

# **CONSOLIDATED MANAGEMENT REPORT FOR 2025**

**ACCOMPANIED BY**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2025 AND  
INDEPENDENT AUDITOR'S REPORT**

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

## **Table of contents**

Consolidated management report for 2025, Corporate governance declaration, Non-financial declaration .....	3
Consolidated financial statements for the year ended December 31, 2025 .....	98
Notes to the consolidated financial statements.....	106
Independent auditor’s report on the consolidated financial statements.....	178

## **CONSOLIDATED MANAGEMENT REPORT FOR 2025**

*THIS MANAGEMENT REPORT IS PREPARED IN ACCORDANCE WITH THE REQUIREMENTS OF ART. 100N, PAR.7 OF THE PUBLIC OFFERING OF SECURITIES ACT, ART. 45 AND ART. 47 OF THE ACCOUNTANCY ACT, ART. 187E, AND ART. 247 OF THE COMMERCIAL ACT, ART. 11 AND APPENDIX No.2 TO THE ORDINANCE No.2 OF NOVEMBER 09, 2021 FOR THE INITIAL AND SUBSEQUENT DISCLOSURE OF INFORMATION IN PUBLIC OFFERING AND ADMISSION OF SECURITIES FOR TRADING ON A REGULATED MARKET*

## Selected performance indicators

*Information pursuant to Art.39, item 2 of the Accountancy Act*

Financial indicators		2025	2024	2023
Net revenue	BGN thousand	483,143	500,302	571,584
	EUR thousand	247,027	255,800	292,246
Gross margin from sales of goods <sup>1</sup>	BGN thousand	57,753	58,727	55,058
	EUR thousand	29,529	30,027	28,151
	%	12.1	11.9	9.6
EBITDA <sup>2</sup>	BGN thousand	13,766	16,769	17,393
	EUR thousand	7,038	8,574	8,893
	%	2.8	3.3	3.0
EBIT <sup>3</sup>	BGN thousand	5,934	8,210	7,633
	EUR thousand	3,034	4,198	3,903
	%	1.2	1.6	1.3
Net profit (loss)	BGN thousand	2,685	(1,651)	2,645
	EUR thousand	1,373	(844)	1,352
	%	0.6	(0.3)	0.5
Share price <sup>4</sup>	BGN	0.65	0.87	0.40
	EUR	0.33	0.44	0.20
Assets	BGN thousand	382,804	357,816	328,717
	EUR thousand	195,725	182,948	168,070
Debt <sup>5</sup>	BGN thousand	262,707	266,887	224,250
	EUR thousand	134,320	136,457	114,657
Shareholders' equity	BGN thousand	23,706	21,129	22,928
	EUR thousand	12,121	10,803	11,723
Capital expenditure	BGN thousand	1,624	1,852	944
	EUR thousand	830	947	483

<sup>1</sup> Gross margin is estimated as difference between revenue from sales of goods and cost of goods sold, the percentage of gross margin is calculated as gross margin is divided to the revenue.

<sup>2</sup> EBITDA (earnings before interest, tax, depreciation and amortization).

<sup>3</sup> EBIT (earnings before interest and tax).

<sup>4</sup> Closing share price as of the end of respective year on Bulgarian Stock Exchange – Sofia.

<sup>5</sup> Includes interest-bearing loans and financial lease liabilities.

## Selected performance indicators (continued)

<b>Financial ratios</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Return on average capital employed (ROACE) <sup>6</sup> (%)	2.19	3.20	4.26
Return on assets (ROA) <sup>7</sup> (%)	1.60	2.39	2.93
Debt/assets (%)	68.63	74.59	68.22
Equity/Assets (%)	6.19	5.90	6.97
Current liquidity (ratio) <sup>8</sup>	1.26	1.38	1.20
Goods turnover ratio (days) <sup>9</sup>	12	12	15
Accounts receivable collection period (days) <sup>10</sup>	14	13	13
Accounts payable payment period (days) <sup>11</sup>	43	32	36

<b>Operating ratios</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Sales of fuels (thousand liters)	222,335	214,247	252,809
Sales of fuels (tons)	296	344	208
Number of fuel stations under “Petrol” brand (end of period)	243	250	256
Number of operated fuel storage facilities (end of period)	0	0	0
Share of sales revenue – corporate sales on credit	30%	29%	30%
Number of employees (end of period)	859	859	939

<sup>6</sup> ROACE (return on average capital employed) – is estimated as ratio between the EBIT and the average invested capital. The latter presents the difference between assets and current liabilities to non-related parties (that are not part of Petrol Group).

<sup>7</sup> ROA (return on assets) – presents the ratio between the EBIT and the average assets.

<sup>8</sup> Current liquidity – the ratio between current assets and current liabilities

<sup>9</sup> Inventories turnover – presents the ratio between average stocks and the cost of goods sold, multiplied by 365 days.

<sup>10</sup> Accounts receivable collection period – presents the ratio between trade receivable from non-related parties and revenue from non-related parties, multiplied by 365 days.

<sup>11</sup> Accounts payable payment period – presents the ratio between trade payables to suppliers and the cost of goods sold, multiplied by 365 days.

## Group Profile

*Information pursuant to Art. 48, par. 2, item 1 of the Accountancy Act*

### Petrol today – energy for people

Petrol Group (the Group) is one of the largest players in the fuels market in Bulgaria. At the end of 2025, besides the Parent company Petrol AD, twenty-two other subsidiaries are included in Petrol Group (see Group Structure). The major activities of the Group include storage, wholesale and retail trading with fuels and other petroleum products. At present, under the Petrol brand operates the largest retail distribution network of fuels in the country.

As at December 31, 2025, the retail network comprises 243 petrol stations evenly spread throughout the country providing national coverage. In 2025 the Group continued the process of reconstruction and modernization of the filling stations included in the retail network for distribution of fuels and other goods.

Network modernization includes several areas: a programme for modernization of existing facilities, a programme for installation of Universal type filling stations and a programme for installation of LPG and CNG stations.



As at the end of 2025, all trade sites are equipped with systems for collection of vapour emitted during unloading of fuels complying with all environmental protection requirements, while 115 of the managed sites were reconstructed into a modern European style. All kinds of unleaded gasoline and Euro diesel are sold in all filling stations, LPG is offered in 159 of the fuel stations and one site offer methane. The sites also offer

transmission lubricants, brake and antifreeze fluids, automobile cosmetics, spare parts and accessories. In addition, the newly built and reconstructed sites have fast-food places and some provide internet access to customers. The stores at the sites offer more than 4,000 items of leading Bulgarian and world producers of food, personal cosmetics, gifts, accessories, newspapers, magazines and others.



## **Petrol today – energy for people (continued)**

Additional facilities and services are provided in many sites such as car washes, inspection/service pits, pits for dismounting, mounting and balance of tyres and other auto services. In all sites Visa, MasterCard and Transcard are accepted. Customers can also withdraw and pay in cash.

The wholesale trading and storage of fuels during 2025 are made through purchases from storage facilities operated by third-party operators.

The activities of the Group concerning wholesale and retail trading of fuels are subject to strict control regarding the implementation of ecological requirements for environmental protection. In that relation the Group continues to invest in the construction and renovation of systems for collection and recovery of vapours (VRU) in the retail trade stations and storage facilities under the requirements of *Ordinance No 16 for restriction of the emissions of volatile organic compounds in storing, loading, or unloading and transportation of petrol.*

## **Quality control**

The company's technical and ecological standards in trade sites established by Petrol Group are at a higher level than mandatory requirements in European Union. In the petrol stations and storage facilities are stored fuels keeping all technological requirements, in compliance with the assumed quality standards. The Management of the Group relies on the high quality of the sold fuels. The Group's policy excludes any compromises with the technology and the ecological standards. The fuel stations comply with all applicable regulations and with the best European and international practices.



The uncompromising quality of the offered fuels is guaranteed by laboratories, where with the help of modern technologies, the strict control and quality analysis of fuel and petroleum products are carried out. Experts on fuels quality are testing the Group's retail stations several times per year. The Group works in closely manner with various state institutions in the field of quality control of liquid fuels.

## **Mission**

The mission of Petrol Group is to accomplish a stable growth on shareholders' return in a long term along with commitment to its clients, employees, partners and generally to the society.

The Group's Management relies significantly on the high professional behavior, ethics and business integrity towards its partners in achieving the ambitious corporate goals. The Management of the Group is led by its striving to high quality.

## Strategy

The Group's major strategic objective is to maintain and to develop its leading position in the Bulgarian retail and wholesale fuel distribution market. To achieve this strategic goal, a long-term strategy has been adopted, which includes several key directions:

- Increasing the efficiency of managed assets;
- Optimizing and expanding the distribution network;
- Expanding the portfolio of products and services;
- Strengthening and expanding the market presence.



### *Increasing the efficiency of managed assets*

The Group will continue to invest in the modernization and reconstruction of the existing trade sites included in the retail and wholesale distribution networks. The budgeted investment will be aimed not only at improving the technical condition and appearance of trade sites, but also at reducing the technological losses from operation of equipment and compliance with environmental requirements.

### *Optimizing and expanding the distribution network*

The Group intends to continue the expansion of the distribution network for retail sales. This will be achieved by opening new sites at new locations and by consolidation of the Group's smaller independent competitors through franchise or dealership arrangements. At the same time the process of optimizing the distribution network will continue to be aimed at identifying unprofitable sites, suspending their operations and eventually selling them. The Group plans to continue the development of loyalty programs for retail clients. By increasing the advertising of the newly offered products and services under the Petrol brand, the Group aims to strengthen the image of Petrol AD as an innovative company working with care to the client, society and the environment.

### *Expanding the portfolio of products and services*

The Management of the Group places a high priority on being at the forefront of customer demand for cleaner and improved performance fuels. In that relation the Group is focused on increasing rapidly sales of compressed natural gas (CNG). Since 2009 the Group offers a full range of branded Force Fuels – Blue Force Gas, Gasoline 96 Extra Force and Pro Force Diesel. In 2016 the Group started to offer a new branded diesel fuel, named Green Force Diesel. The new diesel fuel is blended with the engineered in Germany high quality supplement LIQUI MOLY. At the end of 2016 the offering of Gasoline 100 eXXtra Force has also been launched. The highly octane new product successfully replaces the Gasoline 96 Extra Force, increasing the efficiency of the engine performance, improves the automobile dynamics and decreases the fuel consumption.

Innovative fuels contain additives, which accelerate power of automobiles, reduce expense by up to 10% by improving system efficiency, decrease carbon deposits in the fuel system and the discharge of harmful emissions (CO<sub>2</sub>, CO, NOX) by approximately 70%.

## Strategy (continued)

In addition the Group intends to expand its product range by offering non-petroleum products and services to meet the needs of the modern consumer and to attract new clients, increasing the sales of trade sites, the Group's operating profit and therefore the returns to shareholders. The additional services include rental of a part of the commercial areas (for example car-washes and billboards), insurances etc.

### *Strengthening and expanding the market presence*

The Group plans to further increase the sales of petroleum and non-petroleum goods by investing in modernization of the trade sites, including renovation and expansion of the total commercial area. The Management aims to strengthen the position of the Group as an innovative company caring for the clients, the society and the environment, by advertising the new products and services with the Petrol brand more intensively.

Information pursuant to Art.39, item 5, in relation to Art. 45 of the Accountancy Act - In 2025 the companies of the Group did not carry out research and development activities.

## Group Structure

Information pursuant to item. 7 of the Appendix No. 2 to the Ordinance No. 2 of November 9, 2021

As at December 31, 2025 Petrol Group consists of the Parent company and 22 subsidiaries:

- **Petrol Technologies Ltd.** is a limited liability company incorporated in October 2014 and registered in Registry Agency with UIC 203259540. The company's activities include IT consulting, developing, administration and maintenance of computer networks and servers and any other activity not prohibited by law. As at December 31, 2024, the Group owns 98.8% of the company's shares. As of December 31, 2025, the Group holds 98.8% of the company shares. For 2025, the company reported total operating revenues of BGN 105 thousand, negative EBITDA of BGN 35 thousand and a net loss for the period of BGN 90 thousand. As of December 31, 2025, the company's assets amount to BGN 684 thousand, with total liabilities of BGN 274 thousand and positive net assets of BGN 410 thousand.
- **Petrol Finances Ltd.** is a limited liability company established under the name Petrol Technologies EOOD in December 2014 and registered in the Registry Agency with registration number 20141216164853/16.12.2014. In February 2015 Petrol AD bought 99% of the capital of Petrol Technologies EOOD, which was subsequently renamed to Petrol Finances OOD. The Company's scope of business includes financial and accounting services, preparation of financial analyzes, forecasts and recommendations for efficient organization of financial activity, as well as any other activity not prohibited by law. As of December 31, 2025, the Group holds 99% of the company's capital. For 2025, the company reported total operating revenues of BGN 2,061 thousand, positive EBITDA of BGN 18 thousand and a net loss for the period of BGN 2 thousand. As of December 31, 2025, the company's assets amount to BGN 2,434 thousand, with total liabilities of BGN 2,360 thousand and positive net assets of BGN 74 thousand.

## Structure of the Group (continued)

- **Petrol Finance Ltd.** is a solely owned limited liability company registered in the Commercial Register at the Registry Agency on November 10, 2015 with registration № 20151110101104 and UIC 203776395. The Company's main business activity includes financial and accounting services, preparation of financial analyzes forecasts and recommendations for efficient organization of the financial activity, as well as any other activity not forbidden by law. As of December 31, 2025, the Group holds 100% of the company's capital. For 2025, the company reported total operating revenues of BGN 2 thousand, positive EBITDA of BGN 1 thousand and a net profit for the period of BGN 1 thousand. As of December 31, 2025, the company's assets amount to BGN 4 thousand, with total liabilities of BGN 2 thousand and positive net assets of BGN 2 thousand;
- **Lozen Asset JSCo** is a joint-stock company incorporated under the Bulgarian legislation and registered in Commercial Register at the Registry Agency in July 2015 with UIC 203624804. The company's main activity includes acquisition, operation, management and disposal of property, consultancy and any other activity not prohibited by law. As of December 31, 2025, Petrol Group holds 100% of the company's capital. For 2025, the company reported total operating revenues of BGN 66 thousand, negative EBITDA of BGN 126 thousand and a net loss for the period of BGN 181 thousand. As of December 31, 2025, the company's assets amount to BGN 1,361 thousand, with total liabilities of BGN 2,563 thousand and negative net assets of BGN 1,202 thousand;
- **Elit Petrol – Lovech JSCo** is a joint-stock company incorporated and registered in the Registry Agency in January 2015. The main activity of the company includes processing, import, export, business and other petroleum products and any other activity not prohibited by law. As at December 31, 2025 the Group owns 100% of the capital. In 2024 the company did not generate revenue from operations. For 2025, the company did not generate any operating revenues, reported negative EBITDA of BGN 2 thousand and a net loss for the period of BGN 17 thousand. As of December 31, 2025, the company's assets amount to BGN 1,794 thousand, with total liabilities of BGN 404 thousand and positive net assets of BGN 1,390 thousand.
- **Petrol Properties Ltd.** is a solely owned limited liability company incorporated under the Bulgarian legislation and registered in Sofia City Court under company court file number 20902/2007, respectively re-registered in the Commercial Register at the Registry Agency with UIC 175457505. The Company's scope of activity: trading with movable and immovable property, purchase of goods or other property for the purpose of resale in initial or processed form, internal and external trading, commercial representation and agency of local and foreign individuals and legal entities in the country and abroad, consulting services and many other activities not prohibited by law. As at December 31, 2025 the Group owns 100% of the capital. The company did not carry out commercial activity in 2025 and did not generate revenue;
- **Kremikovtsi Oil Ltd.** is a solely owned limited liability company incorporated under the Bulgarian legislation and registered in Commercial Register at the Registry Agency with UIC 205714200 in June 2019. The company was established with a contribution in-kind by Petrol AD of the assets to the SD Kremikovtsi, including land, buildings and removable property. The company's core business is processing, import, export and trading with oil and petroleum products. As at December 31, 2025 the Petrol Group is a sole owner of the company's capital. For 2025, the company reported total operating revenues of BGN 18 thousand, positive EBITDA of BGN 0 thousand and a net loss for the period of BGN 1 thousand. As of December 31, 2025, the company's assets amount to BGN 1,734 thousand, with no liabilities and positive net assets of BGN 1,734 thousand.

## Structure of the Group (continued)

- **Shumen Storage Ltd.** is a solely owned limited liability company incorporated under the Bulgarian legislation and registered in Commercial Register at the Registry Agency with UIC 205714218 in June 2019. The company was established with a contribution in-kind by Petrol AD of the assets to the storage depot Shumen, including land and buildings. The company's core business is processing, import, export and trading with oil and petroleum products. As of December 31, 2025, Petrol Group is the sole owner of the company's capital. For 2025, the company reported total operating revenues of BGN 1,136 thousand, positive EBITDA of BGN 252 thousand and a net profit for the period of BGN 237 thousand. As of December 31, 2025, the company's assets amount to BGN 1,914 thousand, with total liabilities of BGN 27 thousand and positive net assets of BGN 1,887 thousand.
- **Office Estate Ltd.** is a solely owned company incorporated under the Bulgarian legislation and registered in Commercial Register at the Registry Agency with UIC 205754383 in July 2019. The company was established with a contribution in-kind by Petrol AD of land and buildings in Sofia city. The company's core business is deals, management and ownership of real estates and any other activity not prohibited by law. As of December 31, 2025, Petrol Group is the sole owner of the company's capital. For 2025, the company reported total operating revenues of BGN 5 thousand, negative EBITDA of BGN 42 thousand and a net loss for the period of BGN 45 thousand. As of December 31, 2025, the company's assets amount to BGN 1,493 thousand, with no liabilities and positive net assets of BGN 1,493 thousand.
- **Svilengrad Oil Ltd.** is a solely owned limited liability company incorporated under the Bulgarian legislation and registered in Commercial Register at the Registry Agency with UIC 205818576 in September 2019. The company was established with a contribution in-kind by Petrol AD of the assets to the SD Svilengrad, including land, buildings and movable property. The company's core business is processing, import, export and trading with oil and petroleum products and any other activity not prohibited by law. As at December 31, 2025 the Group is a sole owner of the company's capital. For 2025, the company reported total operating revenues of BGN 24 thousand, positive EBITDA of BGN 15 thousand and a net loss for the period of BGN 27 thousand. As of December 31, 2025, the company's assets amount to BGN 1,661 thousand, with total liabilities of BGN 1 thousand and positive net assets of BGN 1,660 thousand;
- **Petrol Technology Ltd.** is a limited liability company established in December 2021 under Bulgarian law and entered in the Commercial Register at the Registry Agency with UIC 206758032. The company's core business is providing services and consulting in the field of information technology, construction, administration and maintenance of computer networks and server resources, as well as any other activity not prohibited by law. As of December 31, 2025, Petrol Group owns 98.8% of the company's shares. For 2025, the company did not generate any operating revenues, reported negative EBITDA of BGN 2 thousand and a net loss for the period of BGN 2 thousand. As of December 31, 2025, the company holds no assets, liabilities amount to BGN 2 thousand and net assets are negative amounting to BGN 2 thousand;
- **Petrol Investment JSCo** is a joint stock company established under Bulgarian law and registered in the Commercial Register at the Registry Agency in January 2020 with UIC 205969610. The Company's main business activity is investment and real estate transactions, consulting services, representation and mediation in transactions, acquisition, sale, import and export of any goods, as well as any other activity not prohibited by law. As of December 31, 2025, Petrol AD owns 99.98% of the company's capital. For 2025, the company did not generate any operating revenues and reported a net profit for the period of BGN 2 thousand. As of December 31, 2025, the company's assets amount to BGN 53 thousand, with no liabilities and positive net assets of BGN 53 thousand.

## Structure of the Group (continued)

- **Varna 2130 Ltd.** is a solely owned limited liability company incorporated under the Bulgarian legislation and registered in Commercial Register at the Registry Agency with UIC 205838664 in September 2019. The company was established with a contribution in-kind by Petrol AD of the assets to a petrol station in Varna city, including land, buildings and movable property. The company's core business is processing, import, export and trading with oil and petroleum products and any other activity not prohibited by law. As at December 31, 2025 the Group is a sole owner of the company's capital. For 2025, the company reported total operating revenues of BGN 68 thousand, positive EBITDA of BGN 30 thousand and a net loss for the period of BGN 11 thousand. As of December 31, 2025, the company's assets amount to BGN 1,328 thousand, with total liabilities of BGN 3 thousand and positive net assets of BGN 1,325 thousand.
- **Bulgaria Cargo Rail Ltd.** is a solely owned limited liability company established in November 2022 under Bulgarian law and registered in the Commercial Register at the Registry Agency with UIC 207151868. The company's business activities include processing, trading, including import, export of petroleum and petroleum products, and any other activity not prohibited by law. As at December 31 2025 the Group owns 100% of the company's shares. For 2025, the company did not generate any operating revenues, reported negative EBITDA of BGN 7 thousand and a net loss for the period of BGN 6 thousand. As of December 31, 2025, the company's assets amount to BGN 40 thousand, with total liabilities of BGN 7 thousand and positive net assets of BGN 33 thousand;
- **Varna Storage Ltd.** is a solely owned limited liability company, registered in Varna in 2011 and registered in Registry Agency with UIC 201574637. The company specializes in the processing, storage and trading with petroleum and petroleum products and until 24 of February 2022 is an operator of the storage depot in Varna. From March 2022 the company discontinued its core operations as it returned the license for operator of the tax warehouse in Varna. The Petrol Group is a sole owner of the capital as at December 31, 2025. For 2025, the company did not generate any operating revenues, reported negative EBITDA of BGN 22 thousand and a net profit for the period of BGN 18 thousand. As of December 31, 2025, the company's assets amount to BGN 427 thousand, with no liabilities and positive net assets of BGN 427 thousand.
- **Crystal Asset Property Ltd.** is a solely owned limited liability company established in July 2019 according to Bulgarian legislation and entered in the Commercial Register at the Registration Agency with UIC 205744695. The company is engaged in the management of real estate, domestic and international trading with goods and services, production of goods and services, commercial representation and mediation, as well as any other activity not prohibited by law. As at December 31, 2025, the Group owns 100% of the company. For 2025, the company reported total operating revenues of BGN 3,598 thousand, positive EBITDA of BGN 822 thousand and a net profit for the period of BGN 1,442 thousand. As of December 31, 2025, the company's assets amount to BGN 46,207 thousand, with total liabilities of BGN 2,446 thousand and positive net assets of BGN 43,761 thousand;
- **Crystal Assets Trade Ltd.** is a solely owned limited liability company established in April 2020 according to Bulgarian legislation and entered in the Commercial Register at the Registration Agency with UIC 206079661. The company is engaged in the management of real estate, domestic and international trading with goods and services, production activity of goods and services, commercial representation and mediation, as well as any other activity not prohibited by law. As at December 31, 2025, the Group owns 100% of the company. For 2025, the company reported total operating revenues of BGN 527 thousand, positive EBITDA of BGN 405 thousand and a net profit for the period of BGN 765 thousand. As of December 31, 2025, the company's assets amount to BGN 17,031 thousand, with total liabilities of BGN 7,594 thousand and positive net assets of BGN 9,437 thousand.

## Structure of the Group (continued)

- **Prima Land Property Ltd.** is a solely owned limited liability company established in July 2019 according to Bulgarian legislation and entered in the Commercial Register at the Registration Agency with UIC 205733108. The company is engaged in real estate management, as well as any other activity not prohibited by law. As of December 31, 2025, the Group owns 100% of the company's shares. For 2025, the company reported total operating revenues of BGN 3,373 thousand, positive EBITDA of BGN 2,779 thousand and a net profit for the period of BGN 2,103 thousand. As of December 31, 2025, the company's assets amount to BGN 23,693 thousand, with total liabilities of BGN 764 thousand and positive net assets of BGN 22,929 thousand;
- **Prima Consult Property Ltd.** is a solely owned limited liability company established in June 2019 according to Bulgarian legislation and entered in the Commercial Register at the Registration Agency with UIC 205717260. The company is engaged in the management of real estate, as well as any other activity not prohibited by law. As of December 31, 2025, the Group owns 100% of the company's shares. For 2025, the company reported total operating revenues of BGN 3,278 thousand, positive EBITDA of BGN 2,504 thousand and a net profit for the period of BGN 2,084 thousand. As of December 31, 2025, the company's assets amount to BGN 11,170 thousand, with total liabilities of BGN 944 thousand and positive net assets of BGN 10,226 thousand.
- **Prima Assets Trade Ltd.** is a solely owned limited liability company established in May 2020 according to Bulgarian legislation and registered in the Commercial Register at the Registration Agency with UIC 206110765. The company is engaged in real estate management, as well as any other activity not prohibited by law. As of December 31, 2025, the Group owns 100% of the company's shares. For 2025, the company reported total operating revenues of BGN 708 thousand, positive EBITDA of BGN 664 thousand and a net profit for the period of BGN 471 thousand. As of December 31, 2025, the company's assets amount to BGN 5,737 thousand, with total liabilities of BGN 1,096 thousand and positive net assets of BGN 4,641 thousand.
- **Prima Assets Bulgaria Ltd.** is a limited liability company established in April 2020 according to Bulgarian legislation and entered in the Commercial Register at the Registration Agency with UIC 206073719. The company is engaged in the management and management of real estate, as well as any other activity, not prohibited by law. As of December 31, 2025, the Group owns 100% of the company's shares. For 2025, the company reported total operating revenues of BGN 272 thousand, positive EBITDA of BGN 238 thousand and a net profit for the period of BGN 179 thousand. As of December 31, 2025, the company's assets amount to BGN 2,337 thousand, with total liabilities of BGN 182 thousand and positive net assets of BGN 2,155 thousand.
- **Crystal Assets Bulgaria Ltd.** is a solely owned limited liability company established in March 2020 according to Bulgarian legislation and entered in the Commercial Register at the Registration Agency with UIC 206068526. The company is engaged in the management and management of real estate, domestic and foreign trade with goods and services, production activity of goods and services, commercial representation and mediation, as well as any other activity not prohibited by law. As of December 31, 2025, the Group owns 100% of the company's shares. For 2025, the company reported total operating revenues of BGN 54 thousand, positive EBITDA of BGN 25 thousand and a net profit for the period of BGN 27 thousand. As of December 31, 2025, the company's assets amount to BGN 1,337 thousand, with total liabilities of BGN 31 thousand and positive net assets of BGN 1,306 thousand.

## Structure of the Group (continued)

- **Petrol Oil Recycling Ltd.** is a limited liability company established in June 2023 according to Bulgarian legislation and entered in the Commercial Register at the Registration Agency with UIC 207438779. The company's business is organizing, carrying out and managing the activities of separate collection, transportation, storage, preliminary treatment, reuse, recycling, recovery and/or disposal of used oils and waste oil products, as well as any other activity not prohibited by law. As of December 31, 2025, the Group owns 100% of the company's shares. For 2025, the company did not generate any operating revenues and reported a net loss for the period of BGN 1 thousand. As of December 31, 2025, the company's assets amount to BGN 9 thousand, with total liabilities of BGN 6 thousand and positive net assets of BGN 3 thousand.

- **Sandanski Storage Ltd.** is a limited liability company established in July 2024 under Bulgarian law and registered in the Commercial Register at the Registry Agency with UIC 207916364. The company's subject is real estate transactions, marketing, management and any other activity not prohibited by law or any other regulatory act. As at 31 December 2025, the Group owns 100% of the Company's shares. For 2025, the company did not generate any operating revenues, reported negative EBITDA of BGN 12 thousand and a net loss for the period of BGN 12 thousand. As of December 31, 2025, the company's assets amount to BGN 2,231 thousand, with total liabilities of BGN 12 thousand and positive net assets of BGN 2,219 thousand.

In April 2025, through a share purchase agreement, the Company transferred to an unrelated entity 1,541,000 company shares, each with a nominal value of BGN 1, representing 100% of the capital of the subsidiary Office Estate EOOD, at a sale price of BGN 2,462 thousand.

In December 2025, through a share purchase agreement, the Company transferred to a third party 1,499,810 company shares, each with a nominal value of BGN 1, representing 100% of the capital of the subsidiary Varna 2130 EOOD, at a sale price of BGN 5,300 thousand.

All subsidiaries have a registered address in the Republic of Bulgaria. For additional information concerning the subsidiaries included in the preparation of the consolidated financial report (*see also Note 30 and Note 31 to the annual consolidated financial report for 2025*).

Information pursuant to Art. 39, item 7 of the Accountancy Act - The Group has no registered branches.

Information pursuant to item 13 of the Appendix No. 2 to the Ordinance No. 2 of November 9, 2021

The Group has not adopted an investment policy for 2025, so it has not carried out an assessment of the opportunities of the applied investment intentions.

## Management Bodies

Information pursuant to Art. 100l, par. 8, item 5 of the Public Offering of Securities Act and Art. 48, par. 1 of the Accountancy Act

The Parent company has two-tier board structure, which includes Management Board (MB) and Supervisory Board (SB). The names and the functions of the members of the SB and MB of Petrol AD are presented below. For members of the Management Board a short biographical information is presented:

### Supervisory Board

„Petrol Correct“ EOOD, represented by Nikolay Gergov	Chairman
„Petrol Asset Management“ EOOD, represented by Armen Nazaryan	Member
Rumen Aleksandrov Konstantinov	Member

### Management Board

Grisha Ganchev	Chairman of the Board
Milko Dimitrov	Deputy of the MB and Chief Executive Officer
Maya Vujicic	Member of the MB and Chief Executive Officer
Georgy Tatarski	Member of the MB
Kiril Shilegov	Member of the MB

**Grisha Danailov Ganchev** has obtained his bachelor's degree in "Accounting and Control" from the University for National and World Economy - Sofia, obtained a master's degree in "BM" from American International Academy, St. Louis and a master's degree in "Law" from Blagoevgrad University "Neophyte Rilski". In the period since 1990 to 1999, Mr. Ganchev was Manager of "Litex Commerce" AD. Between 1999 to 2008 Mr. Ganchev was a CEO of "Litex Commerce" AD. In the period since 2008 until May 2014 he was a chairman of the Supervisory Board of "Litex Commerce" AD. Fluent in Russian and English.

**Milko Konstantinov Dimitrov** has obtained his bachelor's degree in "Investments and Management of Financial Risk" and has a master's degree in "Investment Management" from Cass Business School, City University, London, UK. He was Executive Director of "Litex Commerce" AD and CEO of "Litex" AD. Fluent in English.

**Maya Velizarova Vujicic** has over fifteen years of management experience in international companies in the energy, retail and FMCG sectors, including key regional roles at Shell for Central and Eastern Europe (CEE) in the positions of Procurement Manager Business Mobility CEE and Convenience Retail Category Manager. Her professional focus includes supply chain management, retail operations optimisation and commercial category development in a multinational environment. Her career also includes experience at Delhaize Group and Lilly drogerie, where she worked on the development of commercial strategies. She holds an MSc in Supply Chain, Trade and Finance with distinction and a BSc in Investment and Financial Risk Management from Bayes Business School, London.

**Georgi Ivanov Tatarski** has obtained his bachelor's degree in "Technology of Mechanical Engineering" from Moscow State Technological University and a master's degree in "International Economic Relations" from the Russian Academy of Foreign Trade in Moscow. He has worked successively at management positions in "Mineralimpex" AD, "Interbrands Marketing End Distribution Inc." OOD "Hydro Bulgaria" EOOD, "Shell Gas Bulgaria" AD, "OMV Bulgaria" EOOD, "Opet Aygaz Bulgaria" EAD. Fluent in English and Russian.

## Management Bodies (continued)

**Kiril Emilov Shilegov** has obtained his bachelor's degree in "Communication Engineering and Technology" from the Technical University of Sofia and master's degree with a professional qualification master-engineer "Materials technology and materials science" from D-r Asen Zlatarov University of Burgas. He started his work experience in the "British Council - Sofia", where he worked on projects related to the Ministry of Culture of the Republic of Bulgaria, then continued his career in "Bridge Consort" JSc and "Elana Investment" JSc. From 2007 to 2010 he took the position "Senior Expert European Programmes" in "Elana Investment" JSc. Fluent in English.

### Information pursuant to item 14 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021

In 2025, there were no changes in the core management principles of the Group and the Parent company Petrol AD.

### Information pursuant to item 16 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021

On February 23, 2017 the Chairman of the Supervisory Board of the Parent company passed away. On EGMS held on February 18, 2019 a decision for the replacement of the deceased member of the Supervisory Board Ivan Voynovsky with Rumen Konstantinov was taken. The application for registration of these circumstances in the account of the Parent company was refused, which was disputed by the Parent company within the statutory term. In addition to the refusal, the registration proceedings were suspended by a request of minority shareholders until the pronouncing of the Lovech Regional Court on applications for annulment of the decision. In May 2019 the Lovech Regional Court enacted a decision, which repealed the enacted refusal and turn back the case to the Registry Agency for registration of the applied entry after a resumption of the ceased registration proceedings.

On 06.03.2025, with entry No. 20250306160504 in the Commercial Register and the Register of Non-Profit Entities at the Registry Agency on the account of Petrol AD, UIC 831496285, a change was registered in the Supervisory Board of Petrol AD, as a member of the Supervisory Board - Mr. Ivan Alipiev Voynovsky was deleted, and Mr. Rumen Aleksandrov Konstantinov was registered in his place.

