bank to grant a revolving credit line of EUR 112,484 thousand. The funds are intended to be used, including, but not only for investment purposes, working capital, issuing bank guarantees and opening of letters of credit, can be used and repaid repeatedly until 15 August 2033 and the deadline for repayment of all debts arising from the credit line is 15 September 2033. The annual interest due on the amount used shall consist of the base interest rate (BIR) for loans granted in BGN until 31 December 2025, applied by the bank plus a margin of 3.21 points but not less than 5,9%. The credit line is secured by a special pledge over the commercial enterprise of the Parent company and a special pledge over the commercial enterprises of co-debtors, including subsidiaries, a guarantee by an unrelated person, contractual mortgages on real estate of co-debtors, including subsidiaries, suretyship and financial collateral on claims on accounts in the bank and deposits of cash from the borrower under debt contracts.

The funds under the revolving credit line with a total credit limit of EUR 112,484 thousand are provided in tranches further approved by the Bank and further terms agreed by annexes between the parties.

25.2. Bank loans (continued)

In July 2023, based on the 112,484 EUR thousand-wide revolving line contract, an annex agreed the granting of tranche No 1 amounting to EUR 46,016 thousand, as an investment loan for the purchase of assets and company shares with a drawdown period until 30 October 2023. The interest and repayment deadline shall not differ from those agreed in the basic contract. The funds under this tranche have been drawn and, as at 30 June 2026, the Group has a principal liability of EUR 33,362 thousand. and interest of EUR 198 thousand.

In July 2023, on the basis of the contract for a total 112,484 EUR thousand revolving credit line, an annex agreed the granting of tranche No 2 amounting to EUR 15,339 thousand, for working capital, refinancing of liabilities under an existing revolving credit line granted by the same bank and payment funds under bank guarantees and letters of credit. In July 2025, the tranche was increased to EUR 16,157 thousand. The drawdown period is until 14 August 2033. The interest and repayment deadline shall not differ from those agreed in the basic contract. In November 2023, the funds under tranche No 2 were drawn and, as at 30 June 2026, the Group has a principal liability of EUR 13,867 thousand and interest of EUR 79 thousand.

In July 2023, based on the 112,484 EUR thousand-wide revolving line contract, an annex agreed the granting of tranche No 3 amounting to EUR 28,121 thousand as working capital in the form of an overdraft. The period for repeated drawdown and use of the amount of this tranche shall be until 14 August 2033. The interest and repayment deadline shall not differ from those agreed in the basic contract. As of 30 June 2026, the Group has a liability under this tranche for a principal of EUR 28,121 thousand and interest of EUR 960 thousand.

In July 2023, based on the 112,484 EUR thousand-wide revolving line contract, an annex agreed the granting of tranche No 4 amounting to EUR 23,008 thousand as a revolving working capital loan. The period for drawdown and use of the amount under this tranche shall be until 14 August 2033. The interest and repayment deadline shall not differ from those agreed in the basic contract. As of 30 June 2026 the Group has a liability under this tranche for a principal of EUR 23,008 thousand and EUR 786 thousand of interest.

In November 2023, the parent company entered into a bank loan agreement of EUR 1,533 thousand intended for business activities, at an annual base interest rate (BIR) for loans granted in BGN until 31 December 2025 to the creditor bank, increased by a margin of 2.61 points but not less than 5.9% on an annual basis. The repayment plan is for 5 (five) years with equal monthly instalments of principal, the repayment deadline is 25 November 2028. The loan is secured by mortgages on land and buildings owned by the Group, pledges over machinery, plant and equipment, as well as financial collateral by providing a pledge under the Financial Collateral Arrangements Act on claims on accounts opened at the creditor bank. As of 30 June 2026, the Group's liability for principal under this contract amounted to EUR 767 thousand and EUR 5 thousand of interest.

In December 2024, based on the contract for a rolling line with a total limit of EUR 112,484 thousand, an annex agreed the granting of tranche No 6 amounting to EUR 6,136 thousand as a revolving working capital loan. With an annex in January 2025, the amount of the tranche was increased to EUR 6,519 thousand and in December 2025 to EUR 7,286 thousand, and the drawdown period for the amount of this tranche was extended to 31 December 2026. Interest does not differ from the terms agreed in the basic contract. As of 30 June 2026 the Group has a liability under this tranche for a principal of EUR 6,902 thousand and EUR 21 thousand interest.

25.2. Bank loans (continued)

In December 2024, the Parent company concluded a bank loan contract in the form of an overdraft with a maximum allowable amount of EUR 7,669 thousand intended for business activities, at an annual base interest rate (BIR) for loans granted in BGN until 31 December 2025 to the creditor bank, increased by a margin of 3.21 points on an annual basis. The term of use of the loan is until 30 December 2029. Under the loan, a commitment was undertaken to establish security by a pledge over receivables of the parent company from the bank under agreements for a senior non-preferred debt product of EUR 7,669 thousand, as well as a pledge over receivables under the Financial Collateral Arrangements Act of all the accounts of the parent company opened in the bank. As of 30 June 2026, the principal obligation under this contract amounted to EUR 7,644 thousand.

25.3. Loans from unrelated parties

In January 2023 the Group received a short-term loan from an unrelated commercial company, with a credit limit of EUR 2,000 thousand and interest of 5% on the amount drawn. The loan had a term until 31 December 2024 and its principal has been repaid. The liability as at 30 June 2026 and 31 December 2025 amounts to EUR 1 thousand of interest.

In August 2025 the Group receives a short-term loan from an unrelated commercial company with a limit of EUR 150 thousand and an interest of 8% on an annual basis on the amount used. The loan has a repayment term until 31 December 2025. The obligation on 30 June 2026 amounts to EUR 5 thousand in principal.

In December 2025, the Group received a short-term loan from an unrelated commercial company of EUR 13 thousand. The interest payable is 6,7% on the amount used. The loan has a term of 31 December 2026.

25.4 Factoring

In August 2024, by an annex to an Agreement of 10 March 2021 for the purchase of receivables under commercial invoices (standard factoring) with a commercial bank, a total advance limit of up to EUR 3,068 thousand was agreed, at an annual interest rate equal to the base interest rate (BIR) for loans granted in BGN until 31 December 2025 applied by the factor, increased by a margin of 1.01 points, but not less than 4.5% per annum on the amount of the advance granted. The agreement is secured by a pledge over receivables on the Group's bank accounts opened with the bank. As at 30 June 2026 and 31 December 2025 no receivables or liabilities have been transferred in connection with financing received under this factoring agreement.