On 07 July 2025, under registration number 20250707161552 in the Commercial Register and NGOS Register at the Registry Agency under the file of Petrol AD, UIC 831496285, the following changes were registered. Georgi Ivanov Tatarski was removed as Executive Director and Deputy Chairman of the Management Board of the Parent Company, and Maya Velizarova Vujicic was registered in his place as Executive Director; at the same time, Lachezar Nikolov Gramatikov was removed as a member of the Management Board of the Parent Company, and Maya Velizarova Vujicic was registered in his place. Also on 07 July 2025, Milko Konstantinov Dimitrov was registered as Deputy Chairman of the Management Board of the Parent Company.

### Information in compliance with the requirements of Art. 247, par.2, item 4 of the Commercial Act and item.18 and item.19 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021

#### **Management Board:**

##### Individuals

- Grisha Danailov Ganchev – Chairman
- Milko Konstantinov Dimitrov – Vice Chairman and Executive Director
- Maya Velizarova Vujicic – Member and Executive Director
- Georgi Ivanov Tatarski – Member
- Kiril Emilov Shilegov – Member

## Management Bodies (continued)

No legal entities are members of the Management Board

### Supervisory Board:

Individuals – members of the Supervisory Board:

- Rumen Aleksandrov Konstantinov – Member of the Supervisory Board

Legal entities - members of the Supervisory Board:

- Petrol Correct EOOD UIC 203177666, represented on the Supervisory Board by Nikolay Borislavov Gergov – Chairman of the SB;
- Petrol Asset Management EOOD, UIC 203176781, represented on the Supervisory Board by Armen Lyudvigovich Nazaryan – Member of the SB.

**Procurators** – the Parent company has no procurators.

Expiration date of current contracts with the members of the Management and Supervisory Board as well as the period during which they have held office:

### Members of the Management Board:

- Grisha Danailov Ganchev – Chairman – held the position since 05.06.2014 until present. Mandate for five years;
- Milko Konstantinov Dimitrov – Vice Chairman and Executive Director – held the position since 05.06.2014 until present. Mandate for five years;
- Maya Velizarova Vujicic – Member and Executive Director - held the position since 07.07.2025 until present. Mandate for five years;
- Georgi Ivanov Tatarski – Member – held the position since 05.06.2014 until present. Mandate for five years;
- Kiril Emilov Shilegov – Member – held the position since 27.10.2014 until present. Mandate for five years.

### Members of the Supervisory Board:

- Petrol Correct EOOD, UIC 203177666, represented in SB by Nikolay Borislavov Gergov – Chairman – held the position since 14.10.2014 until the present. Mandate for five years;
- Petrol Asset Management EOOD, UIC 203176781, represented in the SB by Armen Lyudvigovich Nazaryan – Member – held the position since 18.01.2017. Mandate for five years.
- Rumen Aleksandrov Konstantinov – Member – held the position since 06.03.2025;

For 2025 the Group did not negotiate contingent remunerations with the members of the boards.

As at December 31, 2025 the Group has no due amounts for retirement benefits or other compensations for the members of the Boards.

### Information pursuant to Art. 247, par. 2, item 5 of Commercial Act in terms of Signed agreements during 2021 under Art.240b of the Commercial Act

In 2025 members of the Board of Directors or their related parties did not enter into agreements under Art.240b of the Commercial Act (CA) that go beyond the ordinary business of the Group or significantly deviate from market conditions.

## Management Bodies (continued)

Information pursuant to Art. 247, par. 2, item 1 of Commercial Act and to the item 17 of the Appendix No.2 to the Ordinance No.2 for the total remunerations received by the members of the boards during the year

The total amount of accrued remunerations of key management of the Parent company in 2025, included in personnel costs, amounted to BGN 1,560 thousand (2024: BGN 1,338 thousand). The unsettled liabilities as at December 31, 2025 amounting to BGN 80 thousand (2024: BGN 76 thousand).

Information pursuant to Art. 247, par. 2, item 2 of Commercial Act and to the item 18 of the Appendix No.2 to the Ordinance No.2 for the acquired and transferred shares and bonds by the members of the boards of the Parent company

During 2025 shares and bonds have not been acquired and/or transferred by the members of the boards of Petrol AD.

Information pursuant to item 19 of the Appendix No.2 to the Ordinance No.2 for arrangements with employees for participation in the capital of Petrol AD, including through issuance of shares, options and other securities of the Parent company - There are no arrangements with employees for participation in the capital of Petrol AD, including through issuance of shares, options and other securities of Petrol AD and also arrangements with shareholders and/or bondholders of the Parent company.

Information pursuant to Art. 247, par. 2, item 3 to the Commercial Act in terms of Members' rights to acquire shares and bonds of the Parent company - The Statute of the Parent company does not provide specific rights of the members of the MB and SB to acquire shares and bonds of Petrol AD.

Granted to members options on shares by the Parent company – type and size of the securities, on which options are set, exercise price on options, purchase price if any and term of the options - Petrol AD did not granted options on its shares in favour of the members of SB and MB.

Participation of the members of MB and SB in companies as general partners, possession of more than 25 per cent of the capital of another company, as well as their participation in the Management of other companies or cooperatives as procurators, managers or board members:

A) Participation in management:

### **Grisha Danailov Ganchev**

- Chairman, Managing of Association of horse breeders in Bulgaria, UIC 175861533;
- Chairman, Managing of the National Association for Horses, UIC 130290222;
- Chairman, Managing of the Bulgarian National Association for horse racing, UIC 115853902;
- Member of the Board of Directors of PFC CSKA - 1948 JSC, UIC 200269839;
- Member of the collective Management body of the Foundation Beautiful Lovech, UIC 110562063;

### **Milko Konstantinov Dimitrov**

- Manager of MKD Property Ltd, UIC 202188364;
- Manager of MKD Investment Ltd, UIC 206712017;
- Member of the collective Management body of the Bulgarian National Association for horse racing UIC 115853902;

## **Management Bodies (continued)**

**Maya Velizarova Vujicic** – Does not participate in any management or supervisory body of another company;

**Georgi Ivanov Tatarski** - Is not involved in management or supervisory body of another company;

### **Kiril Emilov Shilegov**

- Manager of Grand-K Ltd., UIC 203461378;
- Manager of Shumen Storage Ltd., UIC 205714218;
- Manager of Varna 2130 Ltd., UIC 205838664;
- Manager of Svilengrad Oil Ltd., UIC 205818576;
- Manager of Kremikovsi Oil Ltd., UIC 20571420;
- Manager of Petrol Oil Recycling Ltd., UIC 207438779;
- Manager of "Sandanski Storage" Ltd, UIC 207916364;
- Manager of "Crystal Asset Property" Ltd, UIC 205744659;
- Manager of Crystal Assets Trade Ltd, UIC 206079661;
- Manager of Crystal Assets Bulgaria Ltd, UIC 206068526;
- Manager of Prima Assets Trade Ltd, UIC 206110765;
- Manager of Prima Assets Bulgaria EOOD, UIC 206073719;
- Manager of Prima Land Property Ltd, UIC 205733108;
- Manager of Prima Consult Property Ltd, UIC 205717260
- Member of a collective managing body of Bulgarian petrol and gas association, UIC 121882075

**Petrol Correct Ltd., UIC 203177666** - Is not involved in management or supervisory body of another company;

### **Nikolay Borislavov Gergov**

- Manager of Petrol Correct Ltd., UIC 203177666;
- Member of the Board of the Bulgarian Wrestling Federation, UIC 121505512;

**Petrol Asset Management Ltd., UIC 203176781** - Is not involved in management or supervisory body of another company;

### **Armen Lyudvigovich Nazaryan**

- Manager of Petrol Asset Management Ltd., UIC 203176781;
- Member of a collective management body of Interdisciplinary Civil Academy, UIC 130321326;

B) Holdings:

### **Grisha Danailov Ganchev**

- Shareholder with 76.2% of the capital of PFC CSKA – 1948 JSC., UIC 200269839;

### **Milko Konstantinov Dimitrov**

- Sole owner of the capital of MKD Property Ltd., UIC 202188364;

**Maya Velizarova Vujicic** – Has no such participations;

### **Georgi Ivanov Tatarski**

- Partner with a 50% share in the capital of MB Properties Ltd., UIC 200977005;
- Partner with a 10% share in the capital of Byala Reka Ltd., UIC 101650607;

### **Kiril Emilov Shilegov**

- Sole owner of the capital of Grand-K Ltd., UIC 203461378;

## Management Bodies (continued)

**Petrol Correct Ltd., UIC 203177666** - no such holdings;

**Nikolay Borislavov Gergov**

- Sole owner of the capital of Petrol Correct Ltd., UIC 203177666;

**Petrol Asset Management Ltd., UIC 203176781** - no such holdings;

**Armen Lyudvigovich Nazaryan**

- Sole owner of the capital of Petrol Asset Management, UIC 203176781;

Contracts under Art. 240b to the Commercial Act, signed during the year - Relations between Management Board and union employee organizations - – there is no collective agreement.

Information about the Director of Investor relations, including telephone and correspondence address pursuant to item 21 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021

Director of Investor Relations is Nevena Aleksieva, tel. 02 4241371, [nevena.aleksieva@petrol.bg](mailto:nevena.aleksieva@petrol.bg), mailing address - Sofia, bul. "Cherni vrah" № 43.

E-mail: [delovodstvo@petrol.bg](mailto:delovodstvo@petrol.bg)  
website: [www.petrol.bg](http://www.petrol.bg)  
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## Risk Factors influencing the activity of Petrol Group

*Information pursuant to Art.39, item 1 of the Accountancy Act concerning the risks faced by the Group*

### Market Environment Analysis

The Group's results from operations are affected by several factors, including macroeconomic conditions in Bulgaria, competition, variation of gross margins, fluctuations in crude oil and petroleum product prices, product mix, relationships with suppliers, legislative changes, and changes in currency exchange rates, weather conditions and seasonality.

#### **Macroeconomic conditions in Bulgaria<sup>12</sup>**

The Petrol Group's activity is influenced by the general economic condition of the country and in particular the degree of the successful adoption of the market-oriented economic reforms by the government, the level of inflation in the country, changes in the gross domestic product (GDP) and the purchasing power of the Bulgarian customers. In the long term the change in the fuels consumption in the country is commensurate with the GDP.

In 2025, inflation in Bulgaria accelerated compared to 2024, with the consumer price index reaching 5.0% year-on-year by December 2025, at an average annual inflation rate of 4.6%. The Harmonised Index of Consumer Prices (HICP) for 2025 was 3.5% on an annual average basis. The main factors driving the acceleration of inflation were the increase in food prices at a rate significantly above the European average, the increase in service prices, as well as price expectations related to the introduction of the euro in Bulgaria from 1 January 2026. In 2025, the European Central Bank continued the cycle of reductions in key interest rates, initiated in 2024.

According to the preliminary data of the National Statistical Institute, the Gross Domestic Product of the country for 2025 increased in real terms by 3.1% compared to 2024, exceeding forecasts and expectations. The nominal GDP for 2025 reached approximately BGN 226,957 million (EUR 116,018.3 million at the official conversion rate of EUR 1 = BGN 1.95583). The structure of the economy remains dominated by the services sector, which accounts for 72.8% of gross value added, followed by industry with 24.4% and agriculture with 2.8%. In 2025, GDP per capita reached EUR 18,060.

In 2025, exports of goods from Bulgaria to third countries (outside the EU) continued to decline by 2.2% compared to 2024, reaching BGN 30,020 million. Imports from third countries increased by 8.5%, reaching BGN 45,119.5 million. The trade deficit with third countries was BGN 15,100 million. The main trading partners outside the EU are Turkey, China, Serbia and the USA. In total trade (including with the EU), total exports decreased by 3.2% and total imports increased by 6.1% compared to 2024.

If the restrictive actions of central banks continue, this will inevitably lead to a future slowdown in economic activity in the country, which, combined with persistent inflation and rising prices, will create risks and restrict consumption of goods and services, including fuels. This in turn will lead to a decrease in the Company's revenues, difficulties in meeting regular payments and the generation of an operating loss. Bulgaria's accession to the eurozone from 1 January 2026 at the official conversion rate of EUR 1 = BGN 1.95583 (identical to the currency board rate from 1999) represents a historic economic milestone, bringing benefits from the elimination of exchange rate risk with eurozone partners, but also short-term inflationary risks related to price rounding, commercial speculation and psychological price effects.

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<sup>12</sup> Source: NSI, BNB

## **Risk Factors influencing the activity of Petrol Group (continued)**

### **War conflicts between Russia – Ukraine and the Middle east**

Throughout 2025, military actions in Ukraine continued without interruption, while a number of meetings and initiatives to end the conflict were held. Already upon the inauguration of the Trump administration on 20 January 2025, the United States intensified diplomatic efforts to achieve peace, conducting multiple rounds of negotiations with Russian and Ukrainian representatives; in November 2025, a 28-point American peace plan was presented, providing for NATO-type security guarantees for Ukraine on condition that it relinquishes parts of the occupied eastern territories and its aspiration for NATO membership. As of March 2026, peace negotiations are on hold without an official ceasefire, and analysts assess a 'frozen conflict' without a lasting peace agreement as the more likely scenario for the medium-term horizon.

The arising military conflict and the imposed by the EU and the US economic, financial, and other sanctions on Russia to end the conflict are blocking the economic activity between the European Union and Russia, restricting the payments and the free movement of people, goods and services, and simultaneously cause significant ubiquitous disruptions on financial markets and non-financial sector.

The military conflict has further affected the prices of many goods, resources and services, as Russia is a major exporter of fossil fuels, metals and other resources, and the purpose of sanctions imposed by the European Union and the United States is to limit Russia's economic activity. Fossil fuels are still a major part of the process from the creation to final consumption of almost all goods in the EU, because of which a future uncertainty about prices and availability of fossil fuels and other resources worsens the economic prospects for the EU and Bulgaria in particular. The warm winter and the increase in the fossil supplies from alternative sources help the EU countries to overcome the breaking out short-term anomalies caused by the sanctions and restrictions.

The conflict between the two countries and the departure of Ukrainian civilians from their homes to escape the military invasion creates an unprecedented humanitarian crisis in Europe in the post-World War II period. All business sectors are affected in 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 one side and Iran on the other, significantly intensifies the conditions and concerns for the spread of the conflict and its negative economic effects on a global scale. From the very beginning of the conflict, it has had a direct impact on the Company's activities and results, affecting international oil prices as a result of geopolitical uncertainty in the region and disrupted supply chains.

In 2025, the European Union adopted a series of new sanctions packages against Russia, including measures against the shadow fleet for transporting Russian oil and additional export restrictions, the extension of port access bans, a ban on the import of refined petroleum products from Russian crude oil manufactured in third countries (eliminating circumvention through third countries), and the suspension of derogations for Rosneft and Gazpromneft. In early 2026, the Council of the EU gave its final approval for the phased ban on imports of Russian natural gas into the European Union.

A significant event from the perspective of the oil market in Bulgaria was the sanction imposed by the US Department of the Treasury (OFAC) on 22 October 2025 against LUKOIL. On 17 November 2025, the management of Lukoil Neftochim Burgas AD – the country's sole oil refinery – and of the other LUKOIL group companies in Bulgaria was transferred to an independent administrator, as LUKOIL announced its intention to sell its Bulgarian assets.

## **Risk Factors influencing the activity of Petrol Group (continued)**

At the end of 2023, following long political discussions, with the adoption by the National Assembly of the Law amending and supplementing the Law on Control over the Application of 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 was prohibited from 1 March 2024.

This prohibition is in force for the entire period of 2025. The Lukoil Neftochim Burgas refinery was already in the process of diversifying supplies from alternative sources such as Kazakhstan, Iraq and Tunisia, prior to the transition to management by an independent administrator. The aforementioned sanctions and regulatory changes primarily affect the wholesale supply of petroleum products in the country and indirectly impact the pricing environment in which the Group operates. In 2025, the Group achieved an increase in fuel wholesale revenues, which increased to BGN 22,696 thousand compared to BGN 16,880 thousand for the comparative period, as a result of higher wholesale fuel sales in 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 ensure fuel consumption, the management of the Company believes that in the short term no disruptions are to be expected that would lead to significant losses for Petrol AD. Nevertheless, with ongoing military conflicts in regions close to Bulgaria, there is a risk of escalation and deepening with subsequent destructive consequences. Changes in the structure of the oil market in Bulgaria – with the Lukoil Neftochim Burgas refinery transitioning to management by an independent administrator and a subsequent change of ownership – may lead to temporary instability in supply and changes in pricing conditions. Bulgaria's membership of the eurozone from 1 January 2026 brings long-term benefits from price stability and the elimination of exchange rate risk, but may in the short term generate inflationary pressure and speculation. The management of the Company closely monitors the development of all these factors and takes timely measures to manage the related risks.

As the major activity of the Group is the trade of fuels and other petroleum products, a sustained increase in fossil fuel prices on global markets will have a negative impact on the Group's sales, leading to significant losses and a deterioration of the Group's financial position and operating results. The constantly changing geopolitical environment and the sanctions imposed on Russia may lead to the speculative creation of a fuel shortage in the country and problems for the Group in securing its sales, with a risk of closure of trading sites, a transition to a temporary operating regime and other negative consequences. To respond to this scenario, the management of the Group is exploring the possibility of importing fuels from third countries, and to this end a credit line with a financial institution was signed in 2026 for the future securing and guaranteeing of fuel imports, thereby reducing potential future consequences for the Group from disrupted supply chains, the military conflict in the Middle East, and the sanctions imposed by the EU and USA on Russia and their reciprocal measures.

Petrol AD does not conduct economic activities in Ukraine, Russia or the Middle East and does not suffer direct negative consequences from the military conflicts in those territories.

### **Grant funding and government financing**

By a Decision № 739 of October 26 2021, amended by a Decision № 771 of November 06 2021 and a Decision № 885 of December 16 2021, the Council of Ministers adopted a program for compensation of non-residential end customers of electricity. The program aims to protect and assist all non-household end-users to deal with the effects of fluctuations in electricity prices. As at December 31, 2025 the Group received and reported income from financing for 2025 under this program of BGN 193 thousand (2024: BGN 307 thousand).

## Risk Factors influencing the activity of the Petrol Group (continued)

### Competition

In the past few years a trend for customers gradually choosing the well-known brands with traditions in retail fuel sales was observed. As a result some small players were forced to drop out of business or to sign franchise/dealership arrangements with the major companies in the sector. As a result of the change in customer preferences and the implementation of additional legislation control by the government, the market share of the small independent players continues to decline. The absence of strategic deals in the retail sector and significant investment programmes by the major players led to minimum change in the retail market shares of the companies.

In 2025, seven companies dominated in the retail market – Lukoil Bulgaria EOOD, Petrol AD, OMV Bulgaria EOOD, Shell Bulgaria EAD, Eko Bulgaria EAD, Rompetrol Bulgaria AD and NIS Petrol EOOD.

Concerning the wholesale market the fuel needs in the country are met by the output of the refinery Lukoil Neftochim in Burgas, the refinery “Insa oil” in Ruse and from import. The refinery in Burgas sells its oil products in the country exclusively through Lukoil Bulgaria EOOD. Major importers of fuels are OMV Bulgarian OOD, Insa Oil EOOD, Rompetrol Bulgaria AD, Eko Bulgaria EAD, Saksa OOD and Astra Bioplant EOOD. The import of petroleum products in the country is carried out mainly by the neighbouring Bulgaria countries. This is determined by the fact that some of the fuel market participants are economically related to the owners of the capital of the refineries in those countries. In 2025, the wholesale market followed the trend and volatility of crude oil prices on international markets.

Gradual introduction of new environmental standards and additional means of control by the government, increased the costs for companies in the sector, but on the other hand minimized the unfair competition, eliminating market participants who are part of the grey economy.

### Key trade partners

#### Information pursuant to item 2 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021

Due to the specific of the primary business of Petrol Group, namely retail and wholesale trading with fuels, the Group’s fuels supplies are provided by a small number of suppliers, as a result of which the Group is at risk of discontinuation of relationships with key suppliers, which may lead to a short-term depletion of inventories and trading activity difficulties. For 2025 the major Group’s suppliers with share over 10% from the total sales and distribution costs is Litex JSC, Lukoil Bulgaria Ltd., Saksa Ltd.

- Litex AD – fuels supplier. The headquarter address of Litex AD is 3 Lachezar Stanchev Str. fl.14, Sofia. The company’s business includes purchase, production, processing of goods for sale, commission and any other activity not forbidden by the law.
- Saksa OOD – fuels supplier. The headquarter address of Saksa OOD is 1 Targovska Str., Sofia. The company's activities include wholesale and retail trade, storage and processing of petroleum products and derivatives, production and trade of goods and services in the country and abroad, and any other activity not prohibited by law.
- Lukoil Bulgaria EOOD – a fuel supplier with an 11% share of total purchases of goods and services in 2025. The company’s registered office is located at 69 Bulgaria Blvd., Office Tower – Infinity Tower, 17th floor, Sofia. The company’s activities include the sale and distribution of petroleum products, the refining and marketing of petroleum products, and transportation and freight forwarding services.

## **Risk Factors influencing the activity of the Petrol Group (continued)**

The Group's revenue from operations are generated primarily from two segments - retail sales and wholesale sales. In 2025 there is no client the sales revenue to which to exceed 10% of total sales revenue. Petrol Group's wholesale and retail trading with fuels, lubricants and other goods is carried out through its own and rented from third parties petrol stations and storage facilities. A risk from the suspension of the relationships with the lessors and discontinuation of the lease contracts of the petrol stations and/or storage facilities existed, which can have a negative impact on Petrol Group as decrease in sales, worsening the financial results and loss of market share.

### ***Trade margins***

In 2025 86.3% (2024: 86%) of Petrol Group's sales revenue are formed of wholesale and retail sales of fuels and a significant and lasting decrease in gross margin from sales of fuels would negatively reflect on the final financial results of Petrol Group.

In 2025, the average gross margin per liter of fuel (methane in kg) declined compared to 2024, with a decrease of BGN 1,201 thousand (EUR 614 thousand) in absolute terms compared to 2024. This is entirely due to the lower average margin, as in 2025 the Group reported a 3.7% increase in fuel sales volumes compared to the previous period. An additional effect is the increase in the share of wholesale sales in total fuel sales, with their share rising to 7.2% compared to 5.2% in 2024, as margins on wholesale fuel sales are traditionally lower than those on retail fuel sales, resulting in a decrease in the average fuel sales margin per liter/kg.

### ***Price fluctuations in crude oil and petroleum products***

The Petrol Group is at risk of frequent and sharp changes in prices of fuels and non-petroleum goods. Because of that, the future financial results may diverge significantly from the expectations of Petrol Group's Management. Any future sharp fluctuations in the prices of fuels and non-petroleum goods may lead to a deterioration of the financial position of the Group.

Since the international quotations of crude oil serve as a basis for the calculation of purchasing and selling prices, the volatility of the crude oil and petroleum products prices have a significant impact on the sales revenue and cost of goods sold of the oil products.

In 2025, the Brent crude oil market entered a period of moderate volatility, starting the year at around \$74 per barrel. During the first half of 2025, prices mostly fluctuated between \$72 and \$86, peaking at the end of May due to geopolitical tensions in the Middle East and the extended voluntary production cuts by OPEC+.

In the second half of 2025, however, market conditions shifted under pressure from record production in the United States and Brazil, combined with slowing economic growth in China. This led to a gradual decline, with a local low of \$67 per barrel recorded in October 2025. The year ended with relatively stable levels of around \$72.

The beginning of 2026 started off relatively calmly, but in March, market conditions took a dramatic turn. The escalation of the military conflict in the Middle East and the blockade of the strategic Strait of Hormuz in early March 2026 triggered unprecedented panic. In just a few weeks, the price of Brent crude shot up from below \$80 to over \$120 per barrel. By the end of April 2026, the market remains in a state of extreme uncertainty, with physical prices in some regions reaching record highs of \$140–\$150, and global supply chains are facing their greatest challenge in decades.

## **Risk Factors influencing the activity of the Petrol Group (continued)**

### ***Product mix***

The fuels market can be conditionally divided to light fuels and dark fuels according to the applied technological schemes of crude oil fractioning in its processing. The dark fuels are mainly used for heat energy production or are used in construction and form a relatively small part of the fuels market (approx. 10-15%). The light fuels are used mainly for ensuring the needs of the different types of transport. The most widely distributed are motor gasoline A-95H and diesel.

During the current period the Bulgarian market of motor fuels has not undergone a significant change. The last-years tendency to shift from all types of gasoline to LPG and diesel has remained. The increased diesel consumption is explained by the arising of modern diesel engines and the fact that the transportation industry uses this type of fuel. An additional factor for the lower gasoline consumption was the usage of LPG systems for gasoline engines driven by the significantly lower price of LPG compared to the prices of motor gasolines.

The Group's Management believes that the tendency of the consumers to use branded fuels and methane more often will preserve in the future, due to increasing standard of living and the tendency of a higher share of the new cars in the total car fleet.

Due to their better quality and the additives, the branded fuels are presumption for increasing engine power, decreasing fuel consumption and increasing longevity of the engine.

### **Market Risk**

The main activities of the Petrol Group's companies include trading with motor gasoline, diesel, LPG and methane (CNG). Possible widespread future penetration of alternative substitutes of the traditional fossil fuels would have a significant impact on the sales and financial results of Petrol Group.

If market prices, such as foreign exchange rates, interest rates or the prices of equity instruments change, the Group's income or the value of its investments may be affected. The objective of market risk management is to control exposure to market risk within acceptable limits by optimizing returns. Due to the nature of its business, the Group is exposed to price, currency and interest rate risk.

Due to the specific nature of the Group's core business, namely the wholesale and retail trading of fuels, the supply of fuels and commodities is sourced from a small number of suppliers, resulting in the Company being exposed to the risk of termination of its relationships with its main counterparties, which would lead in the short term to the depletion of inventories, generation of losses and difficulties in trading activities.

## **Financial Risk Management**

### **General provisions for risk management**

The use of financial instruments exposes the Group to market, credit and liquidity risk. This section provides information on the objectives, policies and processes for managing these risks and for managing capital.

## Risk Factors influencing the activity of the Petrol Group (continued)

Despite the turmoil caused by COVID-19 and the war in Ukraine, the country's economy grew over the past reporting period, covering a wide range of industries and sectors. However, the country currently faces several challenges and future risks. The ongoing military conflict between Russia and Ukraine is creating the conditions for a lasting humanitarian crisis, shortages of raw materials and supplies, rising inflation and geopolitical turmoil that could spread to Bulgaria. At the same time, commodity prices continue to rise, and high prices are likely to persist. On the other hand, the pandemic has not completely subsided and new outbreaks are possible. This leads to the risk of a slowdown in cash flows and payments, an increase in intercompany indebtedness, a reduction in earnings and ultimately an overall deterioration of the economic environment in the country in which the Group operates. The macroeconomic environment in the country, as well as the level of political stability, has a significant impact on the price, market, credit, liquidity, interest rate, operational and other risks to which the Group is exposed.

### Interest Rate Risk

Risks arising from an increase in the Group's cost of funding.

The Group is exposed to interest rate risk as a portion of the borrowings are at variable interest rates, agreed as a base rate plus a certain margin. The Group continuously monitors and analyses its underlying interest rate exposures by developing various optimisation scenarios e.g. refinancing, renewal of existing loans, alternative financing and calculating the impact of interest rate changes within a certain range on the financial result.

At the date of these consolidated financial statements, the profile of interest-bearing financial instruments is as follows:

	31 December 2025 BGN'000	31 December 2024 BGN'000
<b>Fixed rate instruments</b>		
Financial assets	97,324	90,263
Financial liabilities	<u>(36,478)</u>	<u>(36,474)</u>
	<b><u>60,846</u></b>	<b><u>53,789</u></b>
<b>Variable rate instruments</b>		
Financial assets	93,796	84,312
Financial liabilities	<u>(225,043)</u>	<u>(222,604)</u>
	<b><u>(131,247)</u></b>	<b><u>(138,292)</u></b>

The interest rate risk sensitivity analysis assumes that the variable interest rate positions at the end of the reporting period existed at the same level throughout the year and a reasonably possible increase/decrease in the interest rate of 0 basis points. Had interest rates been 0 basis points higher/lower, with all other variables held constant, the loss after tax for the year would not change.

### Currency risk

The Group performs transactions in a currency other than its functional currency, and thus it is exposed to risk, related to potential foreign exchange rate fluctuations. Such risk arises mainly from the fluctuations of the US dollar, since the Group performs purchases and has received loans denominated in US dollars. Transactions primarily denominated in euro do not expose the Group to currency risk, since the Bulgarian lev is fixed to the euro effective January 1, 1999.

## Risk Factors influencing the activity of the Petrol Group (continued)

Financial assets and liabilities denominated in US dollars are presented in the following table:

	December 31, 2025		December 31, 2024	
	USD thousand	BGN'000	USD thousand	BGN'000
<b>Financial assets</b>				
Cash and cash equivalents	7	13	7	13
Trade and other receivables	-	-	-	-
<b>Financial liabilities</b>				
Trade and other payables	-	-	-	-
	<u>7</u>	<u>13</u>	<u>11</u>	<u>20</u>

The foreign exchange risk sensitivity analysis is calculated at a 9% change in the US dollar exchange rate against the Bulgarian lev. Management considers this to be a reasonably possible change based on the statistical data examined for the dynamics of exchange rate fluctuations over the past year based on the daily deviation calculated for 250 days. If as of December 31, 2025 the US dollar had depreciated/appreciated by 9% against the Bulgarian lev, all other risk variables being constant, the post-tax profit would have increased/decreased by BGN 1 thousand, as a result of exchange differences from the revaluation of cash, trade and other receivables and payables denominated in US dollars.

### Price risk

The Group is exposed to a risk of frequent and sharp fluctuations in fuels prices and other tradable goods. In order to decrease sensitivity to fluctuations in the prices of fuels, the Group updates its selling prices daily in accordance with the geographic region and the selling prices of its main competitors.

In 2025, the Group held comparatively high inventory turnover. For approximately 12 days (2024: 12 days) the inventory makes a whole cycle, which reduces the Group's price risk exposure.

### Credit risk

Credit risk is the risk that one party to a financial instrument fails to meet its obligation and thus causing loss to the other. Financial assets that potentially expose the Group to credit risk are mainly trade receivables and interest loans granted.

#### *Exposure to credit risk*

The carrying amount of financial assets represents the maximum credit risk the Group is exposed to. The maximum exposure to credit risk as at the reporting date is as follows:

	31 December 2025 BGN'000	31 December 2024 BGN'000
Loans granted	199,536	181,727
Trade and other receivables	34,033	18,762
Cash and cash equivalents	<u>4,307</u>	<u>1,648</u>
	<u>237,876</u>	<u>202,137</u>

## Risk Factors influencing the activity of the Petrol Group (continued)

### Trade and other receivables

The Group is exposed to credit risk, in case its customers do not pay their obligations in the expected term and amount. The policy of the Group regarding credit risk is to sell goods and services only to customers with an appropriate credit standing and to use adequate collaterals as a means of reducing the risk of financial losses. The creditworthiness of customers is estimated by taking into consideration their financial position, past experience and other factors. Credit limits have been stipulated and their compliance is regularly monitored. In case of exceeding the credit limits, interest on arrears is accrued. Retail sales are settled in cash predominantly or by credit cards.

### Impairment of trade and other receivables

To estimate expected credit losses for its trade receivables, the Group applies a simplified approach based on an "expected default rate" using an allowance matrix. As at December 31, 2025, an average impairment rate has been applied to the trade receivables of the relevant maturity group as follows:

	Average %
Up to 30 days from maturity - not overdue	1,99%
Between 30 and 90 days from the due date of the receivable	21,19%
Between 90 and 180 days from the due date of the receivable	57,12%
Between 180 and 360 days from the due date of the receivable	88,71%
More than 360 days from due date	99,16%

Time structure of trade and other receivables at the reporting date are not impaired, is as follows:

	December 31, 2025 BGN'000	December 31, 2024 BGN'000
Up to 30 days	911	1,177
31 - 120 days	1,991	2,169
121 - 210 days	4,186	467
Over 211 days	2,298	3,655
	<u>9,386</u>	<u>7,468</u>

The Group believes that the unencumbered overdue amounts are collectible based on historical payment information, guarantees provided and a detailed analysis of the credit risk and collateral of the relevant customers. Up to the date of approval for the issue of these consolidated financial statements, a portion of the outstanding unimpaired receivables has been settled or secured.

An impairment charge of BGN 1,124 thousand (2024: BGN 5,756 thousand) has been recognised for loans and debt products issued based on an analysis of the expected credit loss policy applied.

A rate for expected credit losses has been applied to the various borrowers ranging from 0.16% to 22.22% (2024: 1.77% to 22.22%), with a portion of the receivables deemed to be hard to collect impaired at 100%. For the guarantee deposits (debt products) at 31 December 2025 and 2024 in a credit institution rated "B" by Fitch, with a PD of 2.60% and LGD of 36.5%, an expected credit loss rate of 0.95% has been applied.

## Risk factors affecting the Petrol Group's operations (continued)

### Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations when they fall due. The policy is aimed at ensuring sufficient liquidity with which to serve liabilities when they fall due, including abnormal and emergency situations. The goal of management is to maintain a constant balance between continuity and flexibility of financial resources using various forms of financing. Liquidity risk management includes maintaining sufficient stocks of cash, arranging adequate credit lines, preparation, analysis and updating cash flow forecasts.

The following table presents the contractual maturities of financial liabilities based on the earliest date on which the Group may be required to pay them. The table shows the undiscounted cash flows, including principal and interest, excluding the effect of netting arrangements:

<b>December 31, 2025</b> <b>BGN'000</b>	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Up to one year</b>	<b>Between one and five years</b>
Debentures	37,108	38,982	1,687	37,295
Bank loans	225,558	225,558	9,600	215,958
Trade loans	41	41	41	-
Trade and other payables	72,205	72,205	72,205	-
	<b>334,912</b>	<b>336,786</b>	<b>83,533</b>	<b>253,253</b>

<b>December 31, 2024</b> <b>BGN'000</b>	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Up to one year</b>	<b>Between one and five years</b>
Debentures	37,064	40,665	1,687	38,978
Bank loans	222,604	222,604	9,600	213,004
Trade loans	7,219	7,219	7,219	-
Trade and other payables	46,222	46,222	46,222	-
	<b>313,109</b>	<b>316,710</b>	<b>64,728</b>	<b>251,982</b>

The Group does not expect cash flows included in the table to occur significantly earlier or at significantly different amounts.

As a consequence of the aforementioned factors there is a risk regarding the ability of customers to repay their obligations in accordance with the agreed terms. Therefore, the amount of impairment losses on interest-bearing loans, sales receivables, available-for-sale financial assets and other financial instruments, as well as the amounts of other accounting estimates, in subsequent reporting periods could differ materially from those determined and reported in these financial statements. The Group's management applies the necessary procedures to manage these risks.

The Group does not expect the cash flows included in the table to occur significantly earlier or in significantly different amounts.

The Petrol Group has not used any financial instruments to hedge risks in 2025.

## **Risk factors affecting the Petrol Group's operations (continued)**

The Group operates with ERP system, which supports the ongoing reporting, analysis, planning, implementation and control of the business processes in Petrol Group. The internal control system of the Group monitors for the effective functioning of the Group's reporting, preventive identification of risks accompanying activities and the timely identification of potential errors and shortcomings. At the same time, the Parent company's SB exercises general and continuous control over the Parent-company's activity, including the accompanying reporting and verifies the annual financial statements and annual reports of Petrol AD (*see also Corporate management declaration*).

Information pursuant to item 10 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021

In 2025 the Group did not issue any new securities.

### **Extraordinary expenses**

There is a risk that unforeseen costs may arise which could adversely affect the Group's financial position;

### **Political risk**

Risks for the Group arising from global and regional political and economic crises;

### **Legislation**

The companies in the Group are accountable to various regulatory bodies in the country. Future changes in regulatory framework, regulating the activity of the companies in the Group, may have a negative impact on the financial results of the Group. Fuels trading sector is one of the most strictly regulated and controlled by the national institutions, as the provisions have increased with every passing year. The regulations regarding the excise legislation and environmental protections, combined with the requirements of the *Stocks of Crude Oil and Petroleum Product Act (SCOPPA)*, required access to significant financial and management resources.

Thus, changes in the current legislation affect the financial performance of the Group. Significant influence in this direction proved the adoption in 2003 of the Stock of Crude Oil and Petroleum Product Act (SCOPPA) requiring all liable parties (importers and manufacturers) and the state to create and store inventories down based on the average daily consumption of oil products in country's territory during the previous year.

The adopted changes in 2020 for registration of the parties carried out activities related with oil and petroleum products in connection with the Law of the Administrative Regulation of the Economic Activities related to Oil and Petroleum Products (*LAREAOPP*) additionally burden financially and operatively the market participants.

## Risk factors affecting the Petrol Group's operations (continued)

In 2025 and the first quarter of 2026, the following key changes came into force in Bulgaria, affecting the fuel trading sector:

- GPS tracking of fuel transport vehicles pursuant to the Excise Duties and Tax Warehouses Act – At the end of 2025, additional legislative proposals were submitted for the extension of the GPS obligation to cover all vehicles transporting oil and petroleum products, with integration into the electronic toll collection system. The installation of specialised measuring instruments to monitor tank capacity is also envisaged.
- Enhanced control through technological measures pursuant to the Excise Duties and Tax Warehouses Act – From 1 April 2025, all tax warehouses have been placed under 24-hour video surveillance. Toll cameras have been integrated for the tracking of fuel deliveries with the aim of preventing unauthorised sales. New electronic systems for real-time monitoring of fuel movements have been introduced.
- Marking and control of heavy and marked fuels pursuant to the Excise Duties and Tax Warehouses Act – Requirements for the marking and control of heavy and marked fuels have been tightened with the aim of limiting their unauthorised use. The measures aim to reduce unauthorised sales and effectively prevent fraud in the sector.
- Expansion of permitted biofuel components for petrol pursuant to the Renewable Energy Sources Act – From 1 March 2025, the scope of biofuels with which petrol engine fuels may be blended has been expanded. In addition to bioethanol, blending may now also be carried out with bio-ethers (ETBE, TAAE, etc.) produced from biomass. The measure provides greater flexibility to economic operators in the choice of biocomponent and creates conditions for increasing the final consumption of energy from renewable sources in the sector.

To date, the minimum blending requirements for diesel have been in force since 1 January 2012 (5% biodiesel), increased to 6% from 1 June 2012. For petrol – since 1 March 2015 (7% bioethanol/bio-ethers), increased to 8% from 1 September 2018 and to 9% from 1 March 2019. The recent changes adopted expand the scope of permitted biofuel components and introduce specific requirements for next-generation biofuels.

### LAW ON LIMITING CLIMATE CHANGE (LLCC) – ETS / ETS2

#### Changes in the existing EU ETS (ETS1)

From 2026, the free allocation of emission allowances is linked to investments in energy efficiency and emission reductions. Free allowances will be gradually eliminated by 2034, with a full auction regime entering into force in stages. For aviation, a full auction is envisaged from 2026, with a reserve of 20 million allowances (2024–2030) to support the purchase of sustainable aviation fuels (SAF).

#### New ETS2 system – fuels for transport and buildings (from 2027)

The ETS2 system is directly relevant to suppliers of fuels for transport and heating. Key deadlines and obligations:

- From 1 January 2025, mandatory monitoring and reporting of CO<sub>2</sub> emissions from fuels sold for all regulated entities (fuel suppliers);
- From 2026, the reported emissions are subject to independent verification by an accredited verifier;
- From 2027, full launch – fuel suppliers must purchase allowances for each tonne of CO<sub>2</sub> emitted from the combustion of fuels sold.

The regulated entities under ETS2 are fuel suppliers (distributors and wholesalers), not end consumers. The system is expected to lead to higher fuel prices for end consumers as a result of the pass-through of allowance costs.

#### Social Climate Fund

#### National target for climate neutrality by 2050

With the adopted amendments to the Law on Limiting Climate Change, a national target for achieving climate neutrality by 2050 has been legislatively established, in accordance with the Paris Agreement and the European Climate Law (Regulation (EU) 2021/1119).

## **Risk factors affecting the Petrol Group's operations (continued)**

Pursuant to the adopted amendments to the Value Added Tax Act on 1 April 2025, a new procedure for invoicing of fuel sales was enacted from 1 April 2025. For fuel supplies registered through an electronic system with fiscal memory (ESFM) and paid in cash or by card, the invoice must be issued at the time of supply in the form of an extended fiscal receipt. The issuance of a consolidated invoice for multiple fuel sales at the end of a week or month is not permitted. A separate document is issued for each sale.

The other major legal acts regulating the activity of fuel market participants are related to environmental protection.

Pursuant to *Ordinance No.16 of August 12, 1999 on restriction of the emissions of volatile organic compounds in storing, loading or unloading and transportation of petrol*, the tanks storing gasoline should have coating for reflecting at least 70% of solar radiation and installed internal floating roofs or seals on external floating roofs. In the storage depots where gasolines are stored, loaded, or unloaded should have installed a hydrocarbon vapour recovery system, bottom loading systems on tank trucks, displays for control of overloading and grounding etc.

According to *Ordinance on the requirements for the quality of liquid fuels, conditions, terms and ways of their control* from January 1, 2009 the fuel for diesel engines and motor gasoline must have a maximum Sulphur content of 10 mg/kg (10 ppm).

### ***Weather conditions and seasonality***

The Group's results of operations are affected by weather conditions and seasonal variations in demand oil products. The fuel consumption is highest in the second and third quarters, which is due to the annual vacations during the summer months as well as to the agricultural producers, who usually increase their consumption during autumn months.

### ***Other risks***

See section *Contingent liabilities*.

## Financial instruments and risk management

*Information pursuant to item 12 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021, and Art.39, item 8 of the Accountancy Act*

### Accounting classifications and fair values

The table below shows the carrying amounts and fair values of the financial assets and financial liabilities, including their levels in the fair value hierarchy. There is no information included about the fair values of these short-term financial instruments that Management believes that the book value in the statement of financial position is a reasonable approximation of fair value.

December 31, 2025 BGN'000	Financial assets and liabilities			Total	Fair value level 3
	Debt instruments at amortised cost	At fair value through profit or loss	Liabilities at amortised cost		
<b>Financial Assets</b>					
Loans granted, net	199,536	-	-	199,536	-
Trade and other receivables, net	34,033	-	-	34,033	-
Cash and cash equivalents	4,402	-	-	4,402	-
Financial assets measured at fair value through profit and loss	-	1,793	-	1,793	1,793
	<b>237,971</b>	<b>1,793</b>	<b>-</b>	<b>239,764</b>	<b>1,793</b>

<b>Financial liabilities</b>					
Trade and other liabilities	-	-	(72,205)	(72,205)	-
Loans and borrowings	-	-	(262,707)	(262,707)	-
	<b>-</b>	<b>-</b>	<b>(334,912)</b>	<b>(334,912)</b>	<b>-</b>

December 31, 2024 BGN'000	Financial assets and liabilities			Total	Fair value level 3
	Debt instruments at amortised cost	At fair value through profit or loss	Liabilities at amortised cost		
<b>Financial Assets</b>					
Loans granted, net	181,727	-	-	181,727	-
Trade and other receivables, net	18,762	-	-	18,762	-
Cash and cash equivalents	1,740	-	-	1,740	-
Financial assets measured at fair value through profit and loss	-	1,793	-	1,793	1,793
	<b>202,229</b>	<b>1,793</b>	<b>-</b>	<b>204,022</b>	<b>1,793</b>

<b>Financial liabilities</b>					
Trade and other liabilities	-	-	(46,222)	(46,222)	-
Loans and borrowings	-	-	(266,887)	(266,887)	-
	<b>-</b>	<b>-</b>	<b>(313,109)</b>	<b>(313,109)</b>	<b>-</b>

## **Fair values estimation**

### ***Trade and other receivables***

Determining the fair value of trade and other receivables includes the following:

- analysis of analytical trail balances and reporting of internal transformations;
- differentiation between receivables and payables, excluding the presumption of future offsetting of receivables from different customers;
- valuation of receivables based on their collectability;
- revaluation of receivables in foreign currencies at the respective rates as at the date of the financial statements.

### ***Debenture loan***

The fair value of the debenture liability is determined based on a quotable price as at the date of the consolidated financial statement, in case the instrument is quoted at an active market. In case it is not actively traded, the fair value is determined based on alternative valuation techniques. The valuation techniques used include analysis of discounted cash flows through expected future cash flows and discount level in relation with the market, the credit rating of the issuer, etc. The fair value is determined only for disclosure purposes.

### ***Trade and other payables***

Determining the fair value of trade and other payables includes the following:

- complete review of payables as at the date of valuation;
- identification of overdue payables and determination of due interests and penalties;
- revaluation of payables in foreign currencies at rates as at the date of the financial statements.

### **Receivables and payables related to trade loans**

The fair value of the received and granted trade loans is determined for disclosure purposes and is calculated based on the present value of future cash flows of principal and interest discounted at the market rate at the reporting date.

## **Significant events occurred in 2025**

### *Information pursuant to item 3 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021*

In February 2025, the Group entered into a preliminary agreement for the sale of 100% of the shares of the subsidiary Office Estate EOOD. As of the date of preparation of the present financial statements, the execution of the agreement has not been completed.

On March 6, 2025, under entry No. 20250306160504 in the Commercial Register and the Register of Non-Profit Legal Entities at the Registry Agency, a change was recorded in the Supervisory Board of Petrol AD in the parent company's file, namely: Ivan Alipiev Voinovski was removed as a member of the Supervisory Board, and Rumen Alexandrov Konstantinov was registered in his place.

On March 06, 2025, a change in the capital of the Parent company was registered in the account of Petrol AD in the Commercial Register and the Register of Non-Profit Companies (CRRNPC) at the Registry Agency, in accordance with the resolution of the General Meeting of Shareholders of Petrol AD adopted on 18.02.2019, The General Meeting of Shareholders resolves to reduce the capital of Petrol AD from BGN 109,249,612 to BGN 27,312,403 pursuant to Article 200, item 1 of the Commercial Law (LC) 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 CRRNPC with the entry 20250306160504.

On April 11, 2025, the Group entered into a definitive agreement with an unrelated party for the sale of 1,541,000 shares in the subsidiary "Office Estate" EOOD, representing 100% of the shares owned by the Group, for a sale price of BGN 2,462 thousand.

On July 07, 2025, under registration number 20250707161552 in the Commercial Register and NGOS Register at the Registry Agency under the file of Petrol AD, UIC 831496285, the following changes were registered. Georgi Ivanov Tatarski was removed as Executive Director of the Parent Company, and Maya Velizarova Vuychich was registered in his place, as well as Lachezar Nikolov Gramatikov was removed as a member of the Management Board of the Parent Company, and Maya Velizarova Vuychich was registered in his place.

In December 2025, through a share purchase agreement, the Group transferred to a third party 1,499,810 company shares, each with a nominal value of BGN 1, representing 100% of the capital of the subsidiary Varna 2130 EOOD, at a sale price of BGN 5,300 thousand.

Additional information concerning other Group events during the period, which could be considered as significant, is disclosed in the notes to the consolidated annual financial report of the Group for 2025.

## **Events after the reporting date**

### *Information pursuant to Art. 39, item 3 of the Accountancy Act*

On 28.02.2026, the United States and Israel commenced a military operation in Iran, which led to an unprecedented destabilisation of global oil and fuel markets. The price of Brent crude oil increased by more than 25%, reaching USD 100 per barrel compared to approximately USD 70 per barrel before the conflict, with a peak value of close to USD 120 per barrel in the first days after the outbreak. The blockade of the Strait of Hormuz – a key transit corridor for approximately 20% of global crude oil imports – halted the normal tanker traffic from the Persian Gulf. Countries in the Middle East declared force majeure on their natural gas export volumes. The conflict disrupts the supply of approximately one fifth of global oil and gas supply. Diesel fuel prices in the EU increased on average by 20% from the beginning of the conflict, and the fuel market in Bulgaria is already extremely vulnerable due to the sanctions against LUKOIL and faces a serious threat of fuel shortages and sharp price increases for the end consumer.

## Unusual events and indicators having a significant impact on the Group's operations

From 1 January 2026, Bulgaria joins the eurozone and adopts the euro as its official currency. From that date, the functional and presentation currency of the Company's financial statements will be the euro. The conversion was carried out at the fixed rate of EUR 1.00 = BGN 1.95583.

### Information pursuant to item 5 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021

On February 24, 2022, Russian military units entered the territory of Ukraine, at the same time the Russian army began launching missile strikes on strategic Ukrainian facilities. From that day in February, the military conflict between Russia and Ukraine has begun. The clash between the two countries and the departure of Ukrainian civilians from their homes to escape Russia's military invasion of Ukraine created a humanitarian crisis in Europe unprecedented in the post-World War II period. All business sectors have been affected in one way or another by the military conflict.

The resulting military conflict and the economic, financial and other sanctions imposed by the EU and the US on Russia to stop the conflict are blocking economic activity between the European Union and Russia, restricting payments and the free movement of people, goods and services, while causing significant disruption across the board in the financial markets and non-financial sector.

The military conflict has further affected the prices of various goods, resources and services, as Russia is a major exporter of fossil fuels, metals and other resources, and the aim of the sanctions imposed by the European Union and the United States is to restrict Russia's economic activity. Fossil fuels are still a major part of the process from the creation to the final consumption of almost all goods in the EU, with the result that future uncertainty over the price and availability of fossil fuels and other resources is worsening the economic outlook for the EU and Bulgaria in particular.

By Decision No739 of October 26, 2021, as amended by Decision No 771 of November 06, 2021 and Decision No 885 of December 16, 2021, the Council of Ministers adopted a program to compensate non-household final customers of electricity. The Program for the Compensation of Non-domestic final customers of electricity adopted by the Council of Ministers aims to protect and assist all non-domestic final customers in coping with the effects of fluctuations in electricity prices.

On 28.02.2026, the United States and Israel commenced a military operation in Iran, which led to an unprecedented destabilisation of global oil and fuel markets. The price of Brent crude oil increased by more than 25%, reaching USD 100 per barrel compared to approximately USD 70 per barrel before the conflict, with a peak value of close to USD 120 per barrel in the first days after the outbreak. The blockade of the Strait of Hormuz – a key transit corridor for approximately 20% of global crude oil imports – halted the normal tanker traffic from the Persian Gulf. Countries in the Middle East declared force majeure on their natural gas export volumes. The conflict disrupts the supply of approximately one fifth of global oil and gas supply. Diesel fuel prices in the EU increased on average by 20% from the beginning of the conflict, and the fuel market in Bulgaria is already extremely vulnerable due to the sanctions against LUKOIL and faces a serious threat of fuel shortages and sharp price increases for the end consumer.

See also the sections *Contingent Liabilities, Military conflicts between Russia and Ukraine and in the Middle east.*

## Results of operations

*Information pursuant to item 11 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021*

The Petrol Group has not disclosed any financial and operating projections for 2025, thus there is no analysis of the ratios between the reached and disclosed financial results.

*Operating and financial data pursuant to item 1 and item 2 of Appendix No.2 to the Ordinance No.2 of November 9, 2021 and Art. 39, item 1 and item 2 of the Accountancy Act*

### Revenue

In 2025, the Group's consolidated operating revenues decreased to BGN 487,446 thousand (EUR 249,227 thousand), recording a decline of 3.7% compared to 2024, when the Group reported consolidated operating revenues of BGN 506,162 thousand (EUR 258,797 thousand). The decline in total revenues in 2025 is attributable to lower fuel sales revenues of BGN 13,596 thousand (EUR 6,952 thousand), a reduction in goods revenues of BGN 3,434 thousand (EUR 1,756 thousand) and a decrease in other operating revenues of BGN 1,557 thousand (EUR 796 thousand). The decrease in operating revenues in the retail fuel segment is partially offset by a growth of BGN 5,816 thousand (EUR 2,973 thousand) in the wholesale fuel segment, as a result of an increase in wholesale sales volumes of 4,923 thousand litres compared to 2024, driven by higher sales at the end of the reporting period.

The table below presents the change of revenue during the period 2023 – 2025 on a consolidate base and by separate business segments:

		2025	2024	2023	Δ % 2025/2024
Sales revenue, incl:	BGN thousand	483,143	500,302	571,584	(3.4%)
	EUR thousand	247,027	255,800	292,246	
Other income, incl:	BGN thousand	4,303	5,860	10,795	(26.6%)
	EUR thousand	2,200	2,996	5,519	
<b>Total revenue (continuing operations), incl.:</b>	<b>BGN thousand</b>	<b>487,446</b>	<b>506,162</b>	<b>582,379</b>	<b>(3.7%)</b>
	<b>EUR thousand</b>	<b>249,227</b>	<b>258,797</b>	<b>297,766</b>	
Retail segment <b>(continuing operations)</b>	BGN thousand	463,531	486,901	510,847	(4.8%)
	EUR thousand	237,000	248,949	261,192	
<i>share of total revenue</i>	%	95.1%	96.2%	87.7%	
Wholesale segment <b>(continuing operations)</b>	BGN thousand	22,896	16,945	61,563	35.1%
	EUR thousand	11,707	8,664	31,477	
<i>share of total revenue</i>	%	4.7%	3.3%	10.6%	
Other activities <b>(continuing operations)</b>	BGN thousand	1,019	2,316	9,969	(56.0%)
	EUR thousand	521	1,184	5,097	
<i>share of total revenue</i>	%	0.2%	0.5%	1.7%	

As in all previous years, the Group's sales revenues for 2025 were almost entirely, 98.7% (2024: 98.7%), generated from the sale of fuels, oils and other goods. In 2025, these sales amounted to BGN 476,937 thousand (EUR 243,854 thousand), or 3.4% less compared to 2024, which amounted to BGN 493,967 thousand (EUR 252,561 thousand).

The decline of BGN 17,030 thousand (EUR 8,707 thousand) in revenues from the sale of fuels and other goods in 2025 compared to the prior year is attributable both to the decline of BGN 13,596 thousand (EUR 6,952 thousand) in fuel sales and to the reduction in revenues from the sale of oils and other goods of BGN 3,434 thousand (EUR 1,756 thousand) compared to the prior year.

## Results of operations (continued)

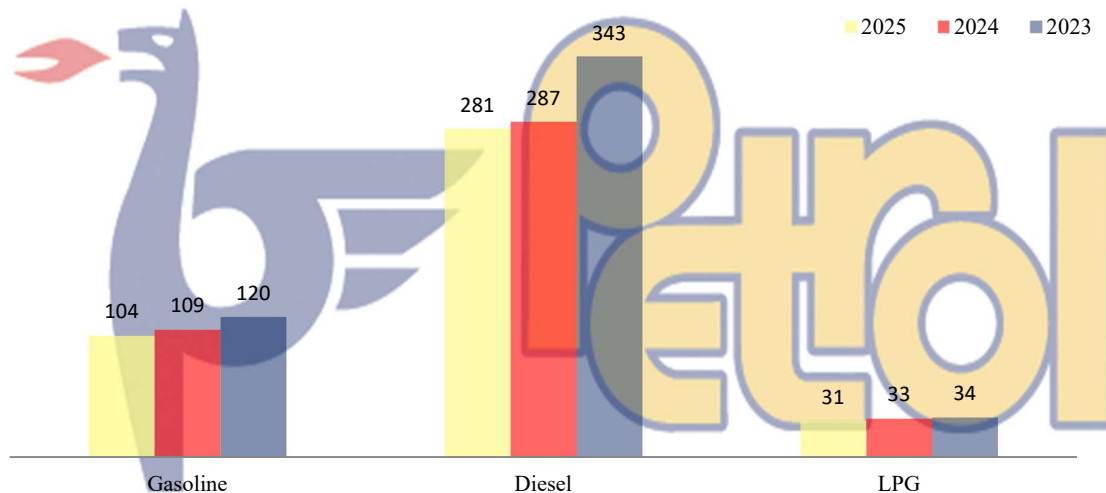
In 2025, the main portion of revenues from the sale of fuels and other goods, or 86.3% (2024: 86.0%), is generated from wholesale and retail fuel sales, which, after elimination of intercompany transactions, are as follows:

		2025	2024	2023	Δ % 2025/2024
Retail sales of fuels	BGN thousand	394,034	413,446	437,513	(4.7%)
	EUR thousand	201,466	211,392	223,697	
<i>share of total sales of fuels</i>	%	94.6%	96.1%	87.9%	-
Wholesale sales of fuels	BGN thousand	22,696	16,880	60,076	34.5%
	EUR thousand	11,604	8,631	30,716	
<i>share of total sales of fuels</i>	%	5.4%	3.9%	12.1%	-
<b>Total sales of fuels</b>	<b>BGN thousand</b>	<b>416,730</b>	<b>430,326</b>	<b>497,589</b>	<b>(3.2%)</b>
	<b>EUR thousand</b>	<b>213,071</b>	<b>220,022</b>	<b>254,413</b>	

Following the unprecedented decline in retail and wholesale fuel sales revenues attributable entirely to COVID-19 and the restrictive measures imposed in 2020 and 2021, and the strong recovery in fuel sales revenues in 2022 to BGN 739,205 thousand (EUR 377,950 thousand), the Group recorded declines in 2023 and 2024 of BGN 241,616 thousand (EUR 123,536 thousand) and BGN 67,263 thousand (EUR 34,391 thousand) respectively. For 2025, total revenues from wholesale and retail fuel sales declined by a further BGN 13,596 thousand (EUR 6,952 thousand) to BGN 416,730 thousand (EUR 213,070 thousand). (see also Retail sales and Wholesale sales).

Unlike the declining trend observed in previous years, the relative share of wholesale fuel sales revenues in total consolidated fuel sales revenues of Petrol Group increased. While in 2024 wholesale fuel sales revenues amounted to 3.9%, in 2025 they increased to 5.4% of the Group's consolidated fuel sales revenues, as a result of increased demand for wholesale fuels during the reporting year.

The development of sales revenue from continuing operations in BGN million for the main types of fuels traded by the Group over the period 2023 to 2025 is presented in the following graph. Prior periods have been restated.



## Results of operations (continued)

### Retail sales

Retail sales are realised through the chain of petrol stations owned and/or operated by Petrol AD. The retail sites are evenly distributed throughout the entire territory of the country, providing the Group with full geographical coverage. As of December 31, 2025, the Group manages 243 petrol stations (2024: 250 petrol stations).

The results for the period 2023 – 2025 are as it follows:

		2025	2024	2023	Δ % 2025/2024
Retail sales volumes (thousand liters, methane in kg.)		206,595	203,476	212,564	1.5%
<i>incl. corporate sales</i>		73,583	77,596	79,199	(5.2%)
Sales revenue	BGN thousand	394,034	413,446	437,513	(4.7%)
	EUR thousand	201,466	211,391	223,697	

Revenues from retail fuel sales recorded a decline of BGN 19,412 thousand (EUR 9,923 thousand) in 2025 to BGN 394,034 thousand (EUR 201,469 thousand), representing a year-on-year decrease of 4.7%. Unlike 2024, when the decline in retail revenues was attributable to both lower selling prices and lower fuel sales volumes, in 2025 sales volumes increased by 3,116 thousand litres, or a growth of 1.5%, but the decline in average selling prices led to lower revenues. The lower average selling prices are the result of the normalisation of supply chains and declining inflation, as well as the reduction of the negative effects of the Russia-Ukraine military conflict on fuel prices.

The following table sets out the Group's retail sales of fuel by major types of oil products for 2023 – 2025:

		2025	2024	2023	Δ % 2025/2024
Gasoline A-95H	BGN thousand	97,138	101,664	107,868	(4.4%)
	EUR thousand	49,666	51,980	55,152	
<i>share of total retail sales of fuels</i>	%	24.6%	24.6%	24.70%	-
Gasoline 100 Extra Force	BGN thousand	4,836	4,955	5,215	(2.4%)
	EUR thousand	2,473	2,533	2,667	
<i>share of total retail sales of fuels</i>	%	1.2%	1.2%	1.20%	-
Blue Force LPG	BGN thousand	27,903	29,264	30,108	(4.7%)
	EUR thousand	14,267	14,962	15,394	
<i>share of total retail sales of fuels</i>	%	7.1%	7.1%	6.90%	-
Green Force diesel	BGN thousand	33,568	31,054	30,685	8.1%
	EUR thousand	17,163	15,878	15,689	
<i>share of total retail sales of fuels</i>	%	8.5%	7.5%	7.00%	-
Pro Force Diesel	BGN thousand	229,982	245,889	263,226	(6.5%)
	EUR thousand	117,588	125,721	134,585	
<i>share of total retail sales of fuels</i>	%	58.4%	59.5%	60.10%	-
Methane	BGN thousand	607	620	411	(2.1%)
	EUR thousand	310	317	210	
<i>share of total retail sales of fuels</i>	%	0.2%	0.1%	0.10%	-
<b>Total retail sales of fuels</b>	<b>BGN thousand</b>	<b>394,034</b>	<b>413,446</b>	<b>437,513</b>	<b>(4.7%)</b>
	<b>EUR thousand</b>	<b>201,467</b>	<b>211,391</b>	<b>223,697</b>	

## Results of operations (continued)

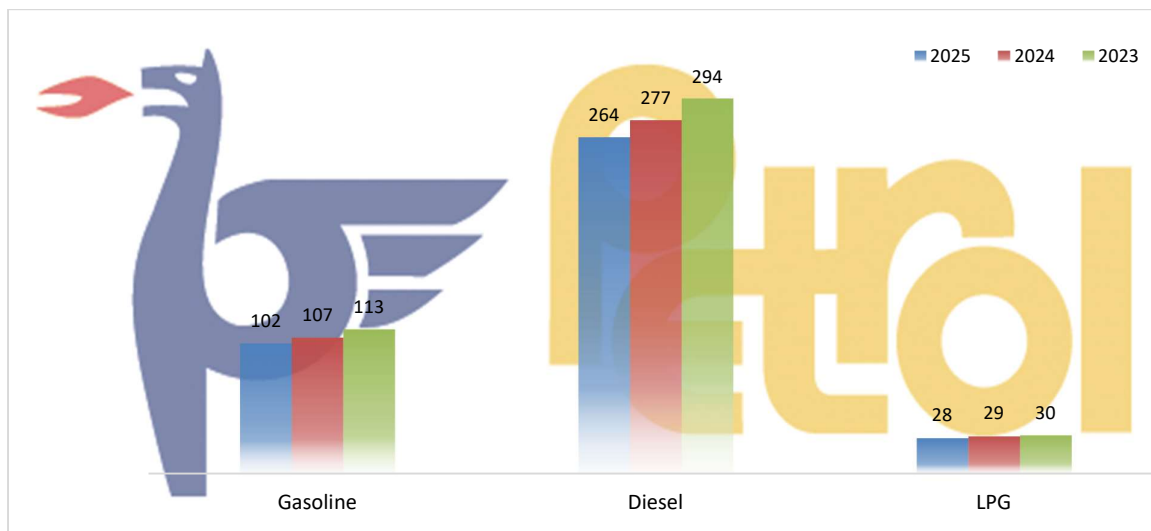
The 1.5% increase in retail fuel sales volumes in 2025 compared to the prior year is primarily attributable to growth in petrol and Diesel Green Force sales, as a result of more competitive prices and sustained demand for fuels from end consumers. The optimisation of the retail network through the reassessment of unprofitable sites, including the termination of unfavourable management agreements, closures or seeking alternative uses, continued in 2025.

As a result of lower average selling prices, revenues from Pro Force diesel sales declined by BGN 15,907 thousand (EUR 8,134 thousand) for 2025. In addition, the Group recorded a decrease of BGN 4,526 thousand (EUR 2,315 thousand) in A-95 petrol sales, a decline of BGN 1,361 thousand (EUR 696 thousand) in Blue Force gas revenues and BGN 119 thousand (EUR 61 thousand) in Gasoline 100 Extra Force revenues.

The Group continues to record growth in revenues from the branded fuel Diesel Green Force, which increased by BGN 2,514 thousand (EUR 1,286 thousand) compared to 2024, as a result of increased consumer demand for branded diesel fuel. Revenues from natural gas (CNG) sales decreased by BGN 13 thousand (EUR 7 thousand) to BGN 607 thousand (EUR 310 thousand), as a result of the suspension of sales at one of the sites.

In 2025, the Group continued the process aimed at reorganizing its retail network, which included closing and selling unprofitable locations, terminating contracts with unreliable partners in its franchising and dealer programs, entering into contracts with new partners under the same programs, and other measures.

The dynamics of retail sales revenue (in BGN millions) of the major types of oil products during the period 2023 – 2025 are presented on the following diagram:



### Wholesale sales

The Group's wholesale sales are made by purchases from other storage depots of third-party entities.

The reported results from wholesale sales of fuels in 2023 – 2025 are, as follows:

## Results of operations (continued)

Continuing operations		2025	2024	2023	Δ Β % 2025/2024
Volume of wholesale sales (thousand litres) <sup>13</sup>		16,037	11,114	40,454	44.3%
Volume of wholesale sales (tonnes) <sup>14</sup>		-	-	-	
Sales revenue	BGN thousand	22,696	16,880	60,076	34.5%
	EUR thousand	11,604	8,631	30,716	

In 2025, revenues from wholesale fuel sales increased by BGN 5,816 thousand (EUR 2,973 thousand) compared to 2024, reaching BGN 22,696 thousand (EUR 11,604 thousand). The growth is entirely attributable to the increase in wholesale sales volumes of 4,923 thousand litres (44.3%) compared to 2024.

The largest year-on-year growth of BGN 7,579 thousand (EUR 3,876 thousand) was recorded in wholesale diesel fuel sales revenues. The growth is attributable to increased demand for diesel fuel for export and domestic customers compared to the comparative period.

In addition, the Group recorded a decline in wholesale A-95 petrol revenues of BGN 589 thousand (EUR 301 thousand) and a decline in Other fuels (LPG and gas oil) revenues of BGN 1,173 thousand (EUR 600 thousand).

Revenues from wholesale A-98 petrol decreased marginally by BGN 1 thousand compared to 2024. As a result, total wholesale fuel sales revenues increased by 34.5% to BGN 22,696 thousand (EUR 11,604 thousand) compared to BGN 16,880 thousand (EUR 8,631 thousand) for 2024.