In December 2024, a second standard factoring contract with the same bank with a total advance limit of 1,534 EUR thousand was finalised, an annual base interest rate (BIR) for loans granted in BGN until 31 December 2025, applied by the factor, increased by a margin of 1.01 points but not less than 4.5% per year on the amount of the advance granted. The collateral agreed is a pledge of claims on bank accounts and a pledge on claims on counterparties of EUR 1,534 thousand. By 30 June 2026 the exposure under this contract amounted to EUR 91 thousand.

As of December 2025 the Parent company has a contract with a bank for non-recourse factoring, with a limit of EUR 511 thousand and an annual interest rate equal to the sum of the one-month EURIBOR plus an agreed margin of 3.50%, but not less than 3.50% per annum. As at 30 June 2026 the Parent company has an exposure of EUR 1 thousand under this contract.

26. Obligation for defined benefit retirement compensations

As at 30 June 2026 and 31 December 2025 the Group's liabilities for defined benefit retirement plans amount to EUR 562 thousand. The amount of the liability is determined based on actuarial valuations based on assumptions of mortality, disability, probability of leaving, salary growth and others. The annual discount rate applied is 3.93% and a future increase in remuneration of 4%. The assumptions regarding mortality reflect the probability that individuals will live to the age determined for entitlement to a pension. It is calculated for each individual separately based on their gender and their age at the date of the valuation.

27. Trade and other payables

	June 30 2026 EUR thousand	**December 31 2025 EUR thousand**
Payables to suppliers	27,588	29,912
Liabilities to related parties	6,169	4,516
Advances and deferred income received	2,719	1,333
Dividends payable to unrelated parties	2,489	2,489
Payables to personnel and social security institutions	1,920	1,663
Tax liabilities, including	1,718	1,130
Value added tax	*1,214*	*783*
Excise and other taxes	*504*	*347*
Other	719	691
	43,322	**41,734**

The Group accrues liabilities for unused paid leave of personnel in accordance with *IAS 19 Employee Benefits*. The movement in these accruals for the period is as follows:

	June 30 2026 EUR thousand	**December 31 2025 EUR thousand**
Rest at the beginning of the period	483	388
Acquired during the period	309	440
Used during the period	(291)	(355)
Other changes	-	10
End of period balance, including	**501**	**483**
Leaves	*420*	*407*
Insurance on leave	*81*	*76*

The balance at the end of the period is presented in the consolidated statement of financial position together with current staff obligations.

28. Current income tax

	June 30 2026 EUR thousand	December 31 2025 EUR thousand
Income tax payable at the beginning of the period	**795**	**831**
Acquired corporate tax	296	431
Corporate tax paid	(226)	(423)
Other changes	2	(44)
Income tax payable at the end of the period	**867**	**795**

29. Subsidiaries

The subsidiaries included in the consolidation over which the Group exercises control as at 30 June 2026 and 31 December 2025 are as follows:

Subsidiary	**Main activity**	**Investment as at June 30, 2026**	**Investment as at December 31, 2025**
Varna Storage Ltd	Trading in petroleum and petroleum products	100%	100%
Petrol Finance Ltd	Financial and accounting services	100%	100%
Elit Petrol Lovech AD	Trading in petroleum and petroleum products	100%	100%
Lozen Asset AD	Acquisition, management, operation and disposal of real estate	100%	100%
Petrol Properties Ltd	Trading in movable and immovable property	100%	100%
Kremikovtzi Oil Ltd	Processing, import, export and trading in petroleum products	100%	100%
Shumen Storage Ltd	Processing, import, export and trading in petroleum products	100%	100%
Svilengrad Oil Ltd	Trading in petroleum and petroleum products	100%	100%
Bulgaria Cargo Rail Ltd	Export and transportation of oil and petroleum products	100%	100%
Crystal Assets Trade Ltd	Rental of assets	100%	100%
Crystal Asset Property Ltd	Rental of assets	100%	100%
Crystal Assets Bulgaria Ltd	Rental of assets	100%	100%
Prima Assets Bulgaria Ltd	Rental of assets	100%	100%
Prima Assets Trade Ltd	Rental of assets	100%	100%
Prima Consult Property Ltd	Rental of assets	100%	100%
Prima Land Property Ltd	Rental of assets	100%	100%
Petrol Oil Recycling Ltd	Collection and recycling of waste oil products	100%	100%
Sandanski Storage Ltd	Rental of assets	100%	100%
Petrol Investment AD	Acquisition, management, operation and disposal of real estate	99,98%	99,98%
Petrol Finances OOD	Financial and accounting services	99%	99%
Petrol Technologies OOD	IT services and consultancy	98,80%	98,80%
Petrol Technology OOD	Information technology services	98,80%	98,80%

29. Subsidiaries (continued)

In February 2025, the Management of the Group entered a preliminary sale contract for 100% of the shares of the subsidiary Office Estate Ltd. On 11 April 2025, a final contract with an unrelated party was concluded for the sale of 1,541,000 company shares of the subsidiary Office Estate Ltd, representing 100% of the company shares, at a selling price of EUR 1,259 thousand. At the date of the transaction, the consolidated net assets amounted to EUR 1,043 thousand and the result of the sale was a profit of EUR 216 thousand. The net cash flow from the sale was EUR 1,258 thousand

In December 2025, by means of a contract for the purchase of company shares, the Parent company transferred to a third party 1,499,810 shares representing 100% of the capital of the subsidiary Varna 2130 Ltd, for a sale price of 2,710 EUR thousand. At the date of the transaction, the consolidated net assets amounted to EUR 979 thousand, and the result of the sale was a profit of EUR 1,731 thousand. The net cash flow from the sale was EUR 2,709 thousand.

All subsidiaries are registered in the Republic of Bulgaria.

30. Capital management

In accordance with the provisions of Art. 252 of the Commercial Act, the Group must maintain the value of its net assets above the value of the registered capital.

On 30 June 2026 and 31 December 2025, net assets were EUR 12,632 thousand and EUR 13,121 thousand respectively. For the period ending on 30 June 2026, the Group reported a positive total comprehensive income of EUR 546 thousand, and, as a result of losses accumulated in prior years, equity amounts to EUR 12,632 thousand. As of 30 June 2026, current liabilities exceeded current assets by EUR 4,552 thousand. As of 31 December 2025, current liabilities are covered by current Group assets.