The following table sets out the Group's wholesale sales of fuel by major types of oil products:

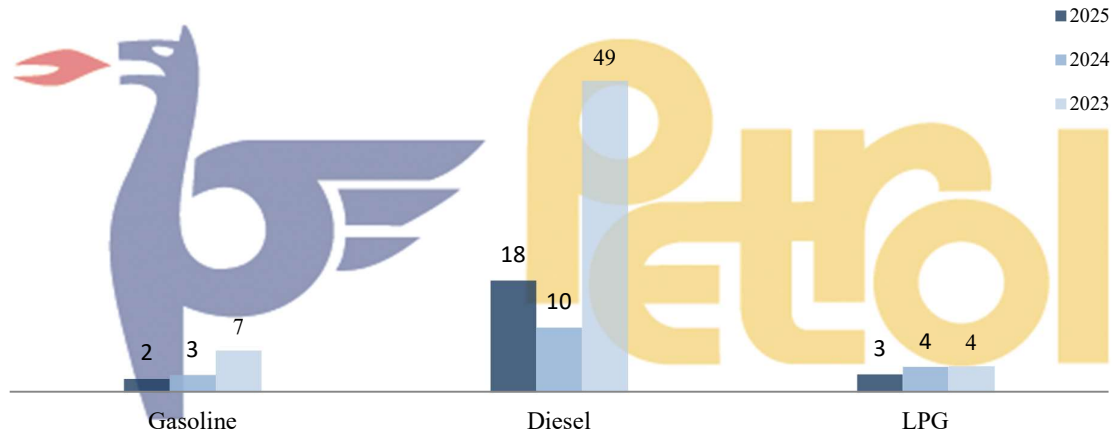
		2025	2024	2023	Δ Β % 2025/2024
Gasoline A-95H	BGN thousand	1,898	2,487	6,461	(23.7%)
	EUR thousand	971	1,272	3,303	
<i>share of total wholesale sales of fuels</i>	%	8.4%	14.8%	10.80%	-
Gasoline A-98	BGN thousand	208	209	175	(0.5%)
	EUR thousand	106	107	89	
<i>share of total wholesale sales of fuels</i>	%	0.9%	1.2%	0.30%	-
Diesel	BGN thousand	17,746	10,167	49,067	74.5%
	EUR thousand	9,073	5,198	25,088	
<i>share of total wholesale sales of fuels</i>	%	78.2%	60.2%	81.60%	
Other fuels	BGN thousand	2,844	4,017	4,373	(29.2%)
	EUR thousand	1,454	2,054	2,236	
<i>share of total wholesale sales of fuels</i>	%	12.5%	23.8%	7.30%	-
<b>Total wholesale sales of fuels</b>	<b>BGN thousand</b>	<b>22,696</b>	<b>16,880</b>	<b>60,076</b>	<b>34.5%</b>
	<b>EUR thousand</b>	<b>11,604</b>	<b>8,631</b>	<b>30,716</b>	

The dynamics in wholesale sales revenue from continuing operations of the major types of petroleum products during the period 2023 – 2025 are presented on the following diagram. Previous periods are restated.

<sup>13</sup> Wholesale volumes for all types of gasoline, diesel and gas oil are measured in litres

<sup>14</sup> Wholesale volumes for jet, LPG, heating oil and other heavy fuels are measured in tonnes

## Results of operations (continued)



### Gross margin

In 2025, the Group's total gross trade margin (GTM) from the sale of goods, calculated as a percentage of consolidated net revenues from the sale of goods, increased from 11.9% in 2024 to 12.1% in 2025. In absolute terms, the gross trade margin recorded a decline of BGN 974 thousand (EUR 498 thousand), primarily as a result of the decline in sales revenues. The gross margin from fuel sales decreased, while the gross margin from the sale of oils and other goods in 2025 increased by BGN 244 thousand (EUR 125 thousand) to BGN 11,792 thousand (EUR 6,029 thousand).

In 2025, the total gross margin from fuel sales decreased to BGN 45,961 thousand (EUR 23,499 thousand) compared to BGN 47,179 thousand (EUR 24,122 thousand) for 2024. The decrease in the gross margin from fuel sales was BGN 1,218 thousand (EUR 623 thousand), with the gross trade margin from retail fuel sales decreasing by BGN 1,201 thousand (EUR 614 thousand) and the gross margin from wholesale fuel sales decreasing by BGN 17 thousand (EUR 9 thousand), entirely as a result of lower average selling prices. The gross margin from the sale of oils and other goods, including the sale of assets classified as goods, increased by 2.1% year-on-year in 2025, reaching BGN 11,792 thousand (EUR 6,029 thousand), compared to BGN 11,548 thousand (EUR 5,904 thousand) for 2024.

### Operating expenses

#### Hired services

In 2025, the Group's hired service expenses increased by BGN 578 thousand (EUR 296 thousand) to BGN 21,347 thousand (EUR 10,915 thousand), compared to BGN 20,769 thousand (EUR 10,619 thousand) for 2024. The increase is mainly attributable to higher dealer remuneration and commission expenses of BGN 653 thousand (EUR 334 thousand) to BGN 12,353 thousand (EUR 6,316 thousand), as a result of the increase in the minimum wage and consequently the minimum threshold for petrol station employees, and repair and maintenance expenses of BGN 328 thousand (EUR 168 thousand) to BGN 3,257 thousand (EUR 1,665 thousand). A partial offsetting effect is provided by lower security expenses of BGN 187 thousand (EUR 96 thousand) to BGN 431 thousand (EUR 220 thousand) as a result of the optimisation of the retail network, and lower rental expenses resulting from the termination of the administrative building lease and a reduction in mobile application rental, which decreased by BGN 84 thousand (EUR 43 thousand) to BGN 446 thousand (EUR 228 thousand).

Security expenses decreased by BGN 187 thousand (EUR 96 thousand) to BGN 431 thousand (EUR 220 thousand) as a result of the optimisation of security operations at the Group's sites. Consultancy expenses decreased by BGN 47 thousand (EUR 24 thousand) to BGN 1,174 thousand (EUR 600 thousand). Advertising expenses decreased by BGN 24 thousand (EUR 12 thousand) to BGN 95 thousand (EUR 49 thousand).

## Results of operations (continued)

The management of the Group continues its efforts in the cost optimisation measures undertaken, the renegotiation of commercial terms with suppliers and other counterparties, the search for hidden reserves and the improvement of the efficiency of retail network management. Despite the reduction in the number of managed sites, the continued growth in the minimum wage and inflation levels in the country are putting pressure on the Group's total operating expenses.

### *Materials and consumables*

The Group's material expenses include costs incurred for fuel, advertising materials, spare parts, office supplies, utilities, and other items. In 2025, the Group reported an increase in total costs for materials and supplies to BGN 4,508 thousand (EUR 2,305 thousand), compared to BGN 4,066 thousand (EUR 2,079 thousand) in 2024. The increase of BGN 442 thousand (EUR 226 thousand) is mainly due to higher electricity and heating costs of BGN 219 thousand (EUR 112 thousand) to BGN 2,517 thousand (1,287 thousand euros) and the rise in spare parts costs by BGN 186 thousand (EUR 95 thousand) to BGN 501 thousand (EUR 256 thousand).

For 2025, the Group reports an increase in electricity and heating costs of BGN 219 thousand (EUR 112 thousand) to BGN 2,517 thousand (EUR 1,287 thousand), due to price fluctuations in the electricity market. Expenses for spare parts increased by BGN 186 thousand (EUR 95 thousand) to BGN 501 thousand (EUR 256 thousand) due to more intensive maintenance of equipment at retail locations. Expenses for fuels and lubricants decreased by BGN 35 thousand (EUR 18 thousand) to BGN 521 thousand (EUR 266 thousand).

### *Employee benefits*

In 2025, the Group's personnel expenses increased to BGN 24,523 thousand (EUR 12,538 thousand) compared to 2024, when they amounted to BGN 23,144 thousand (EUR 11,833 thousand). The increase of BGN 1,379 thousand (EUR 705 thousand) is attributable to growth in salaries paid of BGN 1,305 thousand (EUR 667 thousand) to BGN 19,457 thousand (EUR 9,948 thousand), as a result of the indexation of basic employee salaries from 01.01.2025 and the increase in the minimum wage in the country. Social security and benefit expenses increased by BGN 74 thousand (EUR 38 thousand) to BGN 5,066 thousand (EUR 2,590 thousand), due to the increase in social security thresholds.

### *Depreciation and amortization*

Depreciation charges on tangible and intangible fixed assets are calculated based on the useful lives of the assets, applying the straight-line depreciation method (see Note 3.1 to the consolidated financial statements). In 2025, the Group's depreciation charges amounted to BGN 7,832 thousand (EUR 4,004 thousand) compared to BGN 8,559 thousand (EUR 4,376 thousand) for 2024. The decrease of BGN 727 thousand (EUR 372 thousand) is attributable to the reduction of the depreciated base following the shortening of the term of a number of lease agreements treated under IFRS 16, and the sale of unprofitable assets and sites in the prior period.

In 2020, the Group changed the approach adopted for the subsequent measurement of property, plant and equipment under the revalued cost model of IAS 16 and intangible assets under IAS 38, which was applied for the first time as of 1 January 2020. As at 31 December 2022, the assets have been revalued based on a market valuation carried out by an external licensed valuer due to indications that the carrying amounts deviate from the fair values of the assets (*see also note 16 Property, plant, equipment and intangible assets to these financial statements*).

## Results of operations (continued)

### *Impairment losses of assets*

For 2025, the Group recorded a net impairment loss of BGN 1,532 thousand (EUR 783 thousand), compared to a net impairment loss of BGN 3,345 thousand (EUR 1,710 thousand) for 2024. The decrease of BGN 1,813 thousand (EUR 927 thousand) is mainly attributable to significantly lower impairment losses on loans granted of BGN 1,029 thousand (EUR 526 thousand) compared to BGN 5,711 thousand (EUR 2,920 thousand) for 2024. Impairment losses on trade receivables increased to BGN 854 thousand (EUR 437 thousand) compared to BGN 157 thousand (EUR 80 thousand) for 2024. Impairment reversals for 2025 amounted to BGN 446 thousand (EUR 228 thousand) compared to BGN 2,603 thousand (EUR 1,331 thousand) for 2024. In accordance with the requirements of IFRS 9, the Group continues to accrue expected credit losses on trade and other receivables, loans granted and guarantee deposits.

During the comparative period – 2024, the Group did not recognise additional goodwill impairment. The impairment charges on trade and financial assets in 2024 primarily included losses on loans granted of BGN 5,711 thousand (EUR 2,920 thousand), partially offset by the reversal of impairments on loans granted of BGN 2,336 thousand (EUR 1,194 thousand) and on trade receivables of BGN 267 thousand (EUR 137 thousand). For 2025, the Group recorded significantly lower net impairment losses compared to the prior year.

### *Other operating expenses*

In 2025, the Group's other operating expenses decreased to BGN 2,586 thousand (EUR 1,322 thousand) compared to BGN 2,829 thousand (EUR 1,446 thousand) for 2024. The decrease of BGN 243 thousand (EUR 124 thousand) is mainly attributable to a significant reduction in representation expenses and sponsorship of BGN 505 thousand (EUR 258 thousand) to BGN 440 thousand (EUR 225 thousand) and the absence of written-off receivables compared to BGN 341 thousand (EUR 174 thousand) for 2024. A partial offsetting effect is provided by the increase in scrap, losses and asset write-off expenses of BGN 422 thousand (EUR 216 thousand) to BGN 1,163 thousand (EUR 595 thousand).

## **Operating profit (loss)**

In 2025, the Group reports a positive result before net financial expenses, taxes and depreciation (EBITDA) of BGN 13,766 thousand (EUR 7,038 thousand) compared to BGN 16,769 thousand (EUR 8,574 thousand) for 2024. The deterioration of the indicator of BGN 3,003 thousand (EUR 1,535 thousand) is attributable to several factors. The main contributors are: a lower gross trade margin from fuel sales of BGN 1,218 thousand (EUR 623 thousand), reduced other operating revenues of BGN 1,557 thousand (EUR 796 thousand), higher personnel expenses of BGN 1,379 thousand (EUR 705 thousand), higher external services expenses of BGN 578 thousand (EUR 296 thousand) and higher materials expenses of BGN 442 thousand (EUR 226 thousand). These negative effects are partially offset by significantly lower net impairment losses of BGN 1,813 thousand (EUR 927 thousand) and lower other operating expenses of BGN 243 thousand (EUR 124 thousand).

Despite lower operating revenues, the Group achieved an improvement in the gross trade margin from the sale of fuels and other goods by 2.2 percentage points to 12.1% and recorded growth in the gross trade margin from the sale of oils and other goods of BGN 244 thousand (EUR 125 thousand), which offset the reduction in service revenues of BGN 129 thousand (EUR 66 thousand).

For 2025, excluding the effect of impairment charges, the Group recorded operating profit before interest, taxes, depreciation, amortisation and impairments of BGN 15,298 thousand (EUR 7,822 thousand) compared to BGN 20,114 thousand (EUR 10,284 thousand) for 2024, or a decrease of BGN 4,816 thousand (EUR 2,462 thousand).

## Results of operations (continued)

The deterioration of EBITDA in 2025 also had a negative effect on the Group's operating result before net financial expenses and taxes (EBIT). For 2025, the Group recorded an operating profit before financial expenses and taxes of BGN 5,934 thousand (EUR 3,034 thousand) compared to an operating profit before financial expenses and taxes of BGN 8,210 thousand (EUR 4,198 thousand) for 2024. Depreciation charges in 2025 decreased to BGN 7,832 thousand (EUR 4,004 thousand) compared to BGN 8,559 thousand (EUR 4,376 thousand) recorded in 2024, which partially but not fully offset the decline in EBIT.

### Net finance costs

The Petrol Group's finance income and costs consist of interest income and expenses, foreign exchange gains and losses and transactions with financial instruments, dividends and other. Interest expense includes interest on borrowings as well as interest expense on trading relationships.

In 2025, the Group recorded a significant improvement in net financial expenses of BGN 3,181 thousand (EUR 1,626 thousand) compared to net financial expenses of BGN 9,734 thousand (EUR 4,977 thousand) for 2024. In 2025, the Group recorded financial income of BGN 17,313 thousand (EUR 8,852 thousand) compared to BGN 10,406 thousand (EUR 5,321 thousand) for 2024. The increase of BGN 6,907 thousand (EUR 3,531 thousand) is attributable to growth in interest income on loans granted of BGN 2,133 thousand (EUR 1,091 thousand) to BGN 8,699 thousand (EUR 4,448 thousand), growth in interest income on guarantee deposits of BGN 1,013 thousand (EUR 518 thousand) to BGN 4,707 thousand (EUR 2,407 thousand), and a one-time gain from the sale of a subsidiary of BGN 3,809 thousand (EUR 1,948 thousand) compared to BGN 27 thousand (EUR 14 thousand) for 2024 (*see also Note 14 to the annual consolidated financial statements for 2025*).

In 2025, the Group's financial expenses amounted to BGN 20,494 thousand (EUR 10,478 thousand) compared to BGN 20,140 thousand (EUR 10,297 thousand) for 2024. The marginal increase of BGN 354 thousand (EUR 181 thousand) is the result of growth in interest expenses on bank loans of BGN 869 thousand (EUR 444 thousand) to BGN 15,594 thousand (EUR 7,973 thousand), partially offset by a reduction in interest on trade payables of BGN 238 thousand (EUR 122 thousand) to BGN 942 thousand (EUR 482 thousand), a reduction in bond interest of BGN 127 thousand (EUR 65 thousand) to BGN 747 thousand (EUR 382 thousand) and the absence of financial asset revaluation expenses recognised for 2024.

Interest expenses on bank loans increased by BGN 869 thousand (EUR 444 thousand) to BGN 15,594 thousand (EUR 7,973 thousand), as a result of an increase in the average amount of bank financing. Bond loan interest was practically unchanged at BGN 1,661 thousand (EUR 849 thousand) compared to BGN 1,664 thousand (EUR 851 thousand) for 2024. Interest expenses on trade and budget payables decreased by BGN 238 thousand (EUR 122 thousand) to BGN 942 thousand (EUR 482 thousand), as a result of lower average outstanding exposure.

The Group's bank fees and commissions for 2025 increased marginally by BGN 27 thousand (EUR 14 thousand) to BGN 1,119 thousand (EUR 572 thousand) compared to BGN 1,092 thousand (EUR 558 thousand) for 2024, as a result of the maintained level of bank financing and the terms of servicing the credit lines.

The exchange rate difference expenses recognised by Petrol Group for 2025 amounted to BGN 132 thousand (EUR 67 thousand). For 2024, the Group recorded marginal net exchange rate income of BGN 44 thousand (EUR 22 thousand). Exchange rate difference expenses follow the trend of changes in the US dollar to euro exchange rate and accordingly to the lev, as the Bulgarian lev is pegged to the single European currency.

## Financial position

To carry out its business the Petrol Group requires unrestricted capital resources primarily to provide the working capital necessary for its operations, to service its obligations in a timely manner and to pursue the execution of its investment intentions. The main sources of liquidity are cash and cash equivalents, intra-group cash flows, long-term and short-term borrowings, reducing the period for collection of trade receivables and extending the period for payment of trade payables. The key indicators that provide information on the financial position of the Petrol Group are presented in the *Selected Operating Performance indicators section*.

As of December 31, 2025, the Group's current ratio decreased to 1.26 compared to 1.38 a year earlier. Despite the decrease in the ratio, current assets increased by BGN 17,307 thousand (EUR 8,849 thousand) to BGN 140,031 thousand (EUR 71,597 thousand) as of December 31, 2025, compared to BGN 122,724 thousand (EUR 62,748 thousand) a year earlier. The increase in current assets is mainly attributable to the increase in trade and other receivables of BGN 15,379 thousand (EUR 7,863 thousand) and cash of BGN 2,662 thousand (EUR 1,361 thousand), while short-term loans granted decreased by BGN 2,748 thousand (EUR 1,405 thousand).

The increase in current liabilities of BGN 22,089 thousand (EUR 11,294 thousand) is mainly attributable to the significant increase of BGN 28,020 thousand (EUR 14,326 thousand) in trade and other payables to BGN 81,625 thousand (EUR 41,734 thousand), as a result of higher fuel delivery volumes at the end of 2025. Short-term loan and credit payables decreased by BGN 5,739 thousand (EUR 2,934 thousand) to BGN 24,374 thousand (EUR 12,462 thousand), as a result of short-term loans from related parties of BGN 7,137 thousand.

As of December 31, 2025, the Group's consolidated indebtedness, comprising short-term and long-term interest-bearing loan and credit payables, decreased to BGN 262,707 thousand (EUR 134,320 thousand) compared to BGN 266,887 thousand (EUR 136,457 thousand) as of December 31, 2024. The decrease of BGN 4,180 thousand (EUR 2,137 thousand) is attributable to the repayment of short-term loans from related parties during the year, while long-term loans increased by BGN 1,559 thousand (EUR 797 thousand). In 2025, the Debt/Assets ratio improved to 68.6% compared to 74.6% at the end of 2024. The improvement in the ratio is the result of an increase of BGN 24,988 thousand (EUR 12,776 thousand) in total assets to BGN 382,804 thousand (EUR 195,725 thousand), combined with a simultaneous decrease in total debt.

The Debt/Equity ratio as of December 31, 2025 improved to 1,108%, compared to 1,263% as of December 31, 2024. The improvement is attributable on one hand to the decrease in total debt of BGN 4,180 thousand (EUR 2,137 thousand) and on the other hand to the increase in the Group's equity of BGN 2,577 thousand (EUR 1,318 thousand) to BGN 23,706 thousand (EUR 12,121 thousand) at the end of 2025, as a result of the net profit recognised for the year of BGN 2,685 thousand (EUR 1,373 thousand).

Inventory turnover ratio as of December 31, 2025 remained close to the prior year, with the time required for inventories to complete one full cycle being 12 days compared to 12 days for 2024. The inventory balance increased by BGN 1,510 thousand (EUR 772 thousand) to BGN 14,767 thousand (EUR 7,550 thousand) at the end of 2025. The time required for the Group to collect its receivables from customers increased slightly to 14 days compared to 13 days at the end of 2024, reflecting higher trade receivables. The average payment period for payables increased to 43 days compared to 32 days at the end of 2024, as a result of higher trade payables to suppliers at the end of 2025 compared to the comparative period.

## Capital management

To ensure the Group's functioning as a going concern, the Management has taken a series of measures, both purely procedural and business-oriented (see also section Future Development Prospects), aimed at bringing the capital of the Parent Company into compliance with the requirements of Art. 252, par. 1, item 5 of the Commerce Act, as well as an overall improvement of the Group's financial position. As of December 31, 2025 and 2024, the Group's net assets were BGN 23,706 thousand (EUR 12,121 thousand) and BGN 21,129 thousand (EUR 10,803 thousand) respectively. As of December 31, 2025, the Group's current assets exceeded current liabilities by BGN 29,150 thousand (EUR 14,904 thousand) compared to BGN 33,932 thousand (EUR 17,349 thousand) as of December 31, 2024. (see also section Operating Results).

Some of the measures include taking action to reduce the registered capital below the Parent Company's net assets. The first step in this direction was the holding of several general meetings of shareholders in the period 2016 - 2017, whereby a resolution was passed to implement the reverse share split procedure to merge 4 old shares with a par value of BGN 1 into 1 new share with a par value of BGN 4 and a subsequent reduction of the Parent Company's capital to cover losses by reducing the par value of the shares from BGN 4 to BGN 1.

On 06.03.2025, a change in the capital of the Company was registered under the file of Petrol AD in the Commercial Register and NGOS Register at the Registry Agency, pursuant to a resolution of the general meeting of shareholders of the parent company Petrol AD adopted on 18.02.2019, whereby 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 leva) to BGN 27,312,403 (twenty-seven million three hundred and twelve thousand four hundred and three leva) pursuant to Art. 200, item 1 of the Commerce Act through a reduction in the nominal value of the issued shares from BGN 4 (four leva) to BGN 1 (one lev). This fact has been reflected in the Commercial Register and NGOS Register under registration number 20250306160504.

As of December 31, 2025, the fully paid-up registered capital amounts to BGN 27,312 thousand, distributed among 27,312,403 registered shares, each with a nominal value of BGN 1 (one) lev.

On 06.03.2025, with entry No. 20250306160504 in the Commercial Register and the Register of Non-Profit Organizations at the Registry Agency on the account of the Parent company, changes were registered in the Supervisory Board of Petrol AD, namely: a member of the Supervisory Board - Mr. Ivan Alipiev Voynovsky was deleted, and Mr. Rumen Aleksandrov Konstantinov was registered in his place.

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

As a result of the timely actions taken by the Petrol Group aimed at optimizing costs, searching for hidden reserves, maintaining the Group's liquidity and at the same time entering new market niches, the Petrol Group is currently successfully passing through the difficulties encountered, and in 2025 the Group will be able to continue its efforts to improve its liquidity position. In the financial year under review, the Petroleum Group was able to recover some of the losses caused by the pandemic and the war in Ukraine, increasing its operating result before interest and taxes (EBIT) by BGN 5,934 thousand (EUR 3,034 thousand) to BGN 8,210 thousand (EUR 4,198 thousand) compared to the comparative period.

## Capital management (continued)

Due to the effects of the pandemic and the military conflict that broke out in early 2022, as well as the economic consequences they have caused and continue to cause, along with geopolitical risks and high commodity prices, the Group's management expects competition to intensify in the coming years, primarily in the retail market. At the same time, forecasts regarding trade margin levels indicate that they will hover around or below the European average.

The Group's future development plans are closely linked to the stated expectations of changes in the market environment. The management continues to follow the outlined restructuring program of the Petrol Group's activities, which has to be changed as a result of the rapidly changing market environment and the risks and difficulties encountered, with the aim of concentrating efforts in the direction of optimizing the core business - retail and wholesale fuel trading, and at the same time developing and expanding the Group's activities in line with climate changes and new prospects. In order to improve the financial position, the Management continues to actively analyze all cost items in search of hidden reserves for their optimization, including closing or leasing underperforming petrol stations, increasing the number of self-service petrol stations, or switching to a mixed mode of operation. In 2026, Management will continue the process of analyzing and exploring opportunities to expand wholesale, including through the import and export of petroleum products.

In the coming years the Group's results will also depend on the possibility to carry out the investments and the successful delivery of new projects. The investments of the Group will be focused predominantly on the development of new petrol stations and increasing the sales and market share of Petrol AD, mainly through transformation of the trade sites managed by the Group into modern places for complex customer service.

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 2025, the number of sites under franchise agreements decreased by two sites, and following its strategy for expanding its market share in the retail market, the Group plans to attract new sites under the Petrol flag through the franchising programme. In addition, in the coming years the management of the Group will seek opportunities, through external financing, to build several new petrol stations at excellent locations.

The Management of the Group will direct its effort towards conducting an active marketing campaign. Marketing activities are planned – games, promotions and other, supported by enough media appearances to increase the sales of fuels. The Management will continue to develop its card system and plans to create a loyalty clients system. The actions of the Petrol Group Management are aimed at promoting the principles and traditions of good corporate governance, enhancing the confidence of stakeholders, namely shareholders, investors and counterparties, as well as disclosing timely and accurate information in accordance with legal requirements.

## Capital management (continued)

The Group's management monitors the emergence of risks and negative consequences as a result of the pandemic caused by COVID-19, the military conflict between Russia and Ukraine and the high levels of inflation, making ongoing assessments of the possible effects on the Group's assets, liabilities and operations, seeking to comply as far as possible with contractual commitments, despite the force majeure circumstances that have arisen. In view of the effects of the pandemic, military conflict and high inflation, which are challenging economic activity in the country and creating significant uncertainty about future business developments, there is a real risk of a decline in sales and losses for the Group. However, management believes that it will be able to successfully bring the Group out of the emergency in which it has been placed. (*see also Military conflict Russia – Ukraine and Middle east, Outlook*).

In order to carry out its business, the Group requires unrestricted capital resources primarily to provide the working capital required for its operations, to service its obligations in a timely manner and to pursue its investment intentions. The principal sources of liquidity are cash and cash equivalents, long-term and short-term borrowings, reducing the period for collection of trade receivables and extending the period for payment of trade payables.

The major indicators which give better information on the financial position of the Group are disclosed in sections *Selected performance indicators* and *Financial position*.

## Disclosure of additional information in compliance with regulatory requirements

*Information pursuant to the requirements of item 6, 8 and 9 of the Appendix No. 2 to the Ordinance No. 2 of November 9, 2021*

### *Loans granted by the issuer*

Type of borrower	Company	Net Principal, 31.12.2025	Outstanding Principal	Interest	Impairment	Annual Interest	Maturity	Purpose
		BGN'000	BGN'000	BGN'000	BGN'000	%		
Trade company	TRANS EXPRESS OIL LTD	24,584	25,500	123	(1,039)	6.70%	Principal - 31.дек.28 Interest - currently	Working capital
Trade company	PRIMA CONSULT INDUSTRY LTD	17,047	14,800	2,248	(1)	7.20%	31.DEC.28	Working capital
Trade company	TRANS EXPRESS OIL LTD	9,993	9,735	671	(413)	6.70%	31.DEC.26	Working capital
Trade company	PRIMA CONSULT INDUSTRY LTD	7,515	6,925	590	-	6.70%	31.DEC.26	Working capital
Trade company	BULGARIAN SOLAR COMPANY LTD	6,977	7,650	507	(1,180)	7.30%	31.DEC.26	Working capital
Trade company	TECHNICAL SERVICES SUPPORT LTD	5,492	4,951	2,238	(1,697)	6.70%	31.DEC.26	Working capital
Trade company	STORAGE OIL JSC	2,865	2,820	50	(5)	7.20%	31.DEC.26	Working capital
Trade company	PETROL BULGARIA JSC	1,399	1,380	116	(97)	5.00%	31.DEC.26	Working capital
Trade company	PETROL SEVER LTD	1,332	1,155	205	(28)	6.70%	31.DEC.19	Working capital
Trade company	GRYPHON POWER JSC	946	950	8	(12)	7.20%	31.DEC.26	Working capital
Trade company	GRYPHON PROPERTIES JSC	551	645	1	(95)	6.70%	31.DEC.26	Working capital
Trade company	CRYSTAL ASSET MANAGEMENT LTD	409	395	14	0	7.20%	31.DEC.26	Working capital
Trade company	BF-BORBA-PUL LTD	30	30	0	0	0.00%	31.DEC.26	Working capital
Trade company	PETROL CORRECT LTD	1	1	0	0	6.80%	31.DEC.26	Working capital
Trade company	VIP PROPERTIES LTD	0	122	25	(147)	5.00%	31.DEC.25	Working capital
Trade company	PETROL GAS LTD	0	5,190	0	(5,190)	0.00%	28.OCT.15	Working capital
Trade company	PETROL GAS LTD	0	2,210	0	(2,210)	9.50%	28.OCT.15	Working capital
Trade company	NAFTEX PETROL LTD	0	44	0	(44)	9.50%	21.JAN.17	Working capital
Trade company	CORRECT FARM LTD	0	0	1	(1)	8.50%	26.AUG.15	Working capital
Related company	LITEX PROPERTY LTD	15,285	17,870	0	(2,585)	6.70%	31.DEC.26	Working capital
Subsidiary	LOZEN ASSET JSC	1,922	1,717	754	(549)	6.70%	31.DEC.26	Working capital
Subsidiary	ELIT PETROL – LOVECH JSC	264	224	116	(76)	6.70%	31.DEC.26	Working capital
Subsidiary	PRIMA ASSETS BULGARIAL LTD	101	100	1	0	6.70%	31.DEC.26	Working capital
Subsidiary	SANDANSKI STORAGE LTD	9	9	0	0	6.70%	31.DEC.26	Working capital
Subsidiary	PETROL OIL RECYCLING LTD	6	5	1	0	6.50%	31.DEC.26	Working capital
Subsidiary	PETROL PROPERTIES LTD	0	104	8	(112)	9.50%	29.APR.14	Working capital
<b>Total Loans Granted</b>		<b>96,728</b>	<b>104,532</b>	<b>7,677</b>	<b>(15,481)</b>			

## Disclosure of additional information in compliance with regulatory requirements (continued)

### Loans and borrowings received by the issuer

Type of lender	Name of lender	Annual interest rate	Maturity	Principal 31 Dec.25 BGN'000	Purpose
Bondholders	Bondholders	4.24%	26.01.2027	36,440	Working capital, financing of investment projects and restructuring of previous debt
Financial Institution	First Investment Bank JSC	Bank's base interest rate in BGN, adjusted by a business customer ratio (BIRa) increased by a premium of 3.21 points, not less than 5.9%	15.08.2033	67,644	Investment loan
Financial Institution	First Investment Bank JSC	Bank's base interest rate in BGN, adjusted by a business customer ratio (BIRa) increased by a premium of 3.21 points, not less than 5.9%	15.08.2033	55,000	Working capital
Financial Institution	First Investment Bank JSC	Bank's base interest rate in BGN, adjusted by a business customer ratio (BIRa) increased by a premium of 3.21 points, not less than 5.9%	15.08.2033	45,000	Working capital
Financial Institution	First Investment Bank JSC	Bank's base interest rate in BGN, adjusted by a business customer ratio (BIRa) increased by a premium of 3.21 points, not less than 5.9%	15.08.2033	27,121	Refinancing of current bank exposure and working capital
Financial Institution	First Investment Bank JSC	Bank's base interest rate in BGN, adjusted by a business customer ratio (BIRa) increased by a premium of 3.21 points, not less than 5.9%	31.12.2029	14,978	Working capital
Financial Institution	First Investment Bank JSC	Bank's base interest rate in BGN, adjusted by a business customer ratio (BIRa) increased by a premium of 3.21 points, not less than 5.9%	31.12.2026	13,500	Working capital
Financial Institution	First Investment Bank JSC	Bank's base interest rate in BGN, adjusted by a business customer ratio (BIRa) increased by a premium of 2.61 points, not less than 5.9%	25.11.2028	1,800	Working capital
Subsidiary	Crystal Asset Property Ltd.	6.70%	31.12.2026	2,354	Working capital
Subsidiary	Prima Consult Property Ltd	6.70%	31.12.2026	1,704	Working capital
Subsidiary	Crystal Asset Property Ltd.	6.70%	31.12.2026	1,365	Working capital
Subsidiary	Prima Consult Property Ltd	6.70%	31.12.2026	751	Working capital
Subsidiary	Shumen Storage Ltd	6.70%	31.12.2026	743	Working capital
Subsidiary	Prima Lend Property Ltd	6.70%	31.12.2026	624	Working capital
Subsidiary	Prima Asets Trade Ltd	6.60%	31.12.2026	600	Working capital
Subsidiary	Varna Storage Ltd	5.00%	09.01.2026	350	Working capital
Subsidiary	Crystal Asset Property Ltd	6.70%	31.12.2026	270	Working capital
Subsidiary	Petrol Technolgies Ltd	5.00%	31.12.2026	60	Working capital
Subsidiary	Petrol Investment Ltd	5.00%	31.12.2026	47	Working capital
Subsidiary	Bulgaria Cargo Rail Ltd	5.00%	21.06.2025	22	Working capital
<b>Total loans received</b>				<b>270,373</b>	

## Disclosure of additional information in compliance with regulatory requirements (continued)

In December 2024, the Parent company provided cash to the same commercial bank under Debt Product Agreements (pursuant to Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013) against interest linked to the Bank's Base Rate (BIR) plus a premium of 3.2100 points for a term of five years, maturing on 01 January 2030. The amounts deposited under these terms and conditions are aggregating to BGN 5,000 thousand. The Parent company has entered into agreements to block these funds to secure the performance of an overdraft facility granted to the Parent company's account by the same bank, with the same term. As of December 31, 2025, an impairment of BGN 95 thousand (2024: BGN 48 thousand) has been recognised on the provided funds, in accordance with the policy for recognising expected credit losses on financial assets.

### Loans received by companies controlled by the issuer

Category	Borrower	Annual Interest	Maturity	Principal, net	Principal	Interest	Impairment	Purpose
					31.DEC.25	31.DEC.25	31.DEC.25	
Lender/Depositor				BGN*000	BGN*000	BGN*000	BGN*000	
PETROL AD	LOZEN ASSETS JSC	6.70%	31.12.2025	1,922	1,717	754	(549)	Working capital
Crystal Asset Property Ltd.	CRYSTAL ASSETS TRADE LTD	7.00%	31.12.2025	1,725	1,580	145	0	Working capital
PETROL AD	ELIT PETROL - LOVECH JSC	6.70%	31.12.2025	264	224	116	(76)	Working capital
PETROL AD	PRIMA ASSET BULGARIA LTD	6.70%	31.12.2025	101	100	1	0	Working capital
CRYSTAL ASSET MANAGEMENT LTD	CRYSTAL ASSETS BULGARIA LTD	6.70%	31.12.2026	20	20	-	-	Working capital
PETROL AD	SANDANSKI STORAGE LTD	6.70%	31.дек.26	9	9	0	0	Working capital
PETROL AD	PETROL OIL RECYCLING LTD	6.50%	31.12.2025	6	5	1	0	Working capital
PETROL AD	PETROL PROPERTIES LTD	9.50%	29.04.2014	0	104	8	(112)	Working capital
<b>Total Loans received</b>				<b>4,047</b>	<b>3,759</b>	<b>1,025</b>	<b>(737)</b>	

**Disclosure of additional information in compliance with regulatory requirements  
(continued)**

*Loans granted by companies controlled by the issuer*

Category	Borrower	Annual Interest	Maturity	Net of	Principal	Interest	Impairment	Purpose
				impairment			as of	
Lender				31.DEC.25	31.DEC.25	31.DEC.25	31.DEC.25	
				BGN'000	BGN'000	BGN'000	BGN'000	
PRIMA LAND PROPERTY LTD.	PRIMA CONSULT INDUSTRIES LTD.	7.00%	31.12.2026	<b>10,528</b>	9,557	1,522	(551)	Working capital
CRYSTAL ASSET PROPERTY LTD	CRYSTAL ASSET MANAGEMENT LTD.	7.00%	31.12.2026	<b>9,152</b>	7,962	1,256	(66)	Working capital
CRYSTAL ASSETS TRADE LTD	GRYPHON POWER AD	7.00%	31.12.2026	<b>6,304</b>	5,830	922	(448)	Working capital
CRYSTAL ASSETS TRADE LTD.	CRYSTAL ASSET MANAGEMENT LTD.	7.00%	31.12.2026	<b>3,854</b>	3,331	556	(33)	Working capital
CRYSTAL ASSET PROPERTY LTD	PETROL AD	6.70%	31.12.2026	<b>2,494</b>	2,354	140	0	Working capital
PRIMA CONSULT PROPERTY LTD.	PRIMA CONSULT INDUSTRIES LTD.	7.00%	31.12.2026	<b>2,409</b>	2,196	445	(232)	Working capital
PRIMA CONSULT PROPERTY LTD.	PETROL AD	6.70%	31.12.2026	<b>1,754</b>	1,704	50	0	Working capital
CRYSTAL ASSET PROPERTIES LTD.	CRYSTAL ASSETS TRADE LTD	7.00%	31.12.2026	<b>1,725</b>	1,580	145	0	Working capital
CRYSTAL ASSET PROPERTIES LTD.	PETROL AD	6.70%	31.12.2026	<b>1,480</b>	1,365	117	(2)	Оборотни средства
PRIMA ASSETS TRADE LTD	PRIMA CONSULT INDUSTRIES LTD.	7.00%	31.12.2026	<b>1,464</b>	1,212	263	(11)	Working capital
PRIMA ASSETS BULGARIA LTD.	PRIMA CONSULT INDUSTRIES LTD.	7.00%	31.12.2026	<b>1,074</b>	961	152	(39)	Working capital
PRIMA CONSULT PROPERTY LTD.	PETROL AD	6.70%	31.12.2026	<b>774</b>	751	23	0	Working capital
SHUMEN STORAGE LTD	PETROL AD	6.70%	31.12.2026	<b>772</b>	743	29	0	Working capital
PRIMA LEND PROPERTY LTD	PETROL AD	6.70%	31.12.2026	<b>640</b>	624	16	0	Working capital
PRIMA ASSETS TRADE LTD	PETROL AD	6.60%	31.12.2026	<b>601</b>	600	1	0	Working capital
CRYSTAL ASSETS BULGARIA LTD.	PRIMA CONSULT INDUSTRIES LTD.	7.00%	31.12.2026	<b>557</b>	488	76	(7)	Working capital
SHUMEN STORAGE LTD	TRANS EXPRESS LOGISTICS LTD	6.70%	31.12.2026	<b>430</b>	430	0	0	Working capital
VARNA STORAGE LTD	PETROL AD	5.00%	09.01.2026	<b>426</b>	350	76	0	Working capital
CRYSTAL ASSET PROPERTY LTD	PETROL AD	6.70%	31.12.2026	<b>270</b>	270	0	0	Working capital
PETROL TECHNOLOGIES LTD	PETROL AD	5.00%	31.12.2026	<b>68</b>	60	8	0	Working capital
PETROL INVESTMENT AD	PETROL AD	5.00%	31.12.2026	<b>53</b>	47	6	0	Working capital
BULGARIA CARGO RAIL LTD	PETROL AD	5.00%	20.06.2026	<b>25</b>	22	3	0	Working capital
VARNA STOCKBRIDGE LTD	PERFETO CONSULTING LTD	7.00%	07.08.2026	<b>22</b>	313	138	(429)	Working capital
CRYSTAL ASSETS BULGARIA LTD	BSE	0.00%	31.12.2025	<b>20</b>	20	0	0	Working capital
LOZEN ASSET AD	BPI AD	6.70%	18.12.2028	<b>0</b>	1,258	592	(1,850)	Working capital
LOZEN ASSET AD	PETROL GAS LTD	6.70%	31.12.2026	<b>0</b>	18	7	(25)	Working capital
<b>TOTAL LOANS GRANTED</b>				<b>46,896</b>	<b>44,046</b>	<b>6,543</b>	<b>(3,693)</b>	

## Contingent liabilities

### Information pursuant to the requirements of item 6 of the Appendix No. 2 to the Ordinance No. 2 of November 9, 2021

As at December 31, 2025, the Group has contingent liabilities including contractual mortgages on property and pledges of plant and equipment, investment properties, which serve as security for bank loans, overdrafts and contracts for credit limits for the issuance of bank guarantees granted to the Group and to unrelated parties, with a total carrying amount of BGN 89,752 thousand, of which in favour of First Investment Bank AD – BGN 84,611 thousand; in favour of Investbank AD – BGN 3,117 thousand and in favour of DSK AD – BGN 2,024 thousand.

The Group is a joint and several debtor under a credit commitment agreement with a supplier with a total principal limit of BGN 43,800 thousand, including an overdraft-type credit limit and a limit for the issuance of bank guarantees, and is also an aval guarantor of a promissory note for the amount of BGN 47,667 thousand under the same credit commitment. In connection with this credit commitment, the Group has established a pledge over cash receivables on a bank account and a specific pledge over receivables from counterparties for a monthly average turnover of BGN 4,000 thousand.

Pursuant to an agreement of June 17, 2021, the Group is a joint and several debtor in favour of Investbank AD under a Bank Guarantee Limit Agreement granted to an unrelated party – a supplier, in the amount of BGN 600 thousand.

The Group is jointly and severally obligated under an Agreement for Assumption of Debt of January 13, 2017 for the obligation of its subsidiary until March 2018 – Elite Petrol AD, which as at December 31, 2025 amounts to BGN 2,346 thousand.

In prior reporting periods, companies of the Group assumed the debt of a subsidiary until December 2015 under loan agreements, by which a creditor bank granted the subsidiary loans in the amount of USD 15,000 thousand and USD 20,000 thousand. In 2015, the creditor obtained court orders for immediate enforcement and enforcement writs against the subsidiary companies – joint and several debtors. In connection with complaints filed by the subsidiary companies, the competent court overturned the orders for immediate enforcement and annulled the enforcement writs. In October and December 2015, the creditor filed claims pursuant to Art. 422 of the Civil Procedure Code against the subsidiary companies to establish the existence of the receivables under each of the loan agreements. The court proceedings initiated by the creditor have not yet concluded.

In December 2016, the court of first instance issued a judgment (the Judgment) by which it established that the bank has a receivable from the subsidiary companies – joint and several debtors in the amount of USD 15,527 thousand, arising from the loan agreement concluded for the amount of USD 15,000 thousand. By the same judgment, the court ordered the joint and several debtors to pay to the creditor bank the amount of BGN 411 thousand in legal fees and litigation costs, and in favour of the judicial budget a state fee for the order proceedings of BGN 538 thousand and a state fee for the adversarial proceedings of BGN 538 thousand. In January 2017, the subsidiary companies filed timely appeals against the Judgment, as a result of which it has not entered into force. As at the date of preparation of the present explanatory notes, the dispute is pending before the appellate court, and the Group's Management considers that there are reasonable prospects for the Judgment to be overturned in its entirety.

As at the date of preparation of the present consolidated financial statements, the case brought against the subsidiary companies – joint and several debtors to establish the existence of the bank's receivable under the loan agreement concluded for USD 20,000 thousand is pending before the court of first instance. Management considers that there are reasonable prospects for a favourable ruling from the competent court. In 2018, the Parent company sold its interest in one of the subsidiary co-debtors, and the potential risk for the Group has been reduced to the court proceedings against the second subsidiary company.

## Contingent liabilities (continued)

KTB (insolvent), in its capacity as creditor of a subsidiary (until December 2015), unlawfully claimed through judicial proceedings the liability of the Parent company under a suretyship agreement for obligations arising from a framework credit limit agreement, as a result of which attachments were placed on the Parent company's bank accounts totalling up to USD 29,983 thousand. This claim was challenged in court by the Group on the grounds that 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 deadline of the arrangements between the creditor and the subsidiary under the framework credit limit agreement was July 1, 2014. The term of the framework credit limit agreement was extended without the consent of the surety, as a result of which the surety's liability lapsed upon the expiry of six months after the originally agreed deadline, during which period the creditor had not filed a claim against the principal debtor. The deadline under Art. 147, para. 1 of the OCA is a final deadline and upon its expiry the Parent company's suretyship was terminated; consequently, its objection was upheld by the court and the attachments placed on the bank accounts were lifted.

After the annulment of enforcement writs issued under the order proceedings, on the basis of which attachments were placed on the Parent company's bank accounts, the creditor initiated adversarial court proceedings pursuant to Art. 422 of the Civil Procedure Code to establish the same receivables against the subsidiary company (until December 2015) and the surety – the Parent company. In these proceedings, the objections have been repeated that liability as surety had not arisen and/or had been extinguished pursuant to Art. 147, para. 2 of the OCA, and Management therefore expects that the creditor's claim against the Parent company will be definitively dismissed by the court in its rulings on these cases. The case is currently stayed due to the existence of a preliminary judicial dispute that is material to the proper resolution of the case.

The Group has filed its receivables against the subsidiary (until December 2015). The filed receivables are included in the list of accepted receivables prepared by the trustee in bankruptcy pursuant to Art. 686 of the Commercial Act; however, these have been contested by another creditor in the insolvency proceedings. The pending court proceedings to establish the existence of these receivables pursuant to Art. 694 of the Commercial Act have now concluded with a judgment, in which the court accepted the Group's receivables up to the amount of BGN 4,794 thousand.

As at December 31, 2025, cash in the Group's bank accounts in the amount of BGN 95 thousand is blocked under enforcement proceedings to which the Group is a party.

Under a revolving credit line agreement concluded in 2023 with a total limit of BGN 220,000 thousand and a sub-limit of BGN 31,600 thousand for refinancing of obligations, including for the issuance of bank guarantees and letters of credit, bank guarantees with a total value of BGN 4,323 thousand have been issued as at December 31, 2025, including BGN 1,800 thousand under agreements with third parties – suppliers of the Group, a bank guarantee of BGN 500 thousand in favour of the Ministry of Economy securing the Group's activities in connection with its registration under the Law on Administrative Regulation of Economic Activities Related to Oil and Petroleum Products, as well as bank guarantees securing the Group's obligations under contracts in connection with the Public Procurement Act in the amount of BGN 2,023 thousand. As at December 31, 2025, the agreement is secured by a pledge over the Group's receivables on bank accounts to secure obligations.

Under a revolving credit line agreement concluded in 2023 with a total limit of BGN 220,000 thousand, in July 2023 a pledge was established over the commercial enterprise as an aggregate of rights, obligations and factual relations of Petrol AD, Kremikovtsi 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 and Prima Land Property Ltd. As additional security under the same agreement, the Group provided a pledge over receivables on bank accounts opened with the bank, including funds deposited under a debt product agreement with a carrying amount as at December 31, 2025 of BGN 54,475 thousand.

### Contingent liabilities (continued)

Under an agreement concluded in December 2024 for a bank loan in the form of an overdraft with a maximum permissible amount of BGN 15,000 thousand, the Parent company provided, as financial collateral, a pledge over receivables on bank accounts opened with the bank, including funds deposited under a debt product agreement with a carrying amount as at December 31, 2025 of BGN 14,955 thousand.

In fulfilment of commitments under a bank loan agreement concluded in November 2023, the Group has established a mortgage on property and a pledge over plant and equipment with a total carrying amount as at December 31, 2025 of BGN 2,950 thousand. The agreement is also secured by a pledge over receivables on bank accounts.

Pursuant to an agreement of May 2024, the Group is a surety under an overdraft agreement granted to an unrelated party – a commercial counterparty, with a credit limit of BGN 1,400 thousand. In connection with this credit commitment, the Group has established in favour of the creditor bank a pledge over cash receivables on bank accounts and has established mortgages on real estate with a carrying amount as at December 31, 2025 of BGN 1,980 thousand.

In August 2024, by an annex to an Agreement of March 10, 2021 for the purchase of receivables under commercial invoices (standard factoring) with a commercial bank, a total advance limit of up to BGN 6,000 thousand was agreed. The agreement is secured by a pledge over receivables on bank accounts opened with the bank, with a carrying amount as at December 31, 2025 of BGN 277 thousand.

In December 2024, a new standard factoring agreement with a total advance limit of BGN 3,000 thousand was finalised with the same bank. The agreed security is a pledge over receivables on bank accounts of the Parent company opened with the bank and a forthcoming pledge over receivables from counterparties.

Pursuant to an agreement dated October 17, 2025, the Group is a joint and several debtor to a commercial bank under a Bank Guarantee Line Agreement granted to a third party—a commercial counterparty—in the amount of BGN 1,500 thousand. The agreement is also secured by a pledge of receivables in a bank account opened with the bank, with a carrying amount as of December 31, 2025, of BGN 1 thousand.

*Information on pending legal, administrative or arbitration proceedings amounting to at least 10% of equity of the Company pursuant to item 20 of the Appendix No.2 to the Ordinance No.2 of November 9, 2021*

CCB AD - in bankruptcy has claimed in court a responsibility of the Parent company under a contract of guarantee for obligations arising from a contract for a framework credit limit of a subsidiary /till December 2015/ Naftex Petrol EOOD amounting to USD 29,983 thousand.

This claim was disputed in court by Petrol AD because the obligation as guarantor has not occurred and / or has been extinguished on the basis of Art. 147, paragraph 2 of the Law on Obligations and Contracts. At the time of signing the guarantee contract, the deadline of the arrangements between the lender and the subsidiary under the contractual framework for credit limit, was July 1, 2014.

The term of the framework credit limit was extended without the consent of the guarantee, therefore the responsibility of the latter has fallen by six months after the initially agreed period, during which the creditor has not brought an action against the principal debtor. The term of Art. 147, paragraph 1 of the CPA is final and upon its expiration the Petrol AD's guarantee has been terminated, so the Management expects the claim of the creditor against Petrol AD to be finally rejected by the court. At present the court proceedings are pending and the Management expects positive outcome for Petrol AD.

### Contingent liabilities (continued)

The Parent company claimed its receivables to Naftex Petrol EOOD – in bankruptcy. The claimed receivables are included in the prepared by the syndic list of the approved receivables under Art. 686 of Commercial Act (CA), but the same were appealed by other creditor to the bankruptcy proceedings. At present, the pending court proceedings to establish the existence of these receivables under Art. 694 of the CA has ended with a decision, as the court has accepted the receivables of the company up to the amount of BGN 4,794 thousand.

The Group has filed claims in bankruptcy proceedings of a company under common control until November 2013 in the total amount of BGN 2,444 thousand, of which BGN 1,500 thousand - principal under the loan agreement of July 17, 2013, BGN 211 thousand - interest, BGN 643 thousand - statutory interest for delay accrued on the principal, as well as BGN 90 thousand. - statutory default interest on the due interest. Of the claims thus submitted, the receiver of the company under common control until November 2013 included in Supplementary List No. 1 of the accepted claims only the claims for the principal amount under the loan agreement, as well as a part of the claims for statutory interest on the principal amount (approximately BGN 40 thousand). The claims for remuneration interest under the loan agreement totaling BGN 211 thousand, the claims for statutory interest on that remuneration in the form of interest, as well as the disallowed part of the statutory default interest on the principal are included in the list of disallowed claims drawn up by the insolvency administrator. In an order under Article 692 of the Commercial Code, the bankruptcy court confirmed the inclusion of the following claims of the Group in the list of accepted claims - a claim for principal amounting to BGN 1,500 thousand and BGN 457 thousand representing a claim for statutory default interest on the principal. The debtor (a company under common control until November 2013) filed negative declaratory claims against the Group seeking a declaration of non-existence of the Group's accepted receivables for principal of BGN 1,500 thousand and statutory interest on the same principal in the total amount of BGN 457 thousand. These claims were heard under commercial case No. 124/2021 of the Burgas District Court, and by judgment of August 28, 2023, upheld by judgment of March 19, 2024 under commercial appellate case No. 253/2023 of the Burgas Court of Appeal, and with the refusal of leave to appeal on points of law by ruling of December 10, 2024 under commercial cassation case No. 1856/2024 of the Supreme Court of Cassation, the court finally established that "Petrol" AD does not hold the receivables accepted in the insolvency proceedings for principal of BGN 1,500 thousand under a loan agreement of July 17, 2013, nor the corresponding receivables for statutory interest on that principal.

### Disclosure of transactions with related parties

#### Information pursuant to item 4 of Appendix No. 2 to Ordinance No. 2 of November 9, 2021

Related parties that the Parent company controls and over which it exercises significant influence are disclosed in Note 30 to the annual consolidated financial report. The Parent company (Controlling company) is Petrol AD.

All transactions between the Parent company and the subsidiaries are eliminated for the purposes of these consolidated financial statements. Detailed information on these transactions is disclosed in the annual separate financial statements of the Parent company for 2024. The Parent company (Controlling company) is Petrol AD. It has a two-tier management system, which includes a Management Board (MB) and a Supervisory Board (SB). (*see also the Management Board section*).

The total amount of accrued remuneration of key management personnel of the Parent company included in personnel costs amounts to BGN 1,560 thousand (2024: BGN 1,338 thousand) and outstanding payables as at 31 December 2025 amount to BGN 80 thousand, of which BGN 68 thousand is presented as payables to personnel and BGN 12 thousand as payables to related parties (2024: BGN 76 thousand, of which BGN 64 thousand is presented as payables to personnel and BGN 12 thousand as payables to related parties).

### Disclosure of transactions with related parties (continued)

Included in purchases from related parties - a shareholder with significant influence - for 2025 are rental expenses for property, plant and equipment in the amount of BGN 58 thousand (2024: BGN 58 thousand) accounted for as lease expenses in accordance with the provisions of IFRS 16 in the statement of profit or loss and other comprehensive income, including depreciation and interest expenses Sales to related parties amounted to BGN 1 thousand and represent revenue from services (2024: BGN 2 thousand).

As of December 31, 2025 and 2024, financial income and expenses from related parties—legal entities—were as follows:

Related party	2025	2024	2025	2024
	BGN'000	BGN'000	BGN'000	BGN'000
	Finance income	Finance income	Finance Cost	Finance Cost
Other related parties	1,214	425	343	52
Shareholder with a significant influence	-	-	2	5
	<b>1,214</b>	<b>425</b>	<b>345</b>	<b>57</b>

As at December 31, 2025 and 2024, the outstanding settlements with related party entities are as follows:

Related party	December 31 2025	December 31 2024	December 31 2025	December 31 2024
	BGN'000	BGN'000	BGN'000	BGN'000
	Receivables	Receivables	Payables	Payables
Other related parties	28,719	17,444	8,760	10,897
<i>Short-term loans</i>	15,285	15,285	2	6,796
Shareholder with a significant influence	-	-	64	399
<i>Short-term loans</i>	-	-	2	345
Key management (legal entity)	-	-	12	12
	<b>28,719</b>	<b>17,444</b>	<b>8,836</b>	<b>11,308</b>

In September 2024, the Group provided a short-term loan to a commercial company – a related party of the shareholder with significant influence Storage Invest AD. The loan has a credit limit of BGN 25,000 thousand, interest of 6.7% and a repayment term until December 31, 2025, extended by annex to December 31, 2026. The receivable as at December 31, 2025 and 2024 is BGN 15,285 thousand of principal, net of impairment of BGN 2,585 thousand.

In September 2024, the Group received a short-term loan from a commercial company – a related party of the shareholder with significant influence Storage Invest AD. The loan has a credit limit of BGN 24,000 thousand and interest of 3M EURIBOR plus a surcharge of 2 percentage points, but not less than 5% on the drawn-down amount, with a repayment term until December 31, 2024, extended by annex to December 31, 2025. The obligation as at December 31, 2025 is BGN 2 thousand of interest (2024: BGN 6,780 thousand of principal and BGN 16 thousand of interest).

In October 2024, the Group received a short-term loan from the shareholder with significant influence Storage Invest AD in the amount of BGN 500 thousand at an annual interest rate of 6% and a repayment term until December 31, 2025. As at December 31, 2025, the principal under this loan has been fully repaid and there is an outstanding interest obligation of BGN 2 thousand (2024: BGN 340 thousand of principal and BGN 5 thousand of interest).

## Share capital

The registered and fully paid-in share capital of Petrol AD as at December 31, 2025 amounts to BGN 109.25 million (EUR 55.86 million) and is distributed into 27,312,403 personal dematerialized ordinary registered shares, with a par value of BGN 4 each. Each share provides a voting right in the General Meeting of Shareholders (GMS), right to dividend and right to liquidation share. The shares, issued by the Parent company are transferable with no limitations or conditions, by its owner's free will, in accordance with the Bulgarian legislation, and according to the rules of Central Depository AD concerning the acquiring and ordering with registered shares, as well as in compliance with the regulations of the market they are traded on. Detailed information about the rules and procedures for trading Petrol's shares is available in the published prospectuses of the Parent company.

### Information pursuant to Art.187e of the Commercial Act and Art. 39, item 6 of the Accountancy Act

In 2025 the Parent company did not carry out transactions subject to notification under Art. 187e of Commercial Act.

As at December 31, 2025 the Parent company did not hold common uncertificated own shares.

The following table sets out information about the changes in the structure of share capital:

<b>Shareholder</b>	<b>2025</b>	<b>2024</b>
Alpha Capital JSC	28.85%	28.85%
Storage Invest Ltd	26.77	26.77
Perfeto Consulting Ltd	16.43	16.43
Trans Express Oil Ltd	9.82	9.82
Petrol Bulgaria JSC	7.05	7.05
Gryphon Power JSC	5.39	5.39
Ministry of Energy	0.65	0.65
Other minority shareholders	5.04	5.04
<b>Total</b>	<b>100</b>	<b>100</b>

As at the date of these financial statements more than 5% of the capital of Petrol AD is owned by Alpha Capital JSC (28.85%), Storage Invest Ltd (26.77%), Perfeto Consulting Ltd (16.43%), Trans Express Oil Ltd (9.82%), Petrol Bulgaria JSC (7.05%) and Gryphon Power JSC (5.39%).

Shares owned by other minor shareholders are held by investors, which have acquired them through trading at the regulated stock market and none of them owns more than 5% of Parent company's shares. The Parent company does not have shareholders with special controlling rights.

As at December 31, 2025, according to a list of shareholders, received from Central Depository AD, the members of SB and MB, procurators and senior management of Petrol AD did not own shares of the Parent company.

## Share capital (continued)

### *Persons or entities directly or indirectly controlling Petrol AD*

By the meaning of par. 1, item 14 of the Public Offering of Securities Act (POSA), one person or entity exercises directly or indirectly control over the company, when that person or entity holds over 50% of the votes of the GMS or may appoint directly or indirectly more than half of the members of the company's bodies, or may otherwise exercise a decisive influence on decision-making in relation to the business of the legal entity.

As at December 31, 2025 no person holds more than 50% of votes at the General Meeting of Shareholders of Petrol AD.

In 2025 the Parent company Petrol AD has not issued any new issue of shares.

### *Stock market information*

In 1998 the issue of shares of Petrol AD at the amount of registered capital of the Parent company is registered for trading on the Bulgarian Stock Exchange since January 15, 2007 the shares are traded on the "B" segment of the Official market of the Bulgarian stock exchange - Sofia.

The following table sets out summarized market information about the trading of Parent company's shares on the Bulgarian Stock Exchange – Sofia:

		2025	2024
Share capital as at 31 December	BGN million	27.4	109.3
	EUR million	14	55.9
Share price as at 31 December	BGN	0.65	0.87
	EUR	0.332	0.44
Market capitalization as at 31 December	BGN million	17.8	23.8
	EUR million	9.1	12.1
Highest price throughout the year	BGN	1.03	1.36
	EUR	0.527	0.70
Lowest price throughout the year	BGN	0.63	0.42
	EUR	0.32	0.21

On 06.03.2025 in the account of Petrol AD in the Commercial Register and the Register of Non Profit Companies at the Registry Agency was registered a change in the capital of the Parent company, in accordance with a resolution of the General Meeting of Shareholders of Petrol AD, adopted on 18.02.2019, The General Meeting of Shareholders resolves to reduce the capital of Petrol AD from BGN 109,249,612 to BGN 27,312,403 pursuant to Article 200, item 1 of the Commercial Law (LC) 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 CRRNPC with the entry 20250306160504.

## Outlook

*Information pursuant to Art. 39 item 4 of the Accountancy Act and Art. 247, par. 3 of the Commercial Act*

Despite the aftermath of COVID-19 and the turmoil caused by the military conflict in Ukraine, the country's economy grew over the past reporting period, covering a wide range of industries and sectors. At present, the country's economic situation is facing challenges and future risks related to the military conflict in Iran that began at the end of February 2026 and the high prices of energy resources, which could lead to serious economic turmoil. In addition, high government spending, the accumulation of additional government debt, the highly turbulent geopolitical situation, the unpredictability of government policy regarding taxation and the investment environment, and, at the same time, persistent inflation, are presenting economic actors with yet another challenge. The military conflicts that have broken out between the U.S. and Israel on the one hand, and Iran, Russia, and Ukraine on the other, are creating the conditions for a prolonged humanitarian crisis, shortages of raw materials and supplies, rising inflation, and geopolitical turmoil that could also affect Bulgaria. At the same time, commodity prices continue to rise, and there is a high probability that high prices for raw materials, goods, and services will persist, leading to a deterioration of the country's economic situation. On the other hand, although the pandemic has subsided, new viral outbreaks are possible, which will further complicate the current market situation. This could lead to some economic entities leaving the country, ceasing operations, the risk of a slowdown in cash flows and an increase in intercompany indebtedness, and ultimately an overall deterioration in the economic environment in the country in which the Group operates.

As a result of the timely measures taken by Petrol to optimize costs, identify hidden reserves, maintain the Group's liquidity, and simultaneously tap into new market niches, the Petrol Group is currently successfully navigating the challenges it has faced, and in 2025 it managed to recover part of the losses caused by the pandemic and the war in Ukraine, reporting an operating financial result before taxes and interest of BGN 5,934 thousand (3,034 thousand EUR) for the reporting fiscal year, compared to BGN 8,210 thousand (EUR 4,198 thousand) for the comparable period.

As a consequence of the effects of the pandemic and the resulting military conflict in early 2022 in Ukraine and the economic consequences they have caused and continue to cause, together with geopolitical risks and high commodity prices, Group 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, trading margins, are forecast to be around or below the average European levels.

The future development plans of the company are closely related to the stated expectations for changes in the market environment, in particular, sector of trading with fuels. The Management continues to follow the outlined program for restructuring the activities of Petrol Group, aiming to concentrate the efforts to optimize and develop the core business – wholesale and retail trading with fuels and simultaneously to develop and expand Group's operations according to climate change and new perspectives. In order to improve the financial position of the Group, the Management continues to actively analyze all expenditure items looking for hidden reserves for their optimization, including closing or leasing underperforming petrol stations, increasing the number of self-service petrol stations, or moving to a mixed mode of operation. In 2026, Management will continue the process of analyzing and exploring opportunities to expand wholesale, including through the import and export of petroleum products.

## **Outlook (continued)**

European legislation provides for additional reporting requirements on climate matters and in this regard the Group is acting in relation to sustainability and development, environmental and climate matters requirements to ensure that its reporting is in line with legislative requirements.

As the core business of the Petrol Group is wholesale and retail storage and warehousing of fossil fuels and petroleum products, the Group is in the process of analysing and reviewing the economic activities and processes that fall under the target groups - climate change mitigation, climate change adaptation, sustainable use of water resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems, effective from 01.01.2023, and which the Group may implement, and which the Group can qualify as environmentally sustainable revenue and activities under the EU taxonomy and Art. 3 and 9 of Regulation (EU) 2020/852.

In the coming years the results of the Group will also depend on the possibilities to carry out the investments and the successful delivery of new projects. The investments of the Group will be focused predominantly on the development of new sites on attractive locations and increasing the sales and market share of Petrol AD, mainly through transformation of the trade sites managed by the Parent company into modern places for complex customer service.

All these investment intentions, however, are linked to the market environment, the intensity of the upcoming risks and the development of the transport sector in the country. In May 2020, the government launched the idea of creating a state-owned enterprise, the State Oil Company, which would operate up to 100 petrol stations located throughout the country, as well as tax warehouses for storing fuels for wholesale trading. The entry of a new player in the fuel market of such a scale in the face of the State will inevitably lead to turbulence in the fuel market and will reflect on the future development of the Group. In 2022, the Government approved a law amending the Law on State Reserves and Wartime Stocks. The amendments to the Bill abolished the State Oil Company. Despite the closure of the State Oil Company, the idea could always be renewed, with serious consequences for market players in the fuel sector.

In 2023, the Group was able to acquire 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 financed entirely with a bank loan, with the financing also including the refinancing of the Parent company'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 filling stations, the repayment plan of the investment loan is with a 10 years maturity with equal monthly principal repayments with no grace period, and this will put a significant strain on Petrol's cash flow in the first few years of the repayment plan, as force majeure or other unforeseen events may make it difficult for the Petrol Group to meet its contractual obligations on time, resulting in adverse consequences for the Group

In 2025, the number of filling stations under franchise agreements is maintained, but following the strategy of expanding market share in the retail market, the Group plans to attract new filling stations under the Petrol flag under the franchise programme. In addition, in the coming years, the Group's management will seek opportunities, through external financing, to build several new service stations in prime locations.

## Outlook (continued)

Regarding the implementation of corporate quality management and environmental standards, in the following year, the Group will continue the installation of energy-saving systems on the existing sites. Additionally, the Group plans to continue the implementation of the investment programs for reconstruction and modernization of the operated retail network.

With the aim of improving the financial position, the Management continues to analyze actively all expenses and to look for hidden reserves for optimization. To increase the efficiency of the main operating activity it is necessary to restructure the storage facilities and to reduce the losses from the storage services.

The Group's Management monitors the emergence of risks and negative consequences following the COVID-19 pandemic and the military conflict between Russia and Ukraine and in the Middle East started on February 28, 2026, currently assessing the possible effects on the assets, liabilities and activities of the Group, striving to comply with contractual commitments, despite the uncertainties and force-majeure circumstances.

Factors relating to climate change and sustainability are expected to have an increasing impact on business operations and lead to changes in business models. The Group is monitoring the processes and taking action to reorganise (see also Non-financial declaration).

Regulation 2020/852 of the European Parliament of June 18, 2020 establishing a framework to facilitate sustainable investments establishes the criteria determining whether an economic activity is classified as environmentally sustainable for the purpose of establishing the environmental sustainability of an investment. Six environmental objectives can be highlighted as defined by the Regulation:

- 1) climate change mitigation;
- 2) adaptation to climate change;
- 3) sustainable use and protection of water and marine resources;
- 4) transition to a circular economy;
- 5) pollution prevention and control;
- 6) protection and restoration of aquatic biodiversity and aquatic ecosystems.

## **NON-FINANCIAL DECLARATION**

The non-financial declaration of the Petrol Group has been prepared in accordance with the reporting requirements of Art. 51 to the Accountancy Act and contains the policies, commitments and supported causes regarding the activities of the Group in the scope of ecology, social policy, human resources, human rights and the fight against corruption.

## **GROUP'S BUSINESS MODEL**

Petrol (the Group) is one of the largest players in the fuels market in Bulgaria. The major activities of the Group include storage, wholesale and retail trading of fuels and other petroleum products. At present, under the Petrol brand operates the most well-developed retail fuel distribution network in the country. As at December 31, 2025, the retail network includes 243 petrol stations operating under the Petrol brand, including trade sites managed by dealer and franchise agreements, evenly spread throughout the country, providing national coverage. In 2025 wholesale trading and fuel storage activities are carried out through purchases from other petrol facilities managed by third parties. For additional information on the business model of the Group, as well as the operational and financial results for 2025, (see the Annual consolidated management report for 2025).