In order to ensure the functioning of the Group as a going concern The management has taken a series of measures, both strictly procedural and business-oriented, aimed at bringing the Group's capital into line with the requirements of the Commercial Act, as well as an overall improvement of the financial position.

Part of the measures include taking action to reduce registered capital below the net assets of the parent company. The first step in this direction is the holding of several general meetings of shareholders in the period 2016 - 2017 with a decision to implement the procedure for reverse split of shares to unite 4 old shares with a nominal 1 BGN in 1 new share with a denomination of 4 BGN and a subsequent reduction of the capital of the parent company to cover losses by reducing the nominal value of the shares from 4 BGN to 1 BGN.

On 06.03.2025 a change in the capital of the Parent company was entered under the file of Petrol AD in the Commercial Register and Register of Non-Profit Legal Entities with the Registry Agency, pursuant to a resolution of the general meeting of shareholders of the parent company Petrol AD adopted on 18.02.2019, by which the general meeting of shareholders resolved to reduce the capital of Petrol AD from BGN 109,249,612 (one hundred and nine million two hundred and forty-nine thousand six hundred and twelve levs) to BGN 27,312,403 (twenty-seven million three hundred and twelve thousand four hundred and three levs) under Art. 200, item 1 of the Commercial Act (CA) by reducing the nominal value of the issued shares from BGN 4 (four levs) to BGN 1 (one lev). The circumstance is reflected in the Commercial Register and Register of Non-Profit Legal Entities under entry 20250306160504.

30. Capital management (continued)

As of 30 June 2026 the fully paid-in registered capital amounted to EUR 13,929 thousand, distributed into 27,312,403 registered shares, each with a nominal value of 0,51 EUR.

The next capital adequacy measure, which the Group has taken is a change in accounting policy in relation to non-current tangible assets - property, plant and equipment and intangible fixed assets of the policy applied in its financial statements until 2019 including the cost model, with the application from the beginning of 2020 of the other applicable model - the revaluation model, which the Management considers to reflect more objectively the value of the held non-current tangible and intangible assets.

As a result of the timely actions taken by the Petrol Group aimed at optimising costs, searching for hidden reserves, maintaining the liquidity of the Group and at the same time including new market niches, the Petrol Group is currently successfully going through the difficulties created, and in the first half of 2026 managed to recover some of the losses caused by the pandemic and war in Ukraine.

As a consequence of the effects of the pandemic and the military conflict in Ukraine that arose at the beginning of 2022 and the economic consequences they have caused and continue to cause, together with geopolitical risks and high commodity prices, the Group's management expects competition to intensify in the coming years, mainly in the retail market, with a gradual exit of some of the smaller independent traders from the fuel business.

At the same time, the forecasts regarding the levels of trade margins are to move around or below the average European levels.

The future development plans of the Group's activities are closely linked to the expectations for changes in the market environment. The management continues to follow the outlined restructuring programme for the activities of the Petrol Group, which has to be changed as a result of the rapidly changing market situation and the risks and difficulties encountered, and the aim is to concentrate efforts towards optimising the core activity – retail and wholesale fuel trading – while at the same time developing and expanding the Group's activities in line with climate change and new perspectives. In order to improve the financial position, the management continues to actively analyse all cost items in search of hidden reserves for their optimisation, including closing or leasing out insufficiently profitable sites, increasing the number of self-service sites, or switching to a mixed operating mode. In 2026 the management will continue the process of analysing and exploring opportunities to expand wholesale trade, including through imports and exports of petroleum products.

In the coming years, the Group's results will also depend on the possibility of making investments and successful implementation of new projects. The Group's investments will be targeted at building new sites, upgrading others, securing them with charging stations and increasing the sales and market share of Petrol AD, mainly by transforming the commercial sites managed by the Group into modern places for complex service and recreation.

30. Capital management (continued)

In 2023, the Group successfully acquired the shares of seven companies owning 190 petrol stations, which will help Petrol to structure the Group's overall business strategy in the medium and long term and find the best realization for the assets under management. The share acquisition transaction was fully financed by a financial institution, with the financing also including the refinancing of the Group's current debt, a facility to issue bank guarantees and letters of credit and working capital. Despite all the positive effects for the Group of acquiring control of 190 of the Petrol-operated service stations, the repayment plan of the investment loan is for a term of 10 years with equal monthly principal repayments with no grace period, and this places a significant strain on the Petrol Group's cash flow in the first few years of the repayment plan, as potential force majeure or other unforeseen events could result in the Group finding it difficult to meet its bond obligations on time.

In 2026 the number of franchise sites decreased by two sites, following the strategy to expand the market share of the retail market, the Group plans to attract new sites under the flag of Petrol under the franchise programme. In addition, in the coming years, the Group's Management will seek opportunities, through external funding, to build several new gas stations at excellent locations.

The Group's leadership has an active marketing policy. Marketing events are provided, supported by sufficient media appearances to lead to growth in fuel sales. The management will continue to develop its card system and create a system of customer loyalty. The actions of the Petrol Group's Management are aimed at validating the principles and traditions of good corporate governance, increasing the confidence of stakeholders, namely shareholders, investors and counterparties, as well as revealing timely and correct information in accordance with legal requirements.

The Group's leadership monitors the emergence of risks and negative consequences as a result of military conflicts in Ukraine and the Middle East and high levels of inflation, while currently assessing the possible effects on the Group's assets, liabilities and activities, seeking to maximise compliance with the contractual commitments made despite force majeure. In view of the consequences of the pandemic, military conflicts and high inflation, which test the economic activity in the country and give rise to significant uncertainty about future business processes, there is a real risk of falling sales and losses for the Group. However, the Group's leadership believes that it will succeed in bringing the Group out of its emergency situation.

In order to carry out its activities, the Group needs free capital resources first of all to provide the working capital required for its activity, to service its obligations in due time and to follow the implementation of its investment intentions. The main sources of liquidity are cash and equivalents, long-term and short-term lending, reducing the period for the collection of trade receivables and extending the period for payment of trade payables that the Group's management seeks to optimise.

The main indicators that provide information on the financial position of the Group are presented in the section Selected performance indicators from the interim consolidated activity report of the Group for the first half of 2026.