In addition to the Parent company, the Petrol Group includes 22 subsidiaries. Apart from Petrol AD, the other Group companies either do not have active trading activities or these are not directly related to environmental protection, such as the rental of real estate.

In 2025, the subsidiaries Petrol Finance Ltd and Petrol Technologies Ltd were engaged in financial, accounting and information technology services, and in their activities, both companies implemented the Parent company's approved policies on environmental, social and employee issues, respect for human rights, anti-corruption, and anti-bribery.

The subsidiaries included in the consolidation controlled by the Group as at 31 December 31, 2025 and 2024 are as follows:

## NON-FINANCIAL DECLARATION (continued)

Subsidiaries	Operations	31 December 2025 share (%)	31 December 2024 share (%)
VARNA STORAGE LTD	Trade with petrol and petroleum products	100	100
PETROL FINANCE LTD	Financial and accounting services	100	100
ELIT PETROL – LOVECH JSC	Assets management	100	100
LOZEN ASSET JSC	Acquisition, management and exploitation of property	100	100
PETROL PROPERTIES LTD	Real estate trading	100	100
KREMIKOVTSI OIL LTD	Processing, import, export and trading with petroleum products	100	100
SHUMEN STORGE LTD	Processing, import, export and trading with petroleum products	100	100
SVILENGRAD OIL LTD	Processing, import, export and trading with petroleum products	100	100
BULGARIA CARGO RAIL LTD	Export and transportation of fuels and other petroleum products	100	100
CRYSTAL ASSETS TRADE LTD	Real estate management	100	100
CRYSTAL ASSET PROPERTY LTD	Real estate management	100	100
CRYSTAL ASSETS BULGARIA LTD	Real estate management	100	100
PRIMA ASSETS BULGARIA LTD	Real estate management	100	100
PRIMA ASSETS TRADE LTD	Real estate management	100	100
PRIMA CONSULT PROPERTY LTD	Real estate management	100	100
PRIMA LEND PROPERTY LTD	Real estate management	100	100
PETROL OIL RECYCLING LTD	Management, recycling and processing	100	100
SANDANSKI STORAGE LTD	Processing, import, export and trading with petroleum products	100	-
PETROL INVESTMENT JSC	Acquisition, management, exploitation of Real Estate	99.98	99.98
PETROL FINANCES LTD	Financial and accounting services	99.0	99.0
PETROL TECHNOLOGIES LTD	IT services and consultancy	98.8	98.8
PETROL TECHNOLOGY LTD	IT services and consultancy	98.8	98.8
VARNA 2130 LTD	Trade with petrol and petroleum products	-	100
OFFICE ESTATE LTD	Ownership and management of real estates	-	100

## SPECIFIC RISKS FACING THE GROUP

In 2025, the need for measures and actions on climate change continues, with all actors of economic and social life in the form of consumers, governments and businesses making efforts to reduce gas emissions and the greenhouse effect.

In the past reporting year, the global economy and the economy of the country was recovering from the strong negative impact of the military conflict in Ukraine and the started-on February 28, 2026 the conflict in Iran. The war started in 2022 has caused significant damage to economic relations worldwide and particularly on the European continent.

## NON-FINANCIAL DECLARATION (continued)

The suspension of supplies of resources, goods and services, the imposition of sanctions by the European Union, the United States and Canada on Russia to inflict economic damage and force a halt to the war, have threatened both Europe's energy security and its economic recovery in the aftermath of COVID-19.

After several years of turmoil caused by pandemics, war and uncertainty in supply chains, combined with the specific nature of Petrol Group's core business, the Group is challenged to meet the expectations of shareholders, creditors and other stakeholders, while developing its business model in harmony with its surroundings, contributing to the reduction of carbon emissions and overall environmental impact.

In the process of operating petrol stations and petroleum depots and selling fuels, petroleum products and other commodities at wholesale and retail, the Group is charged with the responsibility of addressing the environmental challenges of handling fuels and derived chemicals, minimising the environmental impact of the sale of fuels at wholesale and retail, and reducing the depletion of natural resources.

Long-term sustainable development of the Group will depend on the level of success and progress of Petrol in terms of the forthcoming environmental challenges, as well as the imposition of long-term policies and practices concerning human rights protection, development of human resources, ethical corporate governance and the fight against corruption. Petrol faces the following risks:

- A major challenge facing the Petrol Group is the shift from fossil fuels to alternative energy sources. There is a risk arising from the Group's inability to make the transition from the provision of fossil fuels to the provision of alternative fuels and energy sources for financial and/or other reasons, which will fail to meet the objectives of the European Green Deal, in particular climate change mitigation;
- A rapid imposition of policies and changes to carbon regulations regarding climate change adaptation targets, biodiversity protection and restoration and eco-systems affecting Petrol's operations that result in the unprofitability of Petrol's business processes, the cessation and increase in the Group's environmental compliance costs or the Group's inability to meet the requirements;
- Inability of the Group to meet specific regulations relating to harmful fumes, sustainable use of water resources and pollution prevention and control;
- Risk of Petrol's failure to implement its energy efficiency projects and circular economy and improve its energy balance;

### War conflict between Russia and Ukraine and Middle east

Throughout 2025, military actions in Ukraine continued without interruption, while a number of meetings and initiatives to end the conflict were held. Already upon the inauguration of the Trump administration on 20 January 2025, the United States intensified diplomatic efforts to achieve peace, conducting multiple rounds of negotiations with Russian and Ukrainian representatives; in November 2025, a 28-point American peace plan was presented, providing for NATO-type security guarantees for Ukraine on condition that it relinquishes parts of the occupied eastern territories and its aspiration for NATO membership. As of March 2026, peace negotiations are on hold without an official ceasefire, and analysts assess a 'frozen conflict' without a lasting peace agreement as the more likely scenario for the medium-term horizon.

## NON-FINANCIAL DECLARATION (continued)

The arising military conflict and the imposed by the EU and the US economic, financial, and other sanctions on Russia to end the conflict are blocking the economic activity between the European Union and Russia, restricting the payments and the free movement of people, goods and services, and simultaneously cause significant ubiquitous disruptions on financial markets and non-financial sector. The military conflict has further affected the prices of many goods, resources and services, as Russia is a major exporter of fossil fuels, metals and other resources, and the purpose of sanctions imposed by the European Union and the United States is to limit Russia's economic activity. Fossil fuels are still a major part of the process from the creation to final consumption of almost all goods in the EU, because of which a future uncertainty about prices and availability of fossil fuels and other resources worsens the economic prospects for the EU and Bulgaria in particular.

The military conflict that started at the end of February 2026 in the Middle East between the United States and Israel on one side and Iran on the other, significantly intensifies the conditions and concerns for the spread of the conflict and its negative economic effects on a global scale. From the very beginning of the conflict, it has had a direct impact on the Company's activities and results, affecting international oil prices as a result of geopolitical uncertainty in the region and disrupted supply chains.

In 2025, the European Union adopted a series of new sanctions packages against Russia, including measures against the shadow fleet for transporting Russian oil and additional export restrictions, the extension of port access bans, a ban on the import of refined petroleum products from Russian crude oil manufactured in third countries (eliminating circumvention through third countries), and the suspension of derogations for Rosneft and Gazprom Neft. In early 2026, the Council of the EU gave its final approval for the phased ban on imports of Russian natural gas into the European Union.

A significant event from the perspective of the oil market in Bulgaria was the sanction imposed by the US Department of the Treasury (OFAC) on 22 October 2025 against LUKOIL. On 17 November 2025, the management of Lukoil Neftochim Burgas AD – the country's sole oil refinery – and of the other LUKOIL group companies in Bulgaria was transferred to an independent administrator, as LUKOIL announced its intention to sell its Bulgarian assets.

At the end of 2023, following long political discussions, with the adoption by the National Assembly of the Law amending and supplementing the Law on Control over the Application of 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 was prohibited from 1 March 2024.

This prohibition is in force for the entire period of 2025. The Lukoil Neftochim Burgas refinery was already in the process of diversifying supplies from alternative sources such as Kazakhstan, Iraq and Tunisia, prior to the transition to management by an independent administrator. The aforementioned sanctions and regulatory changes primarily affect the wholesale supply of petroleum products in the country and indirectly impact the pricing environment in which the Group operates. In 2025, the Group achieved an increase in fuel wholesale revenues, which increased to BGN 22,696 thousand compared to BGN 16,880 thousand for the comparative period, as a result of higher wholesale fuel sales in 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 ensure fuel consumption, the management of the Company believes that in the short term no disruptions are to be expected that would lead to significant losses for Petrol AD. Nevertheless, with ongoing military conflicts in regions close to Bulgaria, there is a risk of escalation and deepening with subsequent destructive consequences. Changes in the structure of the oil market in Bulgaria – with the Lukoil Neftochim Burgas refinery transitioning to management by an independent administrator and a subsequent change of ownership – may lead to temporary instability in supply and changes in pricing conditions.

## **NON-FINANCIAL DECLARATION (continued)**

Bulgaria's membership of the eurozone from 1 January 2026 brings long-term benefits from price stability and the elimination of exchange rate risk, but may in the short term generate inflationary pressure and speculation. The management of the Company closely monitors the development of all these factors and takes timely measures to manage the related risks. As the major activity of the Group is the trade of fuels and other petroleum products, a sustained increase in fossil fuel prices on global markets will have a negative impact on the Group's sales, leading to significant losses and a deterioration of the Group's financial position and operating results.

The constantly changing geopolitical environment and the sanctions imposed on Russia may lead to the speculative creation of a fuel shortage in the country and problems for the Group in securing its sales, with a risk of closure of trading sites, a transition to a temporary operating regime and other negative consequences. To respond to this scenario, the management of the Group is exploring the possibility of importing fuels from third countries, and to this end a credit line with a financial institution was signed in 2026 for the future securing and guaranteeing of fuel imports, thereby reducing potential future consequences for the Group from disrupted supply chains, the military conflict in the Middle East, and the sanctions imposed by the EU and USA on Russia and their reciprocal measures.

Petrol AD does not conduct economic activities in Ukraine, Russia or the Middle East and does not suffer direct negative consequences from the military conflicts in those territories. In response to the complex economic and geopolitical situation, the Company is taking steps to optimize costs and diversify the products and services it offers to its customers, while also mitigating climate change, reducing its carbon footprint, and minimizing the waste generated by its operations.

The military conflict in the Middle East, and specifically in the Gaza Strip, is not currently having an impact on the Group's activities and results. In 2025, the Group achieved an increase in revenues from wholesale fuel sales, which increased to BGN 22,696 thousand (EUR 11,604 thousand) compared to BGN 16,880 thousand (EUR 8,631 thousand) for the comparative period.

In response to the complex economic and geopolitical environment, the Group is taking steps to optimise costs and diversify the products and services offered to its customers, while simultaneously mitigating climate change, reducing its carbon footprint and the waste generated by its operations. One of the projects in this direction is the establishment of the first chain of self-service locations in the country, which offer customers an alternative to the standard service, reduce the carbon footprint, including electricity, heating and water consumption and waste, while at the same time meeting customer needs and demand.

As at December 31, 2025, the Group operates 45 full or partial self-service locations, with their number having doubled in the past year alone. The Group's plans are for the number of locations to continue to grow over the coming years. With the project and processes undertaken by Petrol AD in connection with the self-service location chain, the Group will respond to the change in consumer demand and the new challenges posed by COVID-19, the war in Ukraine and Iran, and the increase in operating costs over the years.

The following table shows the effect in terms of total costs, including materials, electricity, water, stationery and other raw materials, of restructuring the sites to self-service or hybrid type for the last three reporting periods. Although site restructuring does not fall directly within the EU taxonomy, it is undeniable that the changes to the operation of these service stations have contributed to climate change mitigation, emissions reduction, waste reduction and resource consumption and should be considered in the overall context of the European Green Deal objectives. Figures are at face value and do not further measure the effect of inflation:

## NON-FINANCIAL DECLARATION (continued)

	2025	2024	2023	2022	2021
<b>Operating expenses (OpeX), в т.ч.</b>	3,910,226	4,090,510	4,406,747	4,117,418	3,682,117
<b>Material and consumable expenses</b>	425,071	374,191	433,148	654,549	413,212
<b>Deviation OpeX t-(t-1)</b>	-4%	-7%	7%	12%	
<b>Deviation of materials t-(t-1)</b>	14%	-14%	-34%	58%	
<b>Deviation OpeX t-(t-2)</b>	6%	11%	20%		
<b>Deviation of materials t-(t-2)</b>	3%	-9%	5%		

## STRATEGIC OBJECTIVES OF PETROL CONCERNING THE ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Petrol Group continues to set ambitious goals and develop its long-term strategic goals, namely:

- To pass successfully the energy transition, meeting the requirements of society for a cleaner, sustainable and competitive environment;
- To make a positive social contribution to society by providing its products, services and business operations;
- To create high added value for its shareholders, customers and other stakeholders, by maintaining a high ethical corporate culture, development and technological progress, and responsibility to society with a minimum carbon footprint;

### ENVIRONMENTAL COMMITMENTS

The Group's intention is to continue to ensure environmental compliance and pollution prevention in advance of regulatory requirements.

- Prevent and control pollution and mitigate climate change by reducing harmful emissions and fumes from the Group's operations;
- Contributing to a sustainable energy future, and adapting to climate change in the energy transition process to deliver cleaner and more competitive fuels;
- Climate change mitigation and sustainable use of natural resources in the conduct of the Group's business;
- Introduce activities and processes in the transition to a circular economy;
- Conservation and restoration of biodiversity and ecosystems;

As a socially responsible organization, Petrol Group continues to take actions and measures to improve the climate impact and reduce the carbon footprint associated with the Group.

Following its privatisation in 1999, the Parent company Petrol AD started the implementation of an investment program aimed to bring the Group's facilities in line with the requirements of the best environmental practices in the European Union. The Group's operations include a number of activities which are governed by the environmental or health and safety laws in Bulgaria, which also cover historic environmental commitments associated with past environmental damage, storage and trading with petroleum products, soil and groundwater contamination, waste management, water supply, waste water management, atmospheric emissions, use and disposal of hazardous materials, land use and planning requirements, including public issues, associated with the development of new green field retail stations.

## NON-FINANCIAL DECLARATION (continued)

The principal legislation acts in Bulgaria, which set out the framework for environmental protection and sustainable development, are the Environment Protection Act, the Water Act, the Waste Management Act, the Air Purity Act, the Soil Protection Act, the Underground Resources Act, RESA and various regulations on their implementation. As part of Bulgaria's preparation for accession to the European Union, each of these acts has been brought into line with the European Union standards, with the new standards being phased in over time. Any failure by Petrol AD or its subsidiaries to comply with such acts may be a ground for civil and/or administrative liability.

Regarding the Group's petrol stations, the Bulgarian law requires that air, water, land and noise emissions are monitored and recorded, and processes established for minimizing such emissions and rendering them harmless. The following are monitored pursuant to these obligations:

- Air emissions are monitored for dust, hydrogen sulphide, sulphurous dioxide, nitrogen dioxide, lead aerosols, ammonia, carbonic acid and hydrocarbon;
- Water emissions are monitored for temperature, pH, dissolved oxygen, conductance, turbidity, phosphates, copper, zinc, lead and oil products;
- Surrounding soil is monitored for pH, nitrate nitrogen, copper, chlorides, phosphates, zinc, lead and oil products; and
- Noise levels are monitored.

During the past period the following actions have been performed and taken in compliance with the requirements for environmental protection and mitigation of the effect on the climate:

- Organizing and controlling the implementation of scheduled fuel quality checks at petrol stations, when customers complain about the quality, when fuels are withdrawn for cleaning and tank surveys. Timely measures and actions were taken when non-compliances were identified;
- In accordance with regulatory requirements, annual reports on production or hazardous waste generated at the Group's retail petrol stations for 2025 were prepared and submitted to the Executive Environmental Agency in a timely manner;
- Recalibration of tanks has been organised and new calibration tables issued for expired sites;
- Declarations under Art. 194 b of the Water Act have been sent to all Basin Directorates for all petrol stations that have drilling wells;
- The data on the consumed quantities of water for the period January-December 2025 have been sent to all Basin Directorates, according to the requirements of the Law;
- In compliance with the requirements (EC) № 517/2014 for fluorinated greenhouse gases, information was submitted on fluorinated greenhouse gases and ozone-depleting substances for Petrol Group sites to all Regional Inspections of Environment and Water (RIEW) in the country;
- Reports have been prepared and submitted to the National Statistical Institute for Emission Sources in 2025;
- An inspection of the petrol vapour recovery systems at all petrol stations has been organised;
- Prepared for periodic technical inspections of AGSS and GI installations with all state fees paid for them.

## NON-FINANCIAL DECLARATION (continued)

The Petrol Group conducts its operations in compliance with all material aspects of environmental requirements that are currently applicable to the Group's operations. The management of Petrol Group believes that, following the planned additional investments, the Group will continue to meet future environmental requirements. Management's intentions are that the Petrol Group's operations will continue to comply with environmental requirements in the future, preventing environmental pollution ahead of regulatory requirements.

<b>Major directions and actions taken by Petrol for environmental protection</b>	<b>Activities</b>	<b>Stage</b>
Prevent and control pollution and mitigate climate change by reducing harmful emissions and fumes from the Group's operations	Energy savings	In process
	Installation of systems for capturing harmful emissions in trade sites	Finished
	Installation of systems for capturing harmful emissions in storage depots	Finished
	Repair and replacement of technical equipment	In progress
	Using electricity from renewable sources	In progress
Contributing to a sustainable energy future, and adapting to climate change in the energy transition process to deliver cleaner and more competitive fuels	Promotion and enforcement of low carbon fuels and increasing their share in total fuels sales	In progress
	Installation of charging power stations	In progress
	Internal quality control	Finished
	Using electricity from renewable sources	In progress
Climate change mitigation and sustainable use of natural resources in the conduct of the Group's business;	Replacement of the regular lighting at petrol stations with energy-saving lighting and other electricity devices	Finished/ in progress
	ISO certification	Finished
	Automation of processes in Petrol Group	In progress
	Digitization of documents flow in Petrol Group	In progress
Introduce activities and processes in the transition to a circular economy	Repair and recycling of technical equipment	In progress
Conservation and restoration of biodiversity and ecosystems	N/A	

## NON-FINANCIAL DECLARATION (continued)

### ENERGY SAVINGS

The adopted amendments to the Energy Efficiency Act (EEA), effective from 12.03.2021, transpose the requirements of Directive 2012/27/EU on energy efficiency, as amended by Directive (EU) 2018/2002, including the requirements for setting a National Cumulative Energy End-Use Savings Target for the period 2021-2030 and its implementation through the Energy Efficiency Obligation Scheme and alternative measures. In this regard, the Parent Company shall submit annually to the Agency for Sustainable Energy Development of the Republic of Bulgaria (ASED) a report on the measures and results of the energy savings implemented audited by a licensed external auditor.

The following table presents the audited results for 2021 and 2025 with proven savings for energy efficiency improvements under the Energy Savings through Fuel Additives in Internal Combustion Engines

The Agency for Sustainable Energy Development annually issues an energy savings certificate for the measure for the use of fuel additives in internal combustion engine fuels for the targets achieved and the energy savings realised. The table below presents the data from the certificates received by Petrol for the period 2021-2025, which correspond to the audited results.

MEASURE DATA				PROVEN SAVINGS		
№	NAME	ENTRY DATE	PERIOD (LIFE)	TOTAL ENERGY	PRIMARY ENERGY	EMISSIONS CO2
		Dd/mm/yyyy	year	MWh/year	MWh/year	t COg/year
1	MEASURE 1 - USE OF FUEL ADDITIVES IN COMBUSTION ENGINE FUELS	31.12.2021	1	32,587.52	35,846.27	8,632.03
2	MEASURE 1 - USE OF FUEL ADDITIVES IN COMBUSTION ENGINE FUELS	31.12.2022	1	27,249.09	29,974.00	7,273.24
3	MEASURE 1 - USE OF FUEL ADDITIVES IN COMBUSTION ENGINE FUELS	31.12.2023	1	35,045.91	38,550.50	10,163.31
4	MEASURE 1 - USE OF FUEL ADDITIVES IN COMBUSTION ENGINE FUELS	31.12.2024	1	33,935.66	37,329.23	9,841.34
5	MEASURE 1 - USE OF FUEL ADDITIVES IN COMBUSTION ENGINE FUELS	31.12.2025	1	34,529.58	37,982.54	10,013.58
Π+1.			<b>TOTAL</b>	<b>163,347.76</b>	<b>179,682.54</b>	<b>45,923.50</b>

## NON-FINANCIAL DECLARATION (continued)

Pursuant to Delegated Regulation (EU) 2021/2178, in conjunction with Art. 8 of Regulation (EU) 2020/852 of the European Commission from 01.01.2022, companies obliged to submit a non-financial statement pursuant to Art. 19a and Art. 29a of Directive 32013/34/EU should include in it how and to what extent the activities of the Parent company/Group are related to economic activities that qualify as environmentally sustainable pursuant to Art. 3 and Art.9 of Regulation (EU) 2020/852.

As the core business of the Petrol Group is the storage and wholesale and retail trading of fossil fuels and petroleum products, the Group is in the process of analysing and reviewing the economic activities and processes that fall under the first two groups of objectives - climate change mitigation and climate change adaptation, effective from January 1, 2022. Currently, approximately 90% of the Group's operating income is driven by revenue from wholesale and retail sales of fuels.

The parameters of the taxonomy eligible activities are shown in the following table, with revenues including charging station revenues, emissions sales revenues and AdBlue sales revenues. Although AdBlue itself is not explicitly covered by the EU Taxonomy Regulation, its use contributes indirectly to environmental objectives by reducing air pollution from diesel engines. While the distribution of AdBlue itself is not explicitly covered by the EU Taxonomy Regulation, its role in reducing emissions and promoting cleaner air is in line with wider sustainability objectives.

Investors and stakeholders should consider the environmental impact of AdBlue activities in the context of sustainable investment practices. As at the date of these financial statements, operating expenses and capital expenditures are difficult to separate with sufficient confidence into eligible and non-eligible, thus for conservatism we show them ineligible for the taxonomy in the current disclosure.

The Group is in the process of analysing and planning its activities and preparing a roadmap in relation to the Delegated Regulation 2023/2772 of 31.07.2023 adopted by the European Commission to supplement the European Parliament Directive 2013/34 on the reporting of financial and non-financial information on sustainability, and the upcoming ESG reporting requirements and obligations that will arise for the Group.

Indicator	2025	2024	2023	2022	2021
Total Eligible revenue as a share of total revenue	0.3%	0.3%	0.3%	0.2%	0.15%
Taxonomy non-eligible revenue	99.7%	99.7%	99.7%	99.8%	99.85%
Total Eligible OpeX as a share of total expenses	0.00%	0.00%	0.00%	0.00%	0.00%
Taxonomy non-eligible OpeX	100.00%	100.00%	100.00%	100.00%	100.00%
Total Eligible CaPeX as a share of total expenses	0.00%	0.00%	0.00%	0.00%	0.00%
Total non-eligible CaPex	100.00%	100.00%	100.00%	100.00%	100.00%

## REGENERATION OF VOLATILE ORGANIC COMPOUNDS EMISSIONS

One of the major areas in which the Group has invested, and will continue to invest, is the meeting of the Bulgarian and European Union requirements for the control of volatile organic compounds (known as VOCs). VOCs are compounds containing carbon that evaporate into the air, such as vapour arising from certain petroleum products. European Union Directive 94/63/EC Directive on VOCs emissions resulting from storage and distribution of petrol set limits on the permitted levels of such emissions.

## **NON-FINANCIAL DECLARATION (continued)**

The Directive has been implemented in Bulgarian legislation in the form of Ordinance No 16 dated August 12, 1999, which limits the emissions of VOCs connected with the storage, loading or unloading and transportation of gasolines. In response to these requirements, all trade sites managed by the Group are equipped with systems for capturing harmful vapours, fully complying with legislative requirements for environmental protection. The Group continuously invests in the renewal of the vapours recovery utilities (VRU) in the retail trade sites in accordance with the requirements of Ordinance No 16.

The legal acts set up very strict requirements to fuel stations, fuel storage terminals, and fuel tank trucks. Pursuant to these standards, the tanks of fuel stations are made with double walls willed with inert liquid. The Group installed level measuring systems reacting to the slightest changes in the level of fuel, as well as systems for sending vapours back into the fuel tank truck during unloading of the fuel. Therefore, all dangers of fuel leaks and pollution with carbon oxides are minimized.

For the Group to be in line with the environmental criteria, the loading and storage terminals are currently being reconstructed. Floating roofs limiting the vapours to a minimum are installed, new mounting platforms for down filling of fuel trucks and vapour recovery system are built. Petrol's management will continue to make additional investments in its retail and fuel storage facilities in the coming years in accordance with EU and the Volatile Organic Compounds (VOC) emission control requirements.

## **REPLACEMENT AND REPAIR OF TECHNICAL EQUIPMENT**

In order to mitigate climate change and reduce the impact of the Group's activities on the environment, Petrol Group continues the activities of renewal and inspection of the technical facilities serving the commercial sites - gas stations and oil depots managed by the Group. The following activities were carried out under the program "Renewal and monitoring of the technical base" in 2025:

### *Gas technology facilities*

- Major overhaul of gas flowmeters together with spare parts;
- Carried out repairs with grinding of cylinder liners and cuffs for finishing of Tokheim flowmeters "Petrolmechanika", "Schwalm" and "FAS 22501" and "FAS 22900";
- Gas Installations and Automobile Gas Filling Stations are prepared for periodic technical inspections;
- Petrol stations are prepared for 4 and 8 year inspection of pressure vessels;
- SIHI gas pumps were repaired;

### *Refrigeration and air conditioning systems*

In 2025 the annual reports to the respective RIEWs on the used freon quantities for the sites containing more than 3 kg CFCs were performed and delivered in accordance with the Regulations. According to Ordinance №1 of 2017 the Ministry of Environment and Water and the Ministry of Internal Affairs made the respective reports with information on:

- Purchased quantities of CFCs in 2025;
- Spent / invested / CFCs for each petrol station;
- Information on who used the substances, reason, certificate of the person;
- Creation of a new form of report according to the Ordinance;
- Submission of information to the Regional RIEWs by 01.03.2026.

## NON-FINANCIAL DECLARATION (continued)

For all reconstructed petrol stations with installations containing over 3 kg. FIGs/Fluorinated greenhouse gases / and over 5 kg tCO<sub>2</sub> equivalent were prepared Annual Reports of each site for 2024 / Operators of the equipment / and handed over to the Regional RIEWs by 01.03.2026 in timely manner.

### *Operation of refrigeration and air conditioning systems in winter / summer mode*

- In order to mitigate climate change and conserve resources, and in particular to optimize electricity consumption, the additional 15 kW and 25 kW electric heaters for commercial heating were limited;
- In order to prevent and control pollution from the Group's activities, the air conditioners used by the companies in the Group are recycled and serviced and put back into use, reducing waste to a minimum;
- Seasonal prevention and preparation of the installations for operation in summer / winter mode of all trade sites in the country and repairs where necessary, in order to optimal consumption and operation of the facilities;
- Newly purchased air conditioners have a minimum electricity consumption of 12,000 btu and 18,000 btu.

## PROMOTION AND ADVERTISING OF LOW CARBON FUEL FUELS

As a result of the widespread usage of diesel vehicles and the need for reduction the harmful emissions from the sales of fuels for internal combustion engines, Petrol Group continues to develop the AdBlue program, constantly increasing the number of petrol stations with AdBlue dispensers installed for easy refueling of the AdBlue fuel additive for the processing of exhaust gases during the operation of diesel vehicles. AdBlue, also known as diesel exhaust fluid (DEF), is a solution used in selective catalytic reduction (SCR) systems in diesel vehicles. It helps reduce nitrogen oxide (NO<sub>x</sub>) emissions by converting them to harmless nitrogen and water vapor.

Although AdBlue itself is not explicitly covered by the EU Taxonomy Regulation, its use contributes indirectly to environmental objectives by reducing air pollution from diesel engines and its role in reducing emissions and promoting cleaner air is in line with the wider sustainability objectives of the European Green Deal. Investors and stakeholders should consider the environmental impact of AdBlue activities in the context of sustainable investment practices.

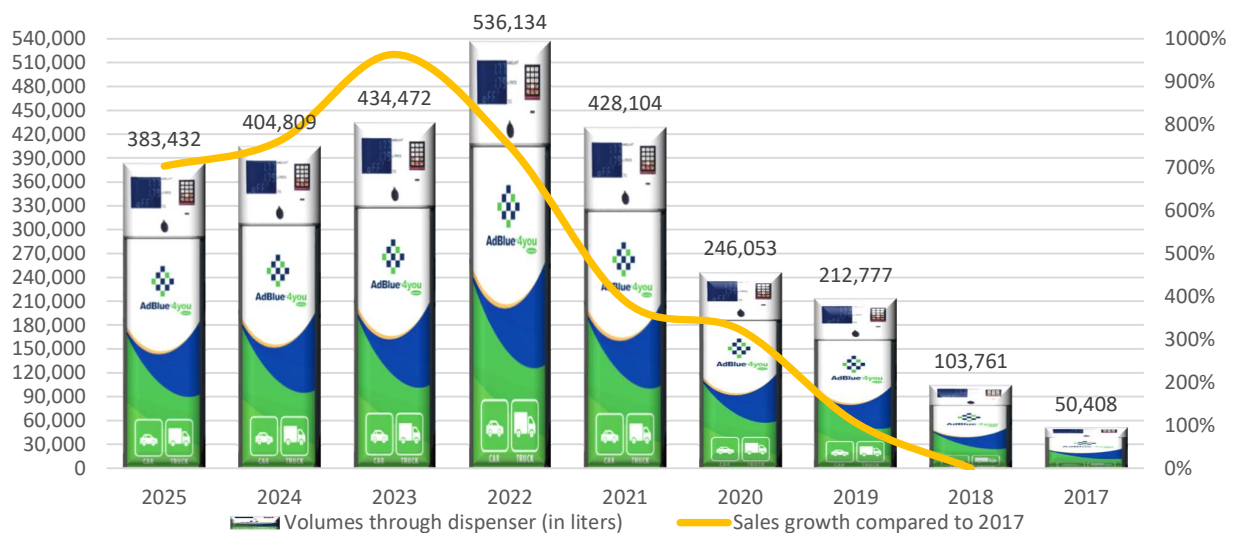


## NON-FINANCIAL DECLARATION (continued)

As at December 31, 2025 Petrol manages 15 trade sites at key locations with AdBlue dispensers. For the period 2017 - 2025 AdBlue's sales of installed speakers have increased nearly sevenfold, reducing environmental emissions.

AdBlue sales table for the period 2017 – 2025

AdBlue/Year	2025	2024	2023	2022	2021	2020	2019	2018	2017
Volumes through dispenser (in liters)	383,432	404,809	434,472	536,134	428,104	246,053	212,777	103,761	50,408
Sales growth compared to previous year	-5%	-7%	-19%	25%	74%	16%	105%	106%	
Sales growth compared to 2017	661%	703%	762%	964%	749%	388%	322%	106%	0
Share of AdBlue revenue to Total revenue	0.3%	0.3%	0.3%	0.2%	0.1%				
AdBlue revenue (BGN'000)	1,333	1,348.43	1,428	1,688	715				
Total net revenue	482,894	499,973	549,817	775,970	493,241	385,170	531,396	520,218	474,597



In addition to the locations with installed dispensers for AdBlue sales, 198 petrol stations operated by Petrol offer AdBlue liquid reagent in various types of packaging. As a result of the actions taken in the last years, as of December 31, 2025 the Group managed to get 90% of the trade sites to be able to sell the environmentally friendly AdBlue additive.

In recent years the Petrol Group has also made efforts to promote and expand sales of low-carbon fuels, namely LPG and methane gas, seeking new sales and distribution channels while developing and expanding existing ones. Through marketing campaigns, promotions, additional discounts, etc., as well as seeking new customers, and despite a difficult year for Petrol AD as a result of the war in Ukraine and the effects of the pandemic.

## NON-FINANCIAL DECLARATION (continued)

### FUEL ALTERNATIVES - RECHARGE POINT



The management of the Petrol Group believes that the growth of renewable energy sources, such as solar and wind, is crucial for a cleaner energy future in which people and nature interact in harmony. Petrol Group is taking action to deal with its own emissions and help customers reduce their own carbon footprint.

With the development of the energy system, our business strategy is also evolving to provide the right portfolio of products and services that our customers need. In the coming years, consumers will continue to use oil and gas for their own needs, but more and more electricity will be powered by low-carbon electricity.

Part of the process of transition and change of the Group's business model to a more sustainable and cleaner environment is the "Recharge Point" program, on which Petrol is working. Petrol is negotiating with various suppliers and contractors in search of the most correct way to implement the project. The recharge stations are installed in 13 key locations for our customers.

Petrol's ambition for the years to come is to be able to provide enough space for charging electric vehicles, so that we can meet the expectations of our customers and improve the energy balance of our operations.



### QUALITY CONTROL

The introduced Group's technical and environmental standards in Petrol's petrol stations fully meet the mandatory requirements of the European Union. The petrol stations keep fuels in compliance with all technological standards, in accordance with the accepted quality standards. The Group's management relies on the high quality of the fuels sold. The Group's policy excludes any trade-offs with technology and environmental standards. The petrol stations comply with all current regulations and with the best European and international practices.

The uncompromising quality of the fuels offered is guaranteed by the laboratories for constant quality control of the oil products. All managed petrol stations are inspected several times a year by fuel quality specialists. The company works closely with several government institutions in the field of quality control of liquid fuels.

## **NON-FINANCIAL DECLARATION (continued)**

### *Metrology and quality control of liquid fuels*

The following activities were performed during the period:

- Organizing and controlling the implementation of metrological inspections of gasoline and diesel stations, LPG and methane stations and level measuring systems - initial, periodic and after repair;
- Control of the implementation of monthly departmental metrological inspections of LPG stations, as well as assignment of additional inspections together with the Bulgarian Institute of Meteorology and National Revenue Agency;
- Recalibration of the tanks and issuance of new calibration tables for the expired sites was organized;
- The replacement of calibration tables for measurement systems whose tables had expired was organized;

## **ISO CERTIFICATION**

In December 2004, the Management Board of the Group decided to obtain ISO certifications for quality management standards under ISO 9001:2000 and environmental management system under ISO 14001:1996. This intention confirms the commitment of the Management to implement the best European practices in process management. This process includes the preparation, documentation and implementation of written rules and procedures and an audit of the procedures by an independent third party.

On October 11, 2007 Petrol AD successfully received certificate under ISO 9001:2000. In September 2010 Petrol AD and its subsidiaries successfully passed certification under ISO 9001:2008. At present the Parent company of the Group has a certificate for ISO 9001:2015 received on September 5, 2018.

During 2025, ongoing monitoring of compliance with the established rules in accordance with the standard and the Quality Management System (QMS) was carried out. Preparations have been made for the 2025 control audit.

## NON-FINANCIAL DECLARATION (continued)

### HUMAN RESOURCE MANAGEMENT

*Information according to art. 48, para 1 and para 2 of the Accounting Act*

The Management believes that the employees of the Group play a key role in the development of the business and the achievement of common corporate goals and pays special attention to the elaboration and development of a general strategy and policies regarding human resource management.

The policies in this field are oriented towards achieving of responsibility and commitment of the personnel during its performance of assigned tasks and goals. Simultaneously the senior executive staff makes efforts to support the mid-level management and the employees in order to fulfil the Group's Management priorities.

The goals of the human resources development strategy and policies are:

- Keeping the employees with a high potential and assisting their professional growth by planning their careers and introducing bonus package systems;
- Selection of new employees with significant potential and result-oriented personality;
- Broadening the scope of the traineeship programmes;
- Improvement of communications between the separate organizational bodies;
- Development and introducing of new systems for career management of the key employees;
- Development of a programme for introducing training for newly employed personnel.

The Group applies adequate criteria for selection of personnel and has a professional and motivated team, which can pursue the defined strategic and operational goals. An organization network has been created for fair evaluation of the personnel's individual and collective contribution, as well as for evaluation of its content grade. Petrol Group invests in its employees by offering them appropriate training programs to help them develop the necessary professional and leadership skills.

The Group's policy is oriented towards providing of safe and healthy working conditions, adequate remuneration and motivation system, and opportunities for professional growth.

Highly qualified and informed personnel is essential for the successful integration into the Group's internal control and risk management systems. In this regard, the subsidiary Petrol Finance OOD was established and specialized in providing financial services. In order to provide quality financial services, employees of the subsidiary twice a year take part in tax and accounting seminars.

At the end of the current period, the number of Petrol Group employees was 859.

### PROCESS AUTOMATION AND DIGITALIZATION OF DOCUMENTS FLOW

Petrol Group is committed to preserve the planet's resources. To reduce paper consumption in the operations, the Group has launched a program for digitalization of document flow in the operations of the Group, which will minimize the consumption of paper in offices and retail petrol stations. For this purpose, a working group was formed for evaluation and selection of Group software for management, analysis and optimization of the resources spent in the operating and business processes, which will be a supplement to the ERP system used by the Group.

## **NON-FINANCIAL DECLARATION (continued)**

At the same time, the policies and rules approved by the Management of the Parent company for automation of the processes of information transfer and document circulation embrace the daily operations of the employees in the separate departments and ease the correspondence between employees and departments, facilitating analysis and evaluation of business processes and information flows in the Group. The process of internal control and risk management goes through the following stages:

- Risk identification - performed through a system of control and monitoring of the internal Group environment for potential risks and errors;
- Analysis and assessment of the risks - creating of risk matrixes including scenarios of future assessment scenarios of the effects of the separate scenarios, as well as preparation of reports with proposals for the opportunities for their overcoming;
- Taking measures to avoid and prevent potential risks - practical implementation of the prepared proposals for action based on risk analysis and assessment.

The management of the Petrol Group is directly involved in the process of controlling and managing the risks related to the financial reporting and business processes of the Group. Daily cooperation, holding workshops and meetings with employees at the managerial level improves the climate and the working environment, increasing the efficiency and economic expediency of the work process.

## **USE OF ELECTRICITY FROM RENEWABLE SOURCES**

Two of the petrol stations managed by the Group have photovoltaic panels installed, the electricity from which the Petrol Group uses in its operations. This process of installing facilities for the generation and consumption of electricity from renewable sources is ongoing, and it is expected that such facilities will be installed at other petrol stations and storage depots lots.

## **SAFE WORKING ENVIRONMENT**

Petrol focuses on maintaining the safety of personnel and respect for human rights, carefully analyzing and assessing the threats and risks to society and employees from our activities and operations. Petrol operates in close cooperation with government institutions and contractors to provide a safe working environment for our employees and partners. The pandemic caused by COVID-19 which hit the world in 2020, clearly showed the need for corporate responsibility and human protection. By timely creating of precise rules and organization of work, providing safety equipment and consumables for all employees of the Group and performing constant internal control, Petrol managed to protect maximally its employees and customers from the rapidly developing pandemic.

To minimize the spread of the virus and preserve the health of Petrol's employees and society, the actions taken by Petrol Group include:

- Free rapid tests for the administration and risk locations in order to quickly locate the infection and stop its spread;
- Providing protective equipment to all employees and locations where the Group operates;
- Daily disinfection, including by ultraviolet antibacterial irradiation with bactericidal lamps;
- Creating safe working environment and organization for remote work;

## **NON-FINANCIAL DECLARATION (continued)**

All employees of the Group are insured against general illness and working accidents and some employees are provided with annual preventive medical examinations in order to monitor the health status of employees in the Group.

The number of employees at the end of each of the previous periods is as follows:

- As at December 31, 2025 – 859 employees;
- As at December 31, 2024 – 859 employees;
- As at December 31, 2023 – 939 employees;

In relation to the occupational health and safety and occupational medicine of Petrol Group employees, the following activities were carried out in 2025:

- Eight inspections of the State General Labour Inspectorate were carried out for the head office and the petrol stations operated by the Group in the country. With respect to compliance with Health and Safe Working Conditions Act (HSWCA) requirements, no acts of administrative penalties were received from SG Labour Inspectorate inspections;
- Preparation of the annual list of the Group's employment placements as required by the Disability Act and the Labour Code. Preparation of protocols for employment of employees with permanently reduced working capacity;
- Preparation of the necessary documentation for the acceptance of petrol stations by partners under dealer contracts with the Group, including risk assessments, measurement protocols of work environment factors, training of new outlet managers and regional managers;
- Preparation and submission of the annual analysis of the incidence of temporary disability for 2025 using an automated software product;
- Preparation of letters and statements to the National Expert Medical Commission and Territory Expert Medical Commission in relation to appeals against expert decisions of three employees of the Group;
- Participation in Safe Working Conditions Act (HSWCA) seminars and trainings on conducting instruction and safety at work on behalf of the companies part of the Petrol Group;
- Updating of orders, instructions and a plan of action for the ongoing epidemic situation for the Parent Company and Group subsidiaries;
- Involvement in the update of the Petrol Station Management Policy concerning the Health and Safety section in working with fuels;
- Training of the managers of the Group's petrol stations to reduce accidents and temporary and permanent disability of the Group's employees;
- Assistance with appeals against employees' sick leaves;

Relations between the Management Board and the union employees' organization - no collective agreement has been signed.

## **SOCIAL POLICY AND SUPPORTED CAUSES BY PETROL**

The functioning social policy (SP) of Petrol Group has been developed in two major directions. The first direction focuses on the intra-group social relationships with the employees with the primary goal of increasing employee and company benefits of interacting with each other.

## **NON-FINANCIAL DECLARATION (continued)**

The second direction of the social policy is focused on the external environment and in particular on social interaction possibilities of the Group with external social subjects. The social policy is fundamental in the business development strategy of the Petrol Group, because the Management of the Parent company believes that the care for the employees is a care for the company. The social policy of Petrol AD constitutes a set of measures and objectives, which regulate the social relationships between the Company and the employees by joining their efforts in the united social goals.

The Management has adopted a practice to develop a SP together with its employees, thus ensuring feedback and guaranteeing the effectiveness of the adopted measures and social policies. The scope of Petrol Group's SP includes the remunerations policy, selection of employees and opportunities for personnel development, providing of adequate information and technology working conditions, participation in trainings and seminars, selection of holidays and opportunities for flexible working conditions appropriate for the needs and specifics of the particular employee.

The Social policy of the Group is built in compliance with the long-term relationships between the companies in the Group and the employees, outlining the perspectives of every particular employee in the overall development vision of the Group. (*see also Human resources*).

At the same time, the Group's Management supports various forums and events of social significance to society. During the reporting period, the Group has financed by donation a number of institutions, initiatives and causes, including the Bulgarian Rhythmic Gymnastics Federation and others. The Group systematically provides financial support to people in need mainly related to medical treatment in the country and abroad and purchase of medicines. In the last several years the Petrol Group participated in several events and social projects, including events organized by the Bulgarian Rhythmic Gymnastics Federation and the Bulgarian Automotive Industry.

## **ANTI-CORRUPTION POLICIES AND PRACTICES**

The anti-corruption policy has been developed as a continuation and development of the internal regulations and organization of the Group, in its part for anti-corruption and corruption-related activities, which are also included in the Code of Ethics of the Group. In its development are followed the generally valid rules, principles and definitions of:

- "Civil Convention on Corruption" of the Council of Europe, ratified by the National Assembly of the Republic of Bulgaria in 2000;
- Art. 12 of the "UN Convention against Corruption", ratified by the National Assembly of the Republic of Bulgaria in 2006.

The anti-corruption policy is applied in addition to the existing and applicable in the Group internal work rules, policies and, the internal labor orders, as well as in accordance with the current Bulgarian legislation and regulations relating to corruption.

The developed policy of Petrol Group does not tolerate and distinguishes itself from all types of corruption and bribery, creating an environment of intolerance to corruption and practices. Through the introduced systems for internal control and risk management, the Group controls the activities of its employees and partners, assessing the ethical behavior and reliability of each business partner or employee.

## NON-FINANCIAL DECLARATION (continued)

The scope of the Policy includes:

- The members of the management bodies and the operational management of the Group;
- The Group's relations with state and local administration, political parties and public organizations, politicians and public figures, media, service providers and suppliers, consultants, subcontractors, contractors;
- The employees of the Group and the relations between them;
- The Group's relations with third parties or its employees that have resulted in corrupt practices.

The policy is applicable to all types of corrupt practices, including but not limited to:

- Active bribery - giving, promising or offering a bribe;
- Passive bribery - requesting, agreeing to receive or accept a bribe;
- Bribery of a public or civil servant;
- Unjust enrichment - misuse of the Group's assets and unregulated personal use of goods and assets.

## TAKEN ACTIONS ON DELEGATED REGULATION 2023/2772

In connection with the adoption by the European Commission of Delegated Regulation 2023/2772 of 31 July 2023 supplementing Directive 2013/34 of the European Parliament on the reporting of financial and non-financial information on sustainability, and the upcoming ESG reporting requirements and obligations that will arise for the Group under the Corporate Sustainability Reporting Directive (CSRD), the Petrol Group has undertaken a series of actions, including planning internal meetings, negotiations with external consultants, including the solicitation of bids, and discussion of plan schedules. In organizing the inter-company meetings, employees from the finance department, accounting and controlling, management representative, technical department and legal team serving the Parent company/Group are involved. Preparations for sustainability reporting include the following roadmap of actions:

## NON-FINANCIAL DECLARATION (continued)

### **I. First and second quarter of 2026** - Preparation and familiarization with the requirements of the Regulations concerning the Petrol Group's activities

- a. Familiarization with new sustainability reporting standards, including the European Sustainability Reporting Standards (ESRS) published under the Corporate Sustainability Reporting Directive (CSRD);
- b. Identification of key stakeholders within the Group responsible for ESG reporting;
- c. Arranging meetings, sending emails and collecting bids from external consultants;
- d. Evaluating existing inter-company and intra-group data collection processes and systems.

### **II. Second and third quarter of 2026** - Data collection and definition of indicators related to Petrol Group's activities

- a. Work on the collection of relevant ESG data in the different units of the Group;
- b. Define specific Petrol Group indicators and targets required by the European Sustainability Reporting Standards (ESRS);
- c. Establish data quality control and monitoring and validation procedures.

### **III. Third quarter of 2026** - Development of the Sustainability Reporting Framework

- a. Develop a reporting framework aligned with the European Sustainability Reporting Standards (ESRS);
- b. Categorize disclosures into distinct groups as follows: climate issues, social impacts and governance practices;
- c. Tracking the link between sustainability reporting and the Group's financial statements;

### **IV. Fourth quarter 2026** - Internal Review

- a. Preparation of internal controls to verify accuracy and completeness of data;
- b. Engagement of external contractors to assess the quality of disclosures;

### **V. Third and fourth quarter of 2026 and first quarter of 2027** - Preparation of Parent Company and Group ESG sustainability reports

- a. Summarizing all required information into a comprehensive ESG report;
- b. Address any identified gaps or issues;
- c. Highlighting progress, challenges and future goals related to sustainability;
- d. Publicly disclose Parent Company and Petroleum Group ESG reports on an individual and consolidated basis, accessible to stakeholders;
- e. Use of various channels to disseminate information (website, annual reports - x3news.com).

As a result of the actions taken, procedures performed and processes established across the Group, a report has been prepared on the GHG accounting, conversion and reporting process used to account for the annual GHG emissions from the Petrol Group's operations. The scope of the report includes conventional environmental and energy metrics related to direct operational control of the organisation. GHG emissions data is prepared and reported with reference to the GHG Protocol Standard for Corporate Accounting and Reporting.

## NON-FINANCIAL DECLARATION (continued)

The report covers the period 01.01.2024 - 31.12.2024 and is the first report on the carbon footprint of Petrol AD's operations and provides a basis for managing future greenhouse gas emissions on the organisation's path to achieving a net zero carbon footprint.

The greenhouse gas emissions inventory conducted in the scope described below is carried out with the aim of:

- Determine the organisation's carbon footprint;
- Identify opportunities and priorities related to improving energy efficiency and reducing carbon emissions;
- Setting adequate general and specific targets and programs related to GHG emissions reduction and monitoring their implementation and effectiveness.

Petrol AD determines total Scope 1 and Scope 2 emissions based on the following organizational consolidation approaches to boundaries, as defined by the GHG Protocol Standard for Corporate Accounting and Reporting.

Scope 3 emissions are the indirect GHG emissions resulting from activities in the value chain outside of the Scope 1 and Scope 2 operational control approach emissions.

The report reports 100% of Scope 1, Scope 2 and Scope 3 emissions from head office operations and all sites over which Petrol plc has operational control. Therefore, the approach adopted as defined by the GHG Protocol Standard for this report is - Operational Control.

The following table presents the scope of the emissions inventory.

Scope	Stream name	Description
<b>DIRECT EMISSIONS (SCOPE 1):</b>		
Scope 1 emissions	Fuels for transport purposes	Diesel
		Petrol
		Other
	Non-transport fuels	Liquid - gas oil
		Liquid - Heavy fuel oil; fuel oil
		Natural gas
Fluorinated gases	Exhaust gases from air conditioning, refrigeration, fire fighting, etc. equipment	
<b>INDIRECT EMISSIONS (SCOPE 2):</b>		
Scope 2 emissions	Purchased electricity required to power the buildings, plant and equipment covered by the inventory (Location based)	
	Purchased heat energy required to power the buildings, installations and equipment covered by the inventory	
<b>INDIRECT EMISSIONS (SCOPE 3):</b>		
3 Scope emissions	Category 1: Services	1.Emissions due to domestic and business water consumption

	2. Emissions due to raw materials and materials used for the activity (supply chain)
	3. Emissions due to construction activities
	4. Emissions due to transport services
Category 2: Property, plant and equipment	1. emissions due to production of FTA (machinery, incl. light vehicles) - WTT (embedded carbon footprint)
Category 3: Fuel and energy related activities	1. Electricity transmission and distribution losses
	2. Emissions from the production of fossil fuels (coal, liquid fuels, gas, etc.) for electricity generation and transport, declared in scopes 1, 2 and 3
Category 4: Upstream transport	1. Emissions from hired upstream transport (from supplier to producer) not reported under Scope 1
Category 5: Waste	1. Emissions due to the treatment of waste in the operation
Category 6: business trips	1. Emissions due to business travel (business trips by plane, LMMV and public transport)
Category 7: transport of employees/workers	1. Emissions due to the transport of workers and employees to and from the workplace
Category 8: leasing of upstream assets	N/A - No leased assets not reported under Scope 1
Category 9: Downstream transport	N/A - Not reportable. No activity
Category 10: handling of products sold	N/A - Not reportable. Organization does not offer products that are further processed after sale
Категория 11: Използване на продадени продукти	1. Emissions due to use of sold end products during their life cycle.
Category 12: End of life	1. Emissions due to end-of-life treatment of products sold. N/A - Combustion of sold fuels are reported under Category 11.
Category 13: Downstream asset leasing	N/A - Not applicable to the organisation's operations
Category 14: Franchises	1. Emissions due to franchised facilities
Category 15: investments in financial instruments	N/A. - Not applicable to the Group's operations

The following table presents the GHG Declaration quantified separately for each type.

Scope	Description	% of Total Quantity	tCO <sub>2e</sub> от CO <sub>2</sub>	tCO <sub>2e</sub> от CH <sub>4</sub>	tCO <sub>2e</sub> от N <sub>2</sub> O	Emissions, tCO <sub>2e</sub>		
<b>DIRECT EMISSIONS (Scope 1):</b>								
Scope 1	1. Emissions from fuel combustion for transport (own vehicles)	0.03%	143.96	0.52	0.24	144.72		
	2. Emissions from fuel combustion for non-transport purposes (own installations)	0.00%	14.10	0.04	0.01	14.15		
	3. Fluorinated gas emissions in air conditioning, refrigeration, fire fighting and high voltage	0.05%	275.64			275.64		
	4. Emissions from electricity generated by renewable energy (photovoltaic installation)	0.00%	0.00			0.00		
		<b>Scope 1</b>	<b>0.08%</b>	<b>433.70</b>	<b>0.56</b>	<b>0.25</b>	<b>434.52</b>	
<b>INDIRECT EMISSIONS (Scope 2):</b>								
Scope 2	The electricity consumed and purchased to power the buildings, plant and equipment covered by the inventory (Location based)	0.60%	3,298.38			3,298.38		
	Heat consumed and purchased to power the buildings, installations and equipment covered by the inventory (Location based)	0.00%	4.40			4.40		
		<b>Scope 2</b>	<b>0.60%</b>	<b>3,298.38</b>	<b>0.00</b>	<b>0.00</b>	<b>3,298.38</b>	
		<b>TOTAL Scope 1 и Scope 2</b>	<b>0.68%</b>	<b>3,732.08</b>	<b>0.56</b>	<b>0.25</b>	<b>3,732.89</b>	
<b>INDIRECT EMISSIONS (Scope 3):</b>								
Scope 3	Category 1: Services	1. Emissions due to water consumption for domestic and business use;	0.00%	15.15			15.15	
		2. Emissions due to construction works	0.02%	91.36			91.36	
		3. Emissions due to purchased raw materials and supplies	0.02%	120.27			120.27	
		4. Emissions due to services for the activity	0.14%	780.91			780.91	
		5. Emissions due to goods purchased for sale to end customers	1.12%	6,151.25			6,151.25	
			<b>Total Category 1</b>	<b>1.30%</b>	<b>7,158.94</b>	<b>0.00</b>	<b>0.00</b>	<b>7,158.94</b>
	Category 2: Fundamentals	1. emissions due to the production of purchased capital goods (machinery)	0.00%	11.01			11.01	
				<b>Total Category 2</b>	<b>0.00%</b>	<b>11.01</b>	<b>0.00</b>	<b>0.00</b>
	Category 3: Fuel and energy related activities	1. Emissions from transmission and distribution losses of generated electricity consumed by the company	0.04%	211.10			211.10	
		2. Emissions from the production of fuels to generate electricity consumed by the company	0.06%	328.45			328.45	
		3. Emissions from fuel production for electricity losses in the transmission and distribution of generated electricity consumed by the company	0.00%	21.02			21.02	
		4. Fuel production emissions for the generation of heat consumed by the company	0.00%	9.55			9.55	
		5. Emissions from losses in the transmission and distribution of heat generated and consumed by the company	0.00%	0.22			0.22	
		6. Emissions from fuel production for the heat losses in the transmission and distribution of generated heat consumed by the company	0.00%	0.48			0.48	
		7. Emissions from the production of fuel used for own means of transport	0.01%	69.93			69.93	
		8. Emissions from the production of fuel for non-transport purposes (own combustion plants)	0.00%	4.80			4.80	
		9. Emissions from the production of fuels purchased for sale to end customers	21.48%	118,449.45			118,449.45	
		10. Emissions due to production of fuels for upstream transport	0.11%	633.67			633.67	
		11. Emissions due to electricity consumed by tenants	0.00%	1,132.07			0.00	
		12. Emissions due to the production of fuels to generate electricity consumed by tenants	0.00%	112.73			0.00	
			<b>Total Category 3</b>	<b>21.94%</b>	<b>120,973.45</b>	<b>0.00</b>	<b>0.00</b>	<b>120,973.45</b>
	Category 4: Upstream transport (upstream)	1. Emissions due to upstream transport of raw materials, materials and products	0.48%	2,621.14	10.54	5.79	2,637.47	
			<b>Total Category 4</b>	<b>0.48%</b>	<b>2,621.14</b>	<b>10.54</b>	<b>5.79</b>	<b>2,637.47</b>
	Category 5: Waste	1. Emissions due to waste from the activity	0.00%	0.00	0.00	0.00	0.00	
			<b>Total Category 5</b>	<b>0.01%</b>	<b>0.00</b>	<b>21.08</b>	<b>11.59</b>	<b>32.67</b>
	Category 6: travelling on business	1. Emissions due to business travel on land	0.00%	0.00	0.00	0.00	0.00	
		2. Emissions due to business travel by aircraft	0.00%	0.00	0.00	0.00	0.00	
3. Emissions due to hotel nights at home and abroad		0.00%	0.00	0.00	0.00	0.00		
		<b>Total Category 6</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
Category 7: transport to ministers/workers	1. Emissions due to the transport of workers and employees to and from the workplace	0.02%	125.47	0.00	0.00	125.47		
		<b>Total Category 7</b>	<b>0.02%</b>	<b>125.47</b>	<b>0.00</b>	<b>0.00</b>	<b>125.47</b>	
Category 9: Downstream transport (downstream)	1. Emissions due to downstream transport	0.00%	0.00	0.00	0.00	0.00		
		<b>Total Category 9</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
Category 11: Use of products sold	1. Emissions due to the use of final products sold during their life cycle	0.00%	413,851.17	1,576.35	819.20	0.00		
		<b>Total Category 11</b>	<b>75.49%</b>	<b>413,851.17</b>	<b>1,576.35</b>	<b>819.20</b>	<b>416,246.72</b>	
Category 14: Franchise	1. Emissions attributable to franchise outlets	0.00%	460.22	0.00	0.00	0.00		
		<b>Total Category 14</b>	<b>0.08%</b>	<b>460.22</b>	<b>0.00</b>	<b>0.00</b>	<b>460.22</b>	
		<b>TOTAL Scope 3</b>	<b>99.32%</b>	<b>545,201.40</b>	<b>1,607.98</b>	<b>836.58</b>	<b>547,645.95</b>	
		<b>TOTAL Scope 1, Scope 2 &amp; Scope 3</b>	<b>100.00%</b>	<b>548,933.48</b>	<b>1,608.53</b>	<b>836.83</b>	<b>551,378.84</b>	
Out of scope:	Biodiesel, tonnes:	100,000.00		55.9	0	0	55.9	

## NON-FINANCIAL DECLARATION (continued)

The share of electricity generated by photovoltaic installations (RES) is 62 000.00 kWh

Parameters for the base year under Scope 1 and Scope 2:

Index	Scope	
Intensity	Total Scope 1+2 emissions (kgCO <sub>2</sub> e /kWh)	0,473858
	Total Scope 1+2 emissions (tCO <sub>2</sub> e/m <sup>3</sup> water)	0,08348745
	Total Scope 1+2 emissions (kgCO <sub>2</sub> e per litre of fuel sold)	0,021561
	Total Scope 1+2 emissions (tCO <sub>2</sub> e per employee)	4.470528

Scope 1, Scope 2 and Scope 3 parameters for the base year

Index	Scope	
Intensity	Total Scope 1+2+3 emissions (kgCO <sub>2</sub> e /kWh)	69,99273
	Total Scope 1+2+3 emissions (tCO <sub>2</sub> e/m <sup>3</sup> water)	12.33179
	Total Scope 1+2+3 emissions (kgCO <sub>2</sub> e per litre of fuel sold)	3,1847
	Total Scope 1+2+3 emissions (tCO <sub>2</sub> e per employee)	660.3339

Energy, fuel, personnel consumption for the base year

	Consumption	Quantity
Energy	Electricity (Scope 2 - area based), kWh	7 877 659,00
Water	Consumption, m <sup>3</sup>	44 712,00
Products	Vehicle fuels liquid, sold, l	173 131 123,33
Personnel	Average headcount, pcs.	835

The company's management relies on high professionalism, ethics and integrity towards its partners to achieve its ambitious corporate goals. Petrol Group's management is guided by the pursuit of high quality. All projects included in the Group's investment programme are implemented through innovative solutions in accordance with the highest international standards for control and environmental protection.

## **CORPORATE GOVERNANCE STATEMENT**

### Information pursuant to Art. 100n, par.8 in conjunction with par.7 item 1 of the Public Offering of Securities Act

The actions of the Management of Petrol Group and the Parent company Petrol AD in particular, are focused on strengthening the principles and traditions of good corporate governance, increasing the trust of interest entities, namely shareholders, investors and counterparties, as well as timely disclosure of accurate information in accordance with the legal requirements.

In its activity, the Management of Petrol Group follows and fulfils the adopted Program for application of the international standards for good corporate governance (the Program). The Management believes that the compliance with the highest standards for corporate governance is essential for maintaining the reputation of the Parent company (the Company) and the results of its operations.

The board of directors of the Parent company Petrol AD is guided by the principles set forth in the Program for Good Corporate Governance of Petrol AD, which has been prepared in accordance with the effective Bulgarian commercial legislation, the Code of Corporate Governance adopted by the Board of Directors of Bulgarian Stock Exchange – Sofia, the Statute of Petrol AD and the Rules for procedure of the management bodies of the Company.

The Program for Good Corporate Governance has been adopted by the Management Board (MB) and its implementation is monitored by the Supervisory Board (SB) of Petrol AD. The Program sets out the main principles and policies of the Group that the management bodies should comply with in order to achieve the goals set in the Program, namely:

- Protection of shareholders' rights and guaranteeing equality amongst them (including minor and foreign shareholders);
- Timely and accurate disclosure of information about all issues relevant to the Group in compliance with the POSA, Law on Measures against Market Abuse with Financial Instruments and the other acts;
- Providing strategic management of the Group, efficient control over the work of the MB and the accountancy of the MB and the SB to the GMS;
- Creating interactive connection between the Management of the Group and its shareholders and potential investors.

The main principles of the Good Corporate Governance Program of the Parent company Petrol AD are disclosed in the announced Good Corporate Governance Program of Petrol AD to the annual financial report.

During the reporting period there were no changes in the basic management principles of the economic group.

### **Shareholders' rights**

The Program sets clearly the rights of the shareholders of Petrol AD and the main goal of the managers' team is to ensure their observation. The shareholders have the right to:

- Participate and vote in the GMS;
- Be equally treated in the GMS;
- Request convocation of regular or extraordinary GMS;
- Access the materials in writing, relevant to the agenda of the GMS;
- Access to the records of the previous sessions of the GMS;

## **CORPORATE GOVERNANCE STATEMENT (continued)**

- Make proposals for election of members of the SB and to vote for their election;
- Take part in the distribution of the Company's profit commensurably to their participation of the share capital;
- Receive regularly and timely information about corporate events related to the activities and condition of Petrol AD;
- Participate in the increase of the capital of Petrol AD and in tender offers.
- Receive timely information in respect of notifications about tender offers.

### **Management System**

Information pursuant to Art. 10, par. 1, character "h" from the Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids

Petrol AD has two-tier board structure, which includes Management Board (MB) and Supervisory Board (SB).

#### **Management Board**

The Company is managed and represented by MB with up to five members, elected by SB for five years mandate.

The MB has the authority to:

- to prepare the annual report and financial statements of the Company and submit them for approval by the GMS;
- to adopt projects and programs for the activity of the Parent company;
- to make proposals for increase or decrease of the Parent company's capital to the GMS;
- to elect and dismiss the executive directors;
- to elect and dismiss the chairman and the deputy chairman of the MB;
- to appoint on a labour agreement the Investor Relationship Manager and to assist him in exercising his functions, and to control their implementation;
- to approve the organizational and management structure of the Parent company and other internal regulations;
- to open and close down branches and to make decisions to acquire or terminate participations in the capital of other domestic or foreign companies;
- to make decisions for concluding deals under art. 114, paragraph 1 of the POSA, in cases when it is authorized for that by the GMS,
- Appointing the Investor Relations Officer and assisting him / her in exercising his / her duties and controlling their performance;
- Determining the way of exercising the voting rights on the shares or shares held by Petrol AD in the capital of its subsidiaries as a sole owner of the capital or as a shareholder and / or a partner in any general meeting of the shareholders or of the partners of a subsidiary;
- Discussing and resolving all issues other than those within the competence of the General Assembly and the Supervisory Board.

The MB shall take decisions by a simple majority of its members if more than half of its members attend in person or are represented by another member of the board, provided that one attendant may represent only one absent, except for the decisions for which the law and / or the Statute of the Parent company require a qualified majority or unanimity of all members.

## **CORPORATE GOVERNANCE STATEMENT (continued)**

MB reports its activity at least once a month to the Supervisory Board of the Company. MB adopts its Rule of Procedure, in which its powers, duties and functions are clearly and precisely defined.

### **Supervisory Board**

SB administrates and controls the MB for the compliance of its activity with the legislation, the Statute and the decisions of the GMS. The Supervisory Board is collective body, elected by and directly reporting to the GMS.

SB consists of three members with 5 years mandate. At least 1/3 of the members of SB must be independent bodies within the meaning of Art. 116a, par.2 of the Public Offering of Securities Act.

The SB controls generally and continuously the activities of the Parent company, revises the annual financial statements and reports of the Parent company, submits written annual reports for the final results of the audits and analyses of the business to the GMS, elects and dismisses the members of the MB, approves the empowerment of ECOs to represent the Parent company authorized by MB, defines the number of the ECOs, approves the financial plans and investment programs of the Parent company, etc. The SB reports for its activity to the GMS. The SB takes its decisions in accordance with the authorities given to it by the GMS, the Statute and the current legislation.

Members of the MB and SB can be re-elected without any limitations. GMS determines the remuneration of the members of the SB and the MB, taking into consideration the responsibility, the engagement and the involvement of each board member with the Management of the Parent company.

### **Description of the diversity policy applied to the administrative, management and supervisory bodies of the Group**

The Group is committed to maintaining compliance with the highest ethical and legal standards in the areas of human rights and labour law.

The Group applies a balanced recruitment policy and nominates members of the corporate management who possess education and qualifications that are relevant to the nature of the Company's work, its long-term objectives and business plan, seeking to ensure diversity in relation to aspects such as age, gender or education and professional experience.

The Group encourages the search for gender balance at all management levels.

The Group does not discriminate against employees and members of corporate management and administrative bodies on the basis of criteria such as age or gender.

The Group prohibits and does not tolerate in any way direct or indirect discrimination on the basis of race, nationality, ethnicity, human genome, citizenship, gender, origin, religion, education, age, disability, HIV/AIDS status, political affiliation, beliefs, personal and social status, trade union membership, sexual orientation, marital status, property status, or any other special characteristic established by law or by an international treaty to which the Republic is a party, and complies with all applicable employment discrimination laws.

The prohibition of direct or indirect discrimination applies to all of the Group's activities and is consciously applied in the selection of personnel, including in relation to their participation in the Group's administrative, management or supervisory bodies, as well as in relation to working conditions and the determination of employee remuneration.

## **CORPORATE GOVERNANCE STATEMENT (continued)**

The Group expressly prohibits any discriminatory behaviour by the Group employees towards others, and the incitement of discrimination or harassment on this basis. Any report or complaint of discrimination or harassment will be investigated and verified.

### **Disclosure of information**

Being a public company Petrol AD discloses to the Financial Supervision Commission and the Bulgarian Stock Exchange – Sofia periodical reports and notifications of insider information under the Law on Measures against Market Abuse with Financial Instruments. At the same time, the Company reveals regular information to the public in a way that ensures it reaches the widest possible number of people simultaneously and in a way that does not discriminate them. For that purpose, the Company uses the services of the Service Finance Markets EOOD, which ensures effective spreading of regular information to the public in all EU member states. The Company prepares separate and consolidated quarterly financial statements, annual report and separate and consolidated annual financial statements; the MB presents the latter for verification and review to the SB and to the elected by the GMS certified auditor. The elected by the GMS auditor should be independent of the MB and in particular of the executive director of the Parent company and it should act independently of the shareholders who have elected it.