As at 30 June 2026 the Group's current liquidity ratio decreased to 0.94 compared to 1.26 at the end of 2025.

30. Capital management (continued)

In the first half of 2026 the Group's current liquidity ratio decreased to 0.94 compared to 1.26 at the end of 2025. As at 30 June 2026 current assets increased by EUR 4,368 thousand to EUR 75,965 thousand, while current liabilities increased by EUR 23,824 thousand compared to the end of 2025 to EUR 80,517 thousand. The increase in current liabilities is due mostly to the classification as current of loans and borrowings amounting to EUR 20,807 thousand – mainly the debenture loan maturing in January 2027 – with a corresponding decrease in non-current loans and borrowings of EUR 20,406 thousand, as well as to the increase of EUR 1,588 thousand in trade and other payables. The increase in current assets is due mainly to the growth of EUR 3,427 thousand in trade and other receivables and to the increase of EUR 2,206 thousand in loans granted classified as current assets.

The Group's total assets increased by EUR 2,496 thousand to EUR 198,221 thousand, mainly as a result of the growth of EUR 3,427 thousand in trade and other receivables and the increase of EUR 2,663 thousand in loans granted partly compensated by the decrease of EUR 1,685 thousand in property, plant and equipment and intangible assets and by EUR 670 thousand in right-of-use assets.

The total liabilities of the Group increased by EUR 1,985 thousand to EUR 185,589 thousand, mainly due to the increase of EUR 1,588 thousand in trade and other payables and the increase of EUR 401 thousand in total liabilities on loans and borrowings compared to the end of 2025, partly offset by the decrease of EUR 91 thousand in lease liabilities.

During the current period, the consolidated debt of the Group, including commercial loans, loans from financial institutions and bond loans (without the liabilities under leasing contracts), increased by EUR 401 thousand to EUR 134,722 thousand. The increase in total debt is due to the increase in bank loan liabilities of EUR 394 thousand over the period. Towards the end of the first six-month period of 2026, the debt/assets ratio decreased marginally to 0.68, from 0.69 as at 31 December 2025.

In the first half of 2026 the goods turnover ratio decreased to 10 days, from 12 days at the end of 2025. The time needed for the Group to collect its receivables from customers increased to 19 days, from 14 days for 2025.

The guarantees provided and the contingent liabilities assumed by the Group are presented in Note 32 Contingent liabilities.

Macroeconomic conditions and regulatory framework

The activities of the Petrol Group are influenced by the country's general economic situation and, in particular, by the government's successful implementation of market-oriented economic reforms, the change of gross domestic product (GDP) and the purchasing power of Bulgarian consumers. In the long term, the change in fuel consumption in the country is proportionate to the change in GDP.

A future long-term slowdown in the country's economic life and a lasting retention of inflation and price increases creates risks to limit the consumption of goods and services in the country, including fuels, which would lead to a reduction in the Group's revenues, difficulties in servicing regular payments and generating operating losses.

30. Capital management (continued)

Military conflicts Russia

During the entire 2025 military action in Ukraine continued without interruption, while many meetings and initiatives were held to stop the conflict. Ever since the inauguration of the Trump administration on 20 January 2025, the US has stepped up diplomatic efforts to achieve peace by holding numerous rounds of talks with Russian and Ukrainian representatives, with an American peace plan of 28 points in November 2025 providing for NATO security guarantees for Ukraine, provided that the latter abandons parts of the occupied eastern territories and its aspirations for NATO membership. As of mid-2026, the peace talks remained stalled after at the end of December 2025 it was announced that about 90% of the parameters of the agreement were agreed, in February 2026 diplomatic efforts were frozen and the US attention shifted to the conflict with Iran, and Russia said it did not see an immediate prospect of their renewal. Military action continues on a virtually unchanged front line. Analysts continue to assess as more likely over the medium term "frozen conflict" without a lasting peace agreement.

The military conflict that arose and the economic, financial and other sanctions imposed by the EU and the United States on Russia in order to stop the conflict are blocking economic activity between the European Union and Russia by limiting payments and free movement of people, goods and services, while causing significant turmoil across the financial markets and the non-financial sector.

The military conflict further reflects on the prices of a number of goods, resources and services, as Russia is a major exporter of fossil fuels, metals and other resources, and the purpose of the sanctions imposed by the European Union and the United States is to limit Russia's economic activity. The fossil fuels are still a major part of the process from the creation to the final consumption of almost all goods in the EU, as a result of which the future uncertainty in terms of prices and the availability of fossil fuels and other resources worsens the economic prospects of the EU and Bulgaria in particular.

The clash between the two countries and the departure of Ukrainian civilians to their homeland in order to escape the military invasion creates an unprecedented post-World War II humanitarian crisis in Europe. All business sectors are influenced one way or another by the military conflict.

The military conflict that started at the end of February 2026 in the Middle East between the United States and Israel on the one hand and Iran on the other significantly increases the preconditions and concerns for the spread of the conflict and its negative economic effects worldwide. Since its outbreak, the conflict has had a direct impact on the Group's operations and results, affecting international oil prices as a result of the geopolitical uncertainty in the region, the restricted access through the Strait of Hormuz and the disrupted supply chains. After nearly five weeks of hostilities, a ceasefire was agreed on 7–8 April 2026, and on 17 June 2026 the United States and Iran signed a memorandum of understanding providing for a 60-day period to negotiate the final terms for ending the war. Nevertheless, the ceasefire remains fragile – repeated violations and tensions around the Strait of Hormuz are being recorded, and therefore, as at the date of preparation of this report, the situation has not been permanently resolved.

In 2025, the European Union adopted a series of new sanctions packages against Russia, including measures against the shadow fleet for the transport of Russian oil and additional export restrictions, expansion of port access bans, ban on imports of refined petroleum products from Russian crude oil produced in third countries (elimination of circumvention through third countries) and the removal of the derogations for Rosneft and Gazprom Neft.

30. Capital management (continued)

On 26 January 2026 the Council of the EU gave its final approval to a regulation on a phased ban on imports of Russian natural gas (pipeline and liquefied) into the European Union, with the full ban on imports of liquefied gas entering into force from the beginning of 2027 and on pipeline gas from the autumn of 2027. On 23 April 2026 the EU also adopted its 20th sanctions package against Russia, covering the energy, financial and maritime sectors, including a ban on terminal services for Russian liquefied gas and an extension of the measures against the so-called shadow fleet.

A significant event for the oil market in Bulgaria was the sanction imposed on Lukoil by the U.S. Department of the Treasury (OFAC) on 22 October 2025. On 17 November 2025 the management of Lukoil Neftohim Burgas AD – the only oil refinery in the country – and of the other companies of the Lukoil group in Bulgaria was transferred to an independent administrator, and Lukoil announced its intention to sell its Bulgarian assets. At the end of January 2026 Lukoil signed an agreement with the US investment company Carlyle Group for the sale of the majority of its international assets, the transaction being subject to regulatory approvals, including a licence from OFAC. In the first half of 2026 OFAC repeatedly extended the deadline for completion of the sale and, as at the date of preparation of this report, it is set until 25 July 2026. In June 2026 a new special commercial manager of Lukoil Bulgaria was appointed, and as of 1 July 2026 Lukoil Neftohim Burgas was permitted to resume purchases of crude oil from counterparties registered in Switzerland.

At the end of 2023, after long political discussions, with the adoption by the National Assembly of a Law amending and supplementing the Law on the Control of the Implementation of the restrictive measures in view of Russia's activities and its subsequent amendment of 22 December 2023, the purchase, import or transfer, directly or indirectly, of crude oil or petroleum products originating in Russia or exported from Russia shall be prohibited from 1 March 2024.

This prohibition shall remain in force throughout the reporting period of 2026. The Lukoil Neftohim Burgas refinery was already in the process of diversifying supplies from alternative sources, such as Kazakhstan, Iraq, Tunisia, before the transition under independent administrator. The listed sanctions and regulatory changes mainly affect the wholesale supply of petroleum products in the country and reflect indirectly on the price environment in which the Company operates.

For the first half of 2026 The Group made an increase in the revenues from wholesale fuel sales, which increased to EUR 6,596 thousand compared to EUR 2,985 thousand for the comparative period, resulting entirely from higher wholesale fuel sales on the domestic market at the end of the year.

With the decisions adopted by the Council of the European Union and the Council of Ministers to secure fuel consumption, the management of the Company believes that in the short term, shocks leading to significant losses for Petrol AD should not be expected. However, in continuing military conflicts in nearby regions, there is a risk of expansion and deepening with subsequent destructive consequences. Changes in the structure of the oil market in Bulgaria with the transition of the refinery "Lukoil Neftohim Burgas" under the management of an independent administrator and subsequent change of ownership can lead to temporary instability in supply and change in price conditions. Bulgaria's membership in the euro area since 1 January 2026 brings long-term benefits of price stability and elimination of foreign exchange risk, but in the first half of 2026 there was short-term inflationary pressure on the small consumer basket growing by 8.9% in June 2026 on an annual basis. The Group's management carefully monitors the development of all these factors and takes timely measures to manage the associated risks.

30. Capital management (continued)

Since Petrol AD's main business is trade in fuels and other petroleum products, a lasting increase in fossil fuel prices on world markets will reflect negatively on the Group's sales, leading to significant losses and deterioration of the financial position and operational results of the Petrol Group. The constantly changing geopolitical situation and the sanctions imposed on Russia can lead to speculative creation of fuel deficit in the country and problems for the Petrol Group to secure their sales, with the risk of closing commercial sites, switching to a temporary operating mode and other negative consequences. In order to respond to this scenario, the Group's management is examining the possibility of imports of fuels from third countries for future security and guaranteeing supplies from imports of fuels, thereby reducing potential future consequences for the Petrol Group from the interrupted supply chains, the military conflict in the Middle East, the sanctions imposed by the EU and the United States of Russia and reciprocal ones.

The Petrol Group does not carry out economic activity in the territory of Ukraine and Russia and the Middle East, and does not suffer direct negative consequences from activities in the territories of the military conflicts that have broken out.

Legal framework

Petrol Group is an entity accountable to a number of regulatory authorities in the country as a potential change in the regulatory framework regulating the company's activities can reflect negatively on the Group's financial performance.

The fuel trade sector is one of the most strictly regulated and controlled by state institutions in the country, with requirements increasing every year. The regulations regarding excise legislation and environmental protection, combined with the requirements of the Oil and Petroleum Product Stocks Act (OPPSA), require access to a significant financial and organisational resource. The amendments adopted in 2020 for the registration of persons engaged in economic activities with oil and petroleum products in connection with the Law on the Administrative Regulation of Economic Activities relating to Oil and Petroleum Products (ARAEAOPP) place an additional financial and operational burden on market participants. New changes in the regulatory framework in the sector may lead to deterioration of the Group's financial performance.

Competition

In the last few years, consumers have seen a tendency to increasingly turn to established and well-known brands with traditions in the retail trade of fuels. As a result, some of the small traders were forced to terminate their activities or to conclude franchise or dealer contracts with one of the major market participants.

As a result of consumer attitudes and the introduction of additional regulatory control by the government, the share of small independent players continues to decline. The lack of strategic transactions and substantial investments by the major players in the retail fuel market led to a minimal change in the market shares of the companies in the sector. In the first half of 2026 seven companies dominate the retail market – Lukoil Bulgaria EOOD, Petrol AD, OMV Bulgaria OOD, Shell Bulgaria EAD, Eco Bulgaria EAD, Rompetrol Bulgaria AD, NIS Petrol EOOD.

30. Capital management (continued)

With regard to the wholesale market, the country's fuel needs are met by the output of the Lukoil Neftohim refinery in Burgas, the Insa Oil refinery in Ruse and by imports. The refinery in Burgas sells its petroleum products in the country exclusively through Lukoil Bulgaria EOOD. The main importers of fuels in the country are Saksa OOD, OMV Bulgaria OOD, Insa Oil EOOD, Rompetrol Bulgaria AD, Eco Bulgaria EAD and Astra Bioplant EOOD. Imports of petroleum products into the country are carried out mainly from countries neighbouring Bulgaria. This is due to the fact that some of the participants in the fuel market are economically related to the owners of the capital of refineries in those countries. During the current period the wholesale fuel market in the country followed the trends and changes in crude oil prices on international markets.

The gradually introduced new environmental standards and additional government control measures increased the costs of companies in the sector, but on the other hand reduced unfair competition by eliminating market participants who are part of the grey economy.