The management bodies of the Parent company and the Investor Relations Director should provide easy and timely access for the shareholders and investors to the information, to which they are legally entitled being shareholders and/or investors in order to take informed and adequate investment decisions.

The information reported by the Parent company to the Finance Supervising Commission and to the public should be included on the web site of the Parent company for consideration by the shareholders and those who are interested to invest in the shares of the Parent company.

### **Control over the fulfilment of the Program**

The control over the Program is exercised by the MB of the Parent company. The effectiveness and efficiency of the Program is assessed annually by the MB. The results of this assessment and further measures proposed should be mentioned in the annual financial report provided to the Financial Supervision Commission and to the Bulgarian Stock Exchange – Sofia and the public.

With a view to improving and extending the Program, the MB follows the trends in the theory, practice and legislation in the field of corporate governance, which guarantees timely informing the Group of the matters in the field and updating of the Program.

## CORPORATE GOVERNANCE STATEMENT (continued)

### Internal control and Risk Management systems

Information pursuant to item 15 of the Appendix No.2 to the Ordinance No.2 of 09.11.2021 and Art. 100n, par. 8, item 3 from the Public Offering of Securities Act

The Group's internal control (IC) and risk management (RM) systems are integrated in a comprehensive integrated process implemented by the employees and the Management of Petrol Group. The foundation of the IC and RM systems is the policies and procedures developed and adopted by the Management of the Parent company, which define the legality, expediency and last but not least the economic efficiency of the Group's processes. The IC and RM systems cover the authorities and responsibilities of the separate units in the company, as well as the principles of their interaction. The approved business and control procedures between the separate departments in the company and the adopted cross-check policy are a guarantee for the reliability and completeness of the financial and operational information generated in the Group. In addition the engagement and the close cooperation of the Management with the employees of the Group's companies contributes for the effective management and preventive measures regarding the resources and intellectual property of Petrol AD.

The internal control and risk management systems of the Group are characterized by the following main features:

- Modern technological and information provision;
- Qualified and informed employees;
- Well organized intra-company processes;
- Commitment and support from the Management.

The integration of the SAP/Retail in Petrol AD in 2003 and the gradual introduction in other companies of the Group significantly improves the speed of the information transfer by integrating several systems in one integrated platform, which provides control and monitoring of the processes from their set-up to the end of their execution. As a result, mistakes from business process fragmentation and cumbersome interaction between different information platforms and systems are minimized. SAP platform provides a smooth and timely flow of the information and business processes on a group level as well as their reporting in the Group's financial statements.

The highly qualified and knowledgeable staff is essential for the successful integration of IC and RM systems. In this regard, the subsidiary Petrol Finance OOD, specialized in providing financial services, was established. To provide a quality financial service, employees in the subsidiary twice a year take part in tax-accounting seminars. Thus, the Management of the Parent company Petrol AD ensures competent, professional expertise while minimizing the possibility of omissions and errors in the financial reporting process.

The policies and rules for information and documents flow transferring, approved by the Management of the Parent company, channel the daily work of the employees in different departments and the correspondence between them, facilitating the analyses and evaluations of the business processes and information flows in the Group. The IC and RM process goes through the following stages:

- Risk identification – it is implemented via control and monitoring system of intra-company environment for potential risks and errors;
- Analysis and valuation of the risks – creation of risk matrixes including future outcome scenarios with assessments of the effects of the scenarios as well as preparation of reports with proposals of opportunities for overcoming them;

## **CORPORATE GOVERNANCE STATEMENT (continued)**

- Undertaking measures to avoid and prevent of the potential risks – practical implementation of the prepared action proposals on the basis of risk analysis and valuation;

The Management of the Group is directly involved in the process of control and management of the risks related to the financial reporting and business processes of the Group. Day-to-day collaboration, holding of business and working meetings with management staff improve the climate and working environment and increase the efficiency and cost effectiveness of the working process.

Information pursuant to Art. 10, par. 1, character “c” from the Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids

Petrol AD is a public company registered on Bulgarian Stock Exchange. Based on the information received from Central Depository AD for the Parent company’s shareholders structure as at December 31, 2025, there is no shareholder with a higher share than 30 per cent of the capital of Petrol AD.

In 2025 there were no transactions with shares of the Parent company, which resulted in crossing the levels under Art.89 from the Directive 2001/34/EC of the European Parliament and of the Council from May 28, 2001.

Information pursuant to Art. 10, par. 1, character “d” from the Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids. The Group has no shareholders with special control rights.

Information pursuant to Art. 10, par. 1, character “f” from the Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids. As at December 31, 2025 Petrol AD did not hold common uncertificated own shares. Petrol AD has no shareholders with voting rights limitations.

Information pursuant to Art. 10, par. 1, character “j” from the Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids

According to the Statute of the Parent company within 5 /five/ years from the registration date of the amendment of the Statute in the Commercial Register, namely October 14, 2014, the Management Board in accordance with the Statute of the Parent company and current legislation may take decisions to raise the capital of Petrol AD to a nominal value of BGN 300 000 000 /three hundred millions/ by issuing of new ordinary or preferred shares, eligible by law.

In the decision to increase the capital, the Management Board shall determine the amount and purpose of any increase, the number and type of new shares, their rights, the terms and conditions for the transfer of rights within the meaning of §1, item 3 of the Additional Provisions of the POSA issued against the existing shares, the terms and conditions for the subscription of the new shares, the amount of the issue value and the terms and conditions for its payment, the investment intermediary entrusted with the servicing of the capital increase and other necessary conditions.

The Management Board and Supervisory Board are not authorized to buy-back own shares.

The redemption of own shares of the Parent company may be carried out under the terms and conditions provided in POSA.

## **Responsibility of the Management**

According to the Bulgarian Law, the Management must prepare annual report on the activity, as well as financial statements for each financial year, which present in true and fair view the Group's consolidated financial position as of the end of the year, its financial performance and cash flows, in compliance with the applicable accounting framework. For reporting purpose under Bulgarian accounting legislation, the Parent company applies the International Financial Reporting Standards (IFRS), as approved by the European Union.

This responsibility includes development, implementation and maintenance of internal control system, relevant to the preparation and truthful presentation of the financial statements, which do not contain material errors, deviations and discrepancies, whether due to fraud or error; selection and application of relevant accounting policies; and preparation of accounting estimates, which are reasonable in the particular circumstances.

The Management confirms that it has acted according to its responsibilities and that the consolidated financial statements have been prepared in full compliance with the International Financial Reporting Standards (IFRS), as approved by the European Union. The Management also confirms that in the preparation of the report on the activity it has presented in true and fair view the development and performance of the Group for the past period, as well as its position and faced risks. The Managements has approved for issue the report on the activity and the financial statements for 2025.

Georgi Tatarski,  
Executive Director

Milko Dimitrov,  
Executive Director

29 April 2026

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2025**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
For the year ended December 31, 2025**

	<i>Note №</i>	<b>2025 BGN'000</b>	<b>2024 BGN'000</b>
Revenue	6	483,143	500,302
Other income	7	4,303	5,860
Cost of goods sold	8	(419,184)	(435,240)
Materials and consumables	9	(4,508)	(4,066)
Hired services	10	(21,347)	(20,769)
Employee benefits	11	(24,523)	(23,144)
Depreciation and amortisation	16,17,18	(7,832)	(8,559)
Impairment profit (losses), net	12	(1,532)	(3,345)
Other expenses	13	(2,586)	(2,829)
Finance income	14	17,313	10,406
Finance costs	14	<u>(20,494)</u>	<u>(20,140)</u>
Profit (Loss) before income tax		<u><b>2,753</b></u>	<u><b>(1,524)</b></u>
Tax income (expense)	15	<u>(68)</u>	<u>(127)</u>
<b>Profit (loss) for the year</b>		<u><b>2,685</b></u>	<u><b>(1,651)</b></u>

This consolidated financial statement was approved for issue on April 29, 2026 by the Management Board of Petrol AD and was signed by:

\_\_\_\_\_  
Maya Vujicic

Executive Director

\_\_\_\_\_  
Milko Dimitrov

Executive Director

\_\_\_\_\_  
Yana Borisova and Yavor Batov  
– Managers of Petrol Finances  
OOD

Prepared by

**Certified as per auditor's report dated 29.04.2026:  
For BN AUDIT CONSULT Ltd,  
Auditing firm №178  
Bozhidar Nachev, manager and registered auditor  
responsible for the audit**

The notes on pages 106 to 172 are integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**  
For the year ended December 31, 2025 (continued)

	<i>Note №</i>	<b>2025</b>	<b>2024</b>
		<b>BGN'000</b>	<b>BGN'000</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurements of defined benefit obligations	27	<u>(108)</u>	<u>(148)</u>
<b>Other comprehensive income for the year, net of taxes</b>		<u><b>(108)</b></u>	<u><b>(148)</b></u>
<b>Total comprehensive income for the year</b>		<b>2,577</b>	<b>(1,799)</b>
<b>Profit (loss) attributable to:</b>			
Owners of the Parent company		2,686	(1,650)
Non-controlling interests		<u>(1)</u>	<u>(1)</u>
<b>Profit (loss) for the year</b>		<u><b>2,685</b></u>	<u><b>(1,651)</b></u>
<b>Total comprehensive income attributable to:</b>			
Owners of the Parent company		2,578	(1,798)
Non-controlling interests		<u>(1)</u>	<u>(1)</u>
<b>Total comprehensive income for the year</b>		<u><b>2,577</b></u>	<u><b>(1,799)</b></u>
<b>Profit /(loss) per share (BGN)</b>	25	<b>0.10</b>	<b>(0.06)</b>

This consolidated financial statement was approved for issue on April 29, 2026 by the Management Board of Petrol AD and was signed by:

<b>Maya Vujicic</b>	<b>Milko Dimitrov</b>	<b>Yana Borisova and Yavor Batov</b>
<b>Executive Director</b>	<b>Executive Director</b>	<b>– Managers of Petrol Finances OOD</b>
		<b>Prepared by</b>

**Certified as per auditor's report dated 29.04.2026:**  
**For BN AUDIT CONSULT Ltd,**  
**Auditing firm №178**  
**Bozhidar Nachev, manager and registered auditor**  
**responsible for the audit**

The notes on pages 106 to 172 are integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2025**

	<i>Note №</i>	<b>31 December 2025 BGN'000</b>	<b>31 December 2024 BGN'000</b>
<b>Non-current assets</b>			
Property, plant and equipment and intangible assets	16	100,218	112,025
Investment property	17	1,454	1,503
Right-of-use assets	18	9,121	11,284
Goodwill	19	6,514	6,514
Deferred tax assets	15	4,630	3,487
Loans granted	22	51,501	40,849
Deposits	22	<u>69,335</u>	<u>59,430</u>
Total non-current assets		<u>242,773</u>	<u>235,092</u>
<b>Current assets</b>			
Inventories	21	14,767	13,257
Non-current assets, held for sale	20	1,431	927
Loans granted	22	78,700	81,448
Trade and other receivables	23	40,731	25,352
Cash and cash equivalents	24	<u>4,402</u>	<u>1,740</u>
Total current assets		<u>140,031</u>	<u>122,724</u>
<b>Total assets</b>		<u><b>382,804</b></u>	<u><b>357,816</b></u>

**This consolidated financial statement was approved for issue on April 29, 2026 by the Management Board of Petrol AD and was signed by:**

\_\_\_\_\_  
**Maya Vujicic**

**Executive Director**

\_\_\_\_\_  
**Milko Dimitrov**

**Executive Director**

\_\_\_\_\_  
**Yana Borisova and Yavor Batov**  
**– Managers of Petrol Finances**  
**OOD**

**Prepared by**

**Certified as per auditor's report dated 29.04.2026:  
 For BN AUDIT CONSULT Ltd,  
 Auditing firm №178  
 Bozhidar Nachev, manager and registered auditor  
 responsible for the audit**

**The notes on pages 106 to 172 are integral part of these consolidated financial statements.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2025 (continued)**

	<i>Note №</i>	<b>31 December 2025 BGN'000</b>	<b>31 December 2024 BGN'000</b>
<b>Equity</b>			
Registered capital	25	27,312	109,250
General reserves		41,174	45,422
Accumulated loss		<u>(44,816)</u>	<u>(133,580)</u>
Total equity attributable to the owners of the Parent company		<u>23,670</u>	<u>21,092</u>
Non-controlling interests	31	<u>36</u>	<u>37</u>
Total equity		<u>23,706</u>	<u>21,129</u>
<b>Non-current liabilities</b>			
Loans and borrowings	26	238,333	236,774
Liabilities under lease agreements	18	7,381	8,860
Deferred tax liabilities	15	1,403	1,405
Employee defined benefit obligations	27	<u>1,100</u>	<u>856</u>
Total non-current liabilities		<u>248,217</u>	<u>247,895</u>
<b>Current liabilities</b>			
Trade and other payables	28	81,625	53,605
Loans and borrowings	26	24,374	30,113
Liabilities under lease agreements	18	3,327	3,449
Current income tax liabilities	29	<u>1,555</u>	<u>1,625</u>
Total current liabilities		<u>110,881</u>	<u>88,792</u>
Total liabilities		<u>359,098</u>	<u>336,687</u>
<b>Total equity and liabilities</b>		<u><b>382,804</b></u>	<u><b>357,816</b></u>

**This consolidated financial statement was approved for issue on April 29, 2026 by the Management Board of Petrol AD and was signed by:**

<b>Maya Vujcic</b>	<b>Milko Dimitrov</b>	<b>Yana Borisova and Yavor Batov</b>
<b>Executive Director</b>	<b>Executive Director</b>	<b>– Managers of Petrol Finances OOD</b>
		<b>Prepared by</b>

**Certified as per auditor's report dated 29.04.2026:  
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Bozhidar Nachev, manager and registered auditor  
responsible for the audit**

**The notes on pages 106 to 172 are integral part of these consolidated financial statements.**

**COMPREHENSIVE STATEMENT OF CHANGES IN EQUITY**  
**For the year ended December 31, 2025**

	Equity attributable to the owners of the Parent company				Total	Non-controlling interests	Total equity
	Registered capital	General reserves	Reval. reserve	Accumulated profit (loss)			
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
<b>Balance at January 1, 2024</b>	<u>109,250</u>	<u>18,864</u>	<u>26,981</u>	<u>(132,205)</u>	<u>22,890</u>	<u>38</u>	<u>22,928</u>
<i>Changes in equity for 2024</i>							
<b>Comprehensive income for the year</b>							
Loss for the year	-	-	-	(1,650)	(1,650)	(1)	(1,651)
Revaluations of defined benefit obligations	-	-	-	(148)	(148)	-	(148)
<b>Total other comprehensive income</b>	-	-	-	<u>(148)</u>	<u>(148)</u>	-	<u>(148)</u>
<b>Total comprehensive income</b>	-	-	-	<u>(1,798)</u>	<u>(1,798)</u>	<u>(1)</u>	<u>(1,799)</u>
Transfer of revaluation reserve of assets to the accumulated profit, net of taxes	-	-	(423)	423	-	-	-
<b>Balance as at December 31, 2024</b>	<u>109,250</u>	<u>18,864</u>	<u>26,558</u>	<u>(133,580)</u>	<u>21,092</u>	<u>37</u>	<u>21,129</u>
<i>Changes in equity for 2025</i>							
<b>Comprehensive income for the year</b>							
Profit for the year	-	-	-	2,686	2,686	(1)	2,685
Revaluations of defined benefit obligations	-	-	-	(108)	(108)	-	(108)
<b>Total other comprehensive income</b>	-	-	-	<u>(108)</u>	<u>(108)</u>	-	<u>(108)</u>
<b>Total comprehensive income</b>	-	-	-	<u>2,578</u>	<u>2,578</u>	<u>(1)</u>	<u>2,577</u>
Increases (decreases) through transfer between registered capital and uncovered losses	(81,938)	-	-	81,938	-	-	-
Transfer of revaluation reserve of assets to the accumulated profit, net of taxes	-	-	(4,248)	4,248	-	-	-
<b>Balance as at December 31, 2025</b>	<u>27,312</u>	<u>18,864</u>	<u>22,310</u>	<u>(44,816)</u>	<u>23,670</u>	<u>36</u>	<u>23,706</u>

This consolidated financial statement was approved for issue on April 29, 2026 by the Management Board of Petrol AD and was signed by:

\_\_\_\_\_  
Maya Vujicic

Executive Director

\_\_\_\_\_  
Milko Dimitrov

Executive Director

\_\_\_\_\_  
Yana Borisova and Yavor Batov  
– Managers of Petrol Finances OOD  
Prepared by

Certified as per auditor's report dated 29.04.2026:  
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Bozhidar Nachev, manager and registered auditor  
responsible for the audit

The notes on pages 106 to 172 are integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the year ended December 31, 2025**

	2025 BGN'000	2024 BGN'000
<b>Cash flows from operating activities</b>		
Profit / (loss) for the year	2,685	(1,651)
<b>Adjustments for:</b>		
Tax income (expense)	68	127
Depreciation/amortization of PP&E, intangible assets and right-of-use assets	7,832	8,559
Interest expense and bank commissions, net	6,858	9,603
Shortages and normal loss, net of excess assets	637	313
Provisions for unused paid leave and retirement benefits	997	777
Impairment of assets	1,532	3,345
Profit on sale of assets	(3,168)	(4,702)
Profit on sale of subsidiaries	(3,809)	(27)
Remeasurement of financial assets at fair value through profit or loss	-	202
Payables written-off	-	341
	<u>13,632</u>	<u>16,887</u>
Change in trade payables	27,893	(11,058)
Change in inventories	(1,973)	2,244
Change in trade receivables	<u>(16,282)</u>	<u>4,099</u>
<b>Cash flows from operating activities</b>	<b>23,270</b>	<b>12,172</b>
Interest, bank fees and commissions paid	(18,058)	(17,989)
Income tax paid	<u>(827)</u>	<u>(303)</u>
<b>Net cash from operating activities</b>	<b>4,385</b>	<b>(6,120)</b>

This consolidated financial statement was approved for issue on April 29, 2026 by the Management Board of Petrol AD and was signed by:

<b>Maya Vujicic</b>	<b>Milko Dimitrov</b>	<b>Yana Borisova and Yavor Batov</b>
		<b>– Managers of Petrol Finances OOD</b>
<b>Executive Director</b>	<b>Executive Director</b>	<b>Prepared by</b>

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The notes on pages 106 to 172 are integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the year ended December 31, 2025 (continued)**

	2025 BGN'000	2024 BGN'000
<b>Cash flows from investing activities</b>		
Payments for purchase of property, plant and equipment, excl. VAT	(261)	(606)
Proceeds from disposal of property, plant and equipment, excl. VAT	6,021	6,661
Payments for loans granted, net	(15,576)	(49,244)
Interest received on loans and deposits	8,294	4,335
Proceeds from other investments	-	8,468
Proceeds from disposal of investments in subsidiaries, net of cash acquired	7,760	-
<b>Net cash flows used in investing activities</b>	<b>6,238</b>	<b>(30,386)</b>
<b>Cash flows from financing activities</b>		
Proceeds from loans and borrowings	13,996	52,969
Repayment of loans and borrowings	(18,091)	(9,600)
Paid dividends	(1,227)	(5,382)
Payments under lease agreements	(2,774)	(3,136)
<b>Net cash flows from financing activities</b>	<b>(8,096)</b>	<b>34,851</b>
<b>Net increase (decrease) in cash flows during the year</b>	<b>2,527</b>	<b>(1,655)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,648</b>	<b>3,347</b>
Effect of movements in exchange rates	132	(44)
<b>Cash and cash equivalents at the end of the year (see also note 24)</b>	<b>4,307</b>	<b>1,648</b>

This consolidated financial statement was approved for issue on April 29, 2026 by the Management Board of Petrol AD and was signed by:

\_\_\_\_\_  
**Maya Vujicic**

**Executive Director**

\_\_\_\_\_  
**Milko Dimitrov**

**Executive Director**

\_\_\_\_\_  
**Yana Borisova and Yavor Batov**  
– Managers of Petrol Finances OOD  
**Prepared by**

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**Bozhidar Nachev, manager and registered auditor**  
**responsible for the audit**

**The notes on pages 106 to 172 are integral part of these consolidated financial statements.**

*NOTES*  
*TO THE CONSOLIDATED FINANCIAL STATEMENTS*  
*FOR THE YEAR ENDED DECEMBER 31, 2025*

## 1. Legal status

**Petrol AD** (the Parent company) was incorporated in Bulgaria in 1990 and is registered in the Commercial Register of the Registry Agency under UIC 831496285. As of the end of the reporting year, the Parent company's address is 12 Turgovska St., Hotel Lovech, Lovech. There has been no change in the Parent company's name or other identifying information since the end of the previous reporting period. As of December 31, 2025, its shareholders are legal entities, the state—through the Ministry of Energy—and individuals. (See also Note 25)

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

These consolidated financial statements were approved for issue by the Management Board of Petrol AD on April 29, 2026.

The Parent company is a public company within the meaning of POSA. The web site where is published the internal information under Art. 7 of the EU Regulations № 596/2014 of the European Parliament and the Counsel of April 16, 2014 is <http://www.x3news.com>

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

The following amendments to existing standards issued by the International Accounting Standards Board and adopted by the EU are effective from January 1, 2025:

• *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability* (effective for annual periods from January 1, 2025). The amendments clarify when a currency is and is not exchangeable into another currency. They require that, when a currency is not exchangeable at the measurement date for a specified purpose, the entity shall estimate the spot rate as the rate that would have applied to an orderly transaction between market participants and faithfully reflects the prevailing economic conditions. The amendments introduce additional disclosures when the lack of exchangeability is material. Management has assessed the applicability of the amendments, including a review of the Group's foreign currency exposures and the existence of exchangeability restrictions within the meaning of IAS 21. No material instances of lack of exchangeability have been identified; therefore, there have been no material changes in accounting policy and no material impact on the Group's financial position, financial performance and cash flows for the reporting period.

### 2.2.2. New standards and interpretations, not yet applied

The following new or revised standards, new interpretations and amendments to existing standards, which as at the reporting date have been issued by the International Accounting Standards Board (IASB) but are not yet effective for annual periods beginning on January 1, 2025 or have not been approved for application by the EU, have accordingly not been considered when preparing these consolidated financial statements.

• *Amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments* (effective for annual periods beginning on or after January 1, 2026, adopted by the EU). On May 30, 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to address recently emerging practice issues and to include new requirements not only for financial institutions but also for corporate entities.

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

These amendments

- clarify the date of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through an electronic cash transfer system;
- clarify and add additional guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
- add requirements for new disclosures for certain instruments with contractual terms that can change cash flows (such as certain financial instruments with features linked to the achievement of environmental, social and governance objectives); and
- update disclosures for equity instruments designated at fair value through other comprehensive income.

• *Amendments to IFRS 9 and IFRS 7 – Contracts for Electricity Subject to Natural Variations* (effective January 1, 2026). The amendments introduce targeted changes to the requirements for “own use” and hedging under IFRS 9 and disclosures under IFRS 7 for contracts in which the quantity of electricity depends on uncontrollable natural conditions (e.g., weather).

• *Annual Improvements, Volume 11: IFRS 1 First-time Adoption of IFRS, IFRS 7 Financial Instruments: Disclosures, Implementation Guidance to IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, IAS 7 Statement of Cash Flows* (effective for annual periods from January 1, 2026, not yet adopted by the EC).

• *New IFRS 19 Subsidiaries without Public Accountability: Disclosures*, effective for annual periods beginning on or after January 1, 2027, not yet adopted by the EU. Issued in May 2024, IFRS 19 allows certain eligible subsidiaries of IFRS parent entities to apply reduced disclosure requirements.

• *New IFRS 18 Presentation and Disclosure in Financial Statements*, effective for annual periods beginning on or after January 1, 2027, not yet adopted by the EU. IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements to achieve comparability and provide users with more relevant information. It introduces new requirements for the structure of the statement of profit or loss, disclosure of management-defined performance measures and aggregation/disaggregation principles. Management expects IFRS 18 to impact primarily the presentation and disclosures in the financial statements rather than the recognition and measurement of assets and liabilities, and is in the process of analysing the specific impact. The Group does not expect a significant change in the information currently disclosed in the notes, as the requirement to disclose material information remains unchanged. However, the way information is grouped may change as a result of the aggregation or disaggregation principles. Additionally, significant new disclosures are expected. The Group will apply IFRS 18 from its mandatory effective date of January 1, 2027. Retrospective application is required, so comparative information for the year ended December 31, 2026 will be restated in accordance with IFRS 18.

• *Amendments to IAS 21 – Translation to a hyperinflationary presentation currency* (effective from January 1, 2027). The amendments are narrow in scope and relate to entities whose presentation currency is the currency of a hyperinflationary economy. Management does not expect a material impact on the Group's financial statements unless the Group operates in/presents reports in such a currency.

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

*Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures'* (with a delayed effective date of adoption to be determined by the IASB) - on sales or in-kind transfers of assets between an investor and its associates or joint ventures (with a delayed effective date of adoption to be determined by the IASB). These amendments address the accounting treatment of sales or acquisitions of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether or not the assets sold or the non-monetary assets contributed constitute, in substance, a 'business' within the meaning of IFRS 3. If those assets in the aggregate do not meet the definition of a 'business', the investor recognises a gain or loss up to the percentage corresponding to the interest of the other unrelated investors in the associate or joint venture. When assets are sold or non-monetary assets that, in the aggregate, are a 'business' are disposed of, the investor recognises the full gain or loss on the transaction. These changes will be applied prospectively. The IASB has deferred the effective date of application of these changes indefinitely.

The Management is in the process of studying, analysing and assessing the effects of the changes in the above standards, which are not yet effective, to what extent they will have an impact on the accounting policies and on the values and classifications of the Group's assets, liabilities, operations and results in future reporting periods.

### 2.3. Functional and presentation currency of the consolidated financial statements

Functional currency is the currency of the primary economic environment, in which a company operates and primarily generates and disburses cash. It reflects the main transactions, events and conditions considered significant for the Group. These consolidated financial statements are presented in Bulgarian levs, which is the functional currency of Petrol Group. All financial information presented in BGN has been rounded to the nearest thousand, except when otherwise indicated.

### 2.4. Foreign currency

Transactions in foreign currency are initially recorded at amounts denominated in BGN at the official exchange rate of the Bulgarian National Bank (BNB) as of the date of the transaction. Foreign exchange rate differences arising from settlement of foreign exchange positions or from reporting these positions at rates different from those of the initial recording, are reported in profit and loss for the respective period. Since January 1, 1999 the Bulgarian Lev has been fixed against the Euro at rate 1.95583 BGN for 1 Euro.

The monetary positions denominated in foreign currency as at December 31, 2025 and 2024 are stated in these consolidated financial statements at the closing exchange rate of the Bulgarian National Bank. The closing exchange rates of the BGN against USD as at the end of current and prior reporting periods are as follows:

December 31, 2025:	1 USD = BGN 1.66355
December 31, 2024	1 USD = BGN 1.88260

## 2.5. Accounting assumptions and approximate estimates

The application of IFRS requires the Management to make certain reasonable assumptions and accounting estimates in the preparation of these consolidated financial statements, in order to determine the value of some assets, liabilities, revenue and expenses. These estimates and assumptions are based on the best estimate of the Management, taking into account historical experience and analysis of all factors, which have impact given the circumstances as at the date of preparation of the consolidated financial statements. The actual results could differ from the estimates presented in these consolidated financial statements.

Information about assumptions and estimation uncertainties, that have a significant risk of resulting in material adjustments in the next financial year, are included in the following notes:

- Note 15 – Recoverability of recognized deferred tax assets
- Note 19 – assessment of the recoverable amount of the recognised goodwill arising from a business combination;

## 2.6. Basis of consolidation

### 2.6.1. Business combinations

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.

The consideration transferred does not include amounts related to the settlement of the pre-existing relationships. Generally, such amounts are recognised in profit or loss.

Any due contingent consideration is measured at fair value as at the acquisition date. If the contingent consideration is classified as equity it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit and loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Where required replacement share-based payment awards (replacement awards) are to be exchanged for share-based payment awards of employees of the acquired entity (acquiree awards) and relate to past services, then all or part of the amount of the acquirer's replacement awards is included in the measurement of the consideration transferred for the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree awards and the extent to which the replacement awards relate to past 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 of control suspension.

### **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 up to the interest of the Group in the company. Unrealised losses are eliminated in the same way as unrealized gains, but only if there is no evidence for impairment.

### **2.6.6. Goodwill**

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

## 2.7. Going concern basis of accounting

These consolidated financial statements have been prepared on the going concern basis. Management has made an assessment taking into account all available information about 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 regularly the due bonds and trade payables, loans and interest in accordance with the contractual commitments.

As at December 31, 2025, current liabilities are covered by current assets. For the year ending December 31, 2025, the Group reports a net profit of BGN 2,685 thousand compared to a net loss of BGN 1,651 thousand for the comparative period, and positive total comprehensive income of BGN 2,577 thousand compared to negative total comprehensive income of BGN 1,799 thousand for the comparative period; however, as a result of accumulated losses from prior years, the Group's equity amounts to BGN 23,706 thousand and is below the registered capital of the Parent company by BGN 3,606 thousand. Management has assessed the resulting uncertainties, including the possible effects of the continuing impact of the military conflicts in Ukraine and the Middle East (disclosed in note 33. Capital Management) and legal claims (note 35. Contingent Liabilities), which indicate a material uncertainty that could cast doubt on the Group's ability to continue as a going concern, should these risks materialise. Actions have been taken to bring the capital of the Parent company in line with the requirements of Art. 252, para. 1, item 5 of the Commercial Act (disclosed in notes 25. Registered Capital and 33. Capital Management). As a result of these actions, on March 6, 2025, a change in the capital of the Parent company was registered, in accordance with a resolution of the general meeting of shareholders of Petrol AD adopted on February 18, 2019, by which the general meeting of shareholders resolved to reduce the capital of Petrol AD from BGN 109,249,612 to BGN 27,312,403 pursuant to Art. 200, item 1 of the Commercial Act (CA) by reducing the nominal value of the issued shares from BGN 4 (four leva) to BGN 1 (one lev). This fact was reflected in the CRNPC with registration No. 20250306160504.

## 3. Significant information concerning the accounting policy. Definition and valuation of items of the consolidated statement of financial position and the consolidated statement profit or loss and other comprehensive income

### 3.1. Property, plant and equipment and intangible assets

With effect from January 1, 2020, the Group adopted the revaluation model under IAS 16 and IAS 38 for the recognition of property, plant, equipment and intangible fixed assets. Property, plant, equipment and intangible fixed assets are presented in the financial statements at revalued amount, less accumulated depreciation and impairment losses.

On initial acquisition, property, plant and equipment are measured at cost, which includes the purchase price, including customs duties and all direct costs necessary to bring the asset to working condition. Direct costs include: site preparation costs, initial delivery and handling costs, installation costs, fees of persons associated with the project, non-refundable taxes and other costs. A tangible asset acquired by the Group is recognised within property, plant and equipment when it is expected to be used in the Group's operations (for rental, for the provision of other services or for administrative purposes) for a period exceeding one year. The revalued (to fair) amount of property, plant, equipment and intangible fixed assets was initially determined by a market valuation prepared by an independent valuer and applied in the accounting policy with effect from January 1, 2020.

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

A subsequent valuation shall be performed no later than five years after the initial valuation; however, where there are indicators that there is a material deviation between the fair values of the assets and their carrying amount, or where their fair value changes materially at shorter intervals, revaluation may be performed at shorter intervals.

Based on the NSI Consumer Price Index for December 2022 compared to the same month in 2021, which shows an annual inflation rate of 16.9%, Management has made a judgement that there could be a material deviation in the fair values of the assets and has commissioned a new market valuation as at December 31, 2022. In the present consolidated financial statements, property, plant, equipment and intangible fixed assets are presented at the valuation prepared by an independent valuer as at December 31, 2022. Where it is determined that there is a material deviation between the fair values of the assets and their carrying amount, or where their fair value changes materially at shorter intervals, revaluation may be performed at shorter intervals. On revaluation of property, plant, equipment and intangible fixed assets, the historical cost is reduced against accumulated depreciation, and any increase in the fair value of the respective asset compared to its carrying amount at the valuation date increases the latter (against a revaluation reserve), which also becomes the new historical cost of the assets. Where the carrying amount of assets exceeds the new fair value, the difference between the two values is recognised in the consolidated statement of profit or loss and other comprehensive income, unless a revaluation reserve has been established for that asset in prior periods. In that case, the difference is treated as a reduction of that reserve and other comprehensive income, unless it exceeds the amount of the reserve, in which case the excess is recognised as a loss in the consolidated statement of profit or loss and other comprehensive income. Depreciation is charged based on the determined useful life, applying the straight-line method consistently. Depreciation is recognised in profit or loss for the current period. No depreciation is charged on land, assets under construction and fully depreciated assets. The remaining useful lives of revalued property, plant, equipment and intangible assets have been reviewed in accordance with an assessment of physical wear and tear, the specific characteristics of the equipment, future intentions for use and assumed obsolescence. The expected useful lives of property, plant, equipment and intangible assets are as follows:

Administrative and commercial buildings	4-80 years
Plant, equipment and machinery	2-80 years
Transport vehicles	2-60 years
Office furniture	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 is terminated