Fluctuations in crude oil and petroleum product prices

Since the international quotations of crude oil serve as a basis for the calculation of the purchase and sale price, fluctuations in the prices of crude oil and petroleum products have a significant impact on sales revenue and the cost of sold oil products.

In the first half of 2026 the international quotations of Brent crude oil were characterised by increased volatility. At the beginning of the year the price moved around USD 62–72 per barrel, after which geopolitical tensions and uncertainty surrounding supply led to a tangible increase in the second quarter. By June the average price of Brent reached approximately USD 84.5 per barrel, and in certain periods quotations held above USD 80 per barrel. By the end of June prices fell to levels of around USD 73 per barrel but remained sensitive to the development of the conflicts in the Middle East, the decisions of OPEC+ and expectations for global oil demand and supply.

Suppliers

Due to the specificity of the main commercial activity of the Petrol Group, namely wholesale and retail trade, fuel and commodity supply of the Group are provided by a small number of suppliers, as a result of which the company is at risk of ending its relationship with the main counterparties, which would in the short term lead to the depletion of the inventories, the generation of losses and difficulties in commercial activity.

Petrol Group carries out retail trade in fuels, lubricants and other goods through its own petrol stations and petrol stations leased from third parties. There is a risk for the Group of termination of the relationships with the lessors and termination of the lease agreements for the petrol stations, as a result of which the Group could suffer significant damage, such as a reduction in sales, deterioration of the financial results and loss of market share.

30. Capital management (continued)

Sales margins

For the first half of 2026, approximately 89% (comparative period of 2025 – 87%) of Petrol Group's sales revenue was derived from sales of fuels, and a significant and lasting decrease in the gross trade margin from sales of fuels would reflect negatively on the final financial results and would lead to losses for the Group.

Product mix

The main activity of Petrol Group comprises trade in motor gasolines, diesel fuel, LPG and methane. A possible widespread entry of alternative substitutes for traditional fuels in the future would have a material effect on fuel sales and on the Group's financial results. During the current period the Bulgarian motor fuel market did not undergo a material change, with the trend of recent years of a shift in consumption from the various types of gasoline towards LPG and diesel fuel being maintained. The increased consumption of diesel fuel is explained both by the widespread appearance of modern diesel engines in passenger cars and by the fact that the transport industry mainly uses this type of fuel. An additional factor for the reduced consumption of gasoline is the use of gas installations in gasoline engines, driven by the significantly lower price of LPG compared to the price of gasoline. Branded fuels and methane have increasingly entered the market. Due to their better quality and the various additives, branded fuels are a prerequisite for increasing the power of the vehicle, reducing fuel consumption, extending engine life, etc.

Climate conditions and seasonality

Climate conditions and seasonal fluctuations in demand for certain petroleum products affect the performance of the Petrol Group. The consumption of diesel and gasoline reached the highest levels in the second and third quarter, due both to the season of annual leave during the summer months and to increased demand by farmers who traditionally increase their consumption during the autumn season.

Specific risks faced by the Group

In 2026 the need to take measures and actions in relation to climate change continues, and all actors in economic and social life – consumers, governments and businesses should make efforts to reduce gas emissions and the greenhouse effect. A growing demand for energy and, at the same time, accelerating climate change require ambitious targets to be set for participants in the energy sector.

The specifics of Petrol's main activity challenge the Group to meet the expectations of shareholders, creditors and other interested parties while developing its business model in line with the environment, contributing to reducing carbon emissions and the overall environmental impact.

In the process of managing petrol stations and oil bases in the storage and sale of fuels, petroleum products and other wholesale and retail goods, Petrol is responsible for dealing with environmental challenges in the handling of fuels and derived chemicals, minimizing the environmental impact of the sale of fuels wholesale and retail, as well as reducing the consumption of natural resources.

30. Capital management (continued)

From the degree of success and progress of Petrol in the upcoming environmental challenges, as well as the imposition of long-term policies and practices concerning human rights protection, human resources development, ethical corporate governance and combating corruption, will depend on the long-term sustainable development of the Group. Petrol faces the following risks:

- The main challenge facing Petrol is the transition from fossil fuels to alternative energy sources. There is a risk arising from Petrol's failure to make the transition to alternative fuels for financial or other reasons;
- A future change in carbon policy, leading to an increase in Petrol's environmental costs;
- Petrol's inability to respond to specific regulations concerning harmful fumes and environmental pollution;
- The risk of Petrol failing to implement its energy efficiency projects and improve its energy balance;

31. Disclosure of transactions with related parties

The parent company (controlling company) is Petrol AD. It has a two-tier management system comprising a Management Board (MB) and a Supervisory Board (SB). The names and functions of the members of the Supervisory Board and the Management Board of Petrol AD are presented below.

Supervisory Board

Petrol Correct Ltd, represented by Nikolay Gergov	Chairman from 06 March 2025; Member until 06 March 2025
Petrol Asset Management Ltd, represented by Armen Nazaryan	Member
Rumen Konstantinov	Member from 06 March 2025
Ivan Voynovski[1]	Chairman until 06 March 2025

Management Board

Grisha Ganchev	Chairman of the Management Board
Milko Dimitrov	Deputy Chairman of the Management Board from 07 July 2025 Member of the Management Board until 07 July 2025, and Executive Director
Maya Vujicic	Member of the Management Board from 07 July 2025 an Executive Director from 07 July 2025
Georgi Tatarski	Member of the Management Board from 07 July 2025 to June 2026 and Deputy Chairman of the Management Board until 07 July 2025
Kiril Shilegov	Member of the Management Board
Lachezar Gramatikov	Member of the Management Board until 07 July 2025

In June 2026 a change was made in the composition of the Management Board of Petrol AD. By minutes of a meeting of the Supervisory Board of Petrol AD, a request for the release of Georgi Tatarski as a member of the Management Board of the Parent company was considered and accepted. The decision was entered in the Commercial Register and Register of Non-Profit Legal Entities with the Registry Agency under the file of Petrol AD on 12 June 2026.

[1]On February 23, 2017, Ivan Alipiev Voynovsky passed away. At the extraordinary general meeting of shareholders of Petrol AD held on February 18, 2019, a resolution was passed to replace the deceased Ivan Voynovsky, however, a refusal was issued in response to the application for registration in the Commercial Register, which was appealed by Petrol AD within the statutory deadline, and the registration proceedings were suspended at the request of minority shareholders pending a ruling by the Lovech District Court on claims for annulment of the resolutions adopted. In May 2019, the Lovech District Court issued a judgment overturning the refusal and returning the file to the Registry Agency for completion of the requested registration following resumption of the suspended registration proceedings. On March 6, 2025, with registration No. 20250306160504 in the Commercial Register and the Register of Non-Profit Companies at the Registry Agency under the account of "Petrol" AD, UIC 831496285, a change in the Supervisory Board of "Petrol" AD was registered, with Mr. Ivan Alipiev Voynovsky being removed as a member of the Supervisory Board and replaced by Mr. Rumen Aleksandrov Konstantinov.

31. Disclosure of transactions with related parties (continued)

The total amount of the remuneration accrued to key management personnel of the Parent company, included in personnel expenses and hired services expenses, amounts to EUR 290 thousand (30 June 2025: EUR 495 thousand), and the outstanding liabilities as at 30 June 2026 amount to EUR 38 thousand, of which EUR 32 thousand are presented as payables to personnel and EUR 6 thousand as payables to related parties (31 December 2025: EUR 47 thousand, of which EUR 41 thousand presented as payables to personnel and EUR 6 thousand as payables to related parties).

Related parties of Petrol Group are the shareholder with a significant influence in the Parent company, Storage Invest Ltd, and its related parties.

Purchases from related parties – a shareholder with a significant influence – for the period ended 30 June 2026 include rental expenses for property, plant and equipment amounting to EUR 15 thousand (30 June 2025: EUR 15 thousand), recognised as leases under the provisions of IFRS 16 in the statement of profit or loss and other comprehensive income, including as depreciation expenses and interest expenses. Sales to related parties – a shareholder with a significant influence – for the period ended 30 June 2025 include revenue from services of EUR 1 thousand.

The finance income and finance costs for the second quarter of 2026 are from other related parties and amount to EUR 308 thousand (2025: 308 EUR thousand) and EUR 76 thousand respectively.

As at 30 June 2026 and 31 December 2025 the outstanding balances with related parties are as follows:

Related party	**June 30 2026 EUR thousand Receivables**	**December 31 2025 EUR thousand Receivables**	**June 30 2026 EUR thousand Payables**	**December 31 2025 EUR thousand Payables**
Other related parties	9,238	14,684	6,121	4,479
borrower	*8,124*	*7,815*	*1*	*1*
Shareholder with a significant influence	-	-	44	33
borrower			*1*	*1*
Key management personnel (legal entities)	-	-	6	6
	9,238	**14,684**	**6,171**	**4,518**

September 2024 The Group provided a short-term loan to a commercial company – a party related to the shareholder with significant influence Storage Invest AD. The loan has a credit limit of EUR 12,782 thousand, an interest rate of 6,7% and a repayment term until 31 December 2025, extended with an annex to 31 December 2026. The receivable as at 30 June 2026 amounts to EUR 8,124 thousand, of which EUR 7,816 thousand principal, net of impairment EUR 1,321 thousand and EUR 308 thousand interest.

In September 2024 the Group received a short-term loan from a commercial company – a party related to the shareholder with a significant influence, Storage Invest AD. The loan has a credit limit of EUR 12,271 thousand and interest of 3M EURIBOR plus a margin of 2 points, but not less than 5% on the amount drawn, and a repayment term until 31 December 2024, extended by an annex until 31 December 2025. The liability as at 30 June 2026 is EUR 1 thousand of interest.

31. Disclosure of transactions with related parties (continued)

In October 2024 the Group received a short-term loan from the shareholder with a significant influence, Storage Invest AD, amounting to EUR 256 thousand, with annual interest of 6% and a repayment term until 31 December 2025. The principal of the loan was repaid on time. The liability as at 30 June 2026 is EUR 1 thousand of interest.

32. Contingent liabilities

As of 30 June 2026 The Group has contingent liabilities, including contractual mortgages over property and pledges over machinery and equipment, investment properties that serve as collateral on bank loans, overdraft, credit limit contracts for issuing bank guarantees granted to the Group and to unrelated parties with a total carrying amount of EUR 43,914 thousand, including in favour of First Investment Bank AD – EUR 41,317 thousand, in favour of Investbank AD – EUR 1,567 thousand and in favour of DSK AD – EUR 1,030 thousand.

Under a contract of 17 October 2018 and the annexes thereto, the Group is a joint debtor and an avalist under a promissory note for the amount of EUR 23,928 thousand in favour of Investbank AD under a credit commitment agreement of a related party – a supplier, including an overdraft credit limit and a limit for the issuance of bank guarantees in favour of the Customs Agency, the total amount of funds drawn and valid bank guarantees issued under all exposures of the debtor with the Bank being subject to a total credit limit of up to EUR 22,088 thousand. In relation to this credit commitment the Group has established in favour of Investbank AD a pledge over monetary receivables on a bank account, as well as a special pledge over receivables from counterparties amounting to EUR 2,045 thousand of average monthly turnover.

The Group is jointly liable under a Debt Assumption Agreement of 13 January 2017 for the obligation of its subsidiary until March 2018 – Elit Petrol AD, which as at 30 June 2026 amounts to EUR 1,199 thousand.

Under a revolving credit line agreement concluded on 21.07.2023 with First Investment Bank AD, bank guarantees have been issued with a total value as at 30 June 2026 of EUR 2,056 thousand, including EUR 358 thousand under contracts with third parties – suppliers of the Group, EUR 256 thousand of bank guarantees in favour of the Ministry of Economy securing the activity of the Parent company in connection with its registration under the Act on the Administrative Regulation of Economic Activities Relating to Oil and Petroleum Products, as well as bank guarantees securing obligations of the Parent company under contracts in connection with the Public Procurement Act amounting to EUR 1,442 thousand.

Under a contract concluded on 21.07.2023 for a revolving credit line by First Investment Bank AD with a total limit of 112,484 EUR thousand in July 2023, pledges over the commercial enterprise were established as a set of rights and obligations and factual relations of Petrol AD, Kremikovtzi Oil Ltd, Shumen Storage Ltd, Crystal Asset Property Ltd, Crystal Assets Trade Ltd, Crystal Assets Bulgaria Ltd, Prima Assets Bulgaria Ltd, Prima Assets Trade Ltd, Prima Consult Property Ltd, Prima Land Property Ltd. For collateral under the same contract The Group provided, as financial collateral, a pledge over receivables on bank accounts opened at the bank, including funds deposited under a debt product agreement with a carrying amount of EUR 27,867 thousand on 30 June 2026.

32. Contingent liabilities (continued)

Under a contract concluded in December 2024, for bank loan in the form of overdraft from First Investment Bank AD with a maximum allowable amount of 7,669 EUR thousand The Group has provided, as financial collateral, a pledge over receivables on bank accounts opened at the bank, including funds deposited under a debt product agreement with a carrying amount of EUR 7,620 thousand on 30 June 2026.

In performance of the commitments under a bank loan agreement concluded in November 2023, the Group has established mortgages over properties and pledges over machinery and equipment with a total carrying amount on 30 June 2026 of EUR 1,498 thousand. The contract is also secured with a pledge on all claims of the parent company and its subsidiary in bank accounts.

In August 2024, by an annex to an Agreement of 10 March 2021 for the purchase of receivables under commercial invoices (standard factoring) with a commercial bank, a total advance limit of up to EUR 3,068 thousand was agreed. The agreement is secured by a pledge over receivables on the bank accounts of the Parent company and its subsidiary opened with the bank, with a carrying amount as at 30 June 2026 of EUR 1 thousand.

In December 2024, a new standard factoring agreement was finalised with the same bank with a total limit of EUR 1,534 thousand in advance. The agreed security is a pledge over receivables on the parent company's bank accounts opened at the bank and a pledge on claims on counterparties of EUR 1,534 thousand.

Under a contract of 17 October 2025, the Group is a joint debtor in favour of a commercial bank under an Agreement for a limit for bank guarantees granted to a related party – a commercial counterparty – amounting to EUR 767 thousand. The contract is also secured by a pledge over receivables on a bank account of the Parent company opened with the bank.

In previous reporting periods, companies of the Group assumed the debt of a subsidiary (until December 2015) under credit agreements by which a creditor bank granted the subsidiary loans of USD 15,000 thousand and USD 20,000 thousand. In 2015 the creditor obtained from the court orders for immediate enforcement and writs of execution against the subsidiaries – joint debtors. In connection with the appeals filed by the subsidiaries, the competent court revoked the orders for immediate enforcement and invalidated the writs of execution. In October and December 2015 the creditor filed, on the basis of Art. 422 of the Civil Procedure Code, claims against the subsidiaries for the existence of the receivables under each of the credit agreements. The court proceedings initiated by the creditor have not been concluded.

In December 2016 the court of first instance issued a decision (the Decision) recognising as established that the bank has a receivable from the subsidiaries – joint debtors – in the amount of USD 15,527 thousand, arising from the credit agreement concluded for the amount of USD 15,000 thousand. By the same decision the court ordered the joint debtors to pay to the creditor bank the amount of EUR 411 thousand in legal counsel fees and litigation costs, and in favour of the budget of the judiciary a state fee for the order-for-payment proceedings of EUR 538 thousand and a state fee for the claim proceedings of EUR 275 thousand. In January 2017 the subsidiaries filed appeals against the Decision within the time limit, and therefore it has not entered into force. As at the date of preparation of these notes the dispute is pending before the appellate court, and the Group's management considers that there are reasonable prospects for the Decision to be fully reversed.

32. Contingent liabilities (continued)

As at the date of preparation of these consolidated financial statements, the case brought against the subsidiaries – joint debtors – for establishing the existence of the bank's receivable under the credit agreement concluded for USD 20,000 thousand is pending before the court of first instance. The management considers that there are reasonable prospects for a favourable decision by the competent court. In 2018 the Parent company sold its interest in one of the subsidiaries – joint debtor – and the potential risk for the Group has been reduced to the court proceedings against the second subsidiary.

KTB (in insolvency), in its capacity as creditor of a subsidiary (until December 2015), unfoundedly claimed before the court liability from the Parent company under a suretyship agreement for obligations arising from a framework credit limit agreement, as a result of which an attachment was imposed on the Parent company's bank accounts up to a total amount of USD 29,983 thousand. This claim was challenged in court by the Group, because its liability as surety had not arisen and/or had been extinguished pursuant to Art. 147, para. 2 of the Obligations and Contracts Act. At the time of conclusion of the suretyship agreement, the final term of the arrangements between the creditor and the subsidiary under the framework credit limit agreement was 1 July 2014. The term of the framework credit limit agreement was extended without the consent of the surety, and therefore the latter's liability lapsed upon the expiry of six months after the initially agreed term, during which the creditor did not bring a claim against the principal debtor. The time limit under Art. 147, para. 1 of the Obligations and Contracts Act is final and, upon its expiry, the suretyship of the Parent company was terminated; therefore its objection was upheld by the court and the attachments imposed on the bank accounts were lifted.

Following the invalidation of the writs of execution issued under the order-for-payment procedure, on the basis of which attachments were imposed on the Parent company's bank accounts, the creditor initiated claim proceedings under Art. 422 of the Civil Procedure Code to establish the same receivables against the subsidiary (until December 2015) and the surety – the Parent company. In these proceedings the objections were repeated that the liability as surety had not arisen and/or had been extinguished pursuant to Art. 147, para. 2 of the Obligations and Contracts Act, and therefore the management expects that the creditor's claim against the Parent company will be finally rejected by the court in its judgment in these cases. At present the case is stayed due to the existence of a preliminary court dispute which is relevant to the correct resolution of the case.

The Group has filed its claims against the subsidiary (until December 2015). The claims filed are included in the list of accepted claims prepared by the trustee in bankruptcy under Art. 686 of the Commercial Act, but they have been challenged by another creditor in the insolvency proceedings. At present the pending court proceedings for establishing the existence of these claims under Art. 694 of the Commercial Act have been concluded with a judgment, the court having accepted the Group's claims up to the amount of EUR 2,451 thousand.

As at 30 June 2026 cash in the Group's bank accounts amounting to EUR 3 thousand is blocked under enforcement proceedings to which the Group is a party.

33. Events after the end of the reporting period

On 20 July 2026 a change in the composition of the Management Board of the Parent company was entered under the file of Petrol AD in the Commercial Register and Register of Non-Profit Legal Entities with the Registry Agency, a new member being entered – Yavor Batov. The change was made by a resolution of the Supervisory Board of Petrol AD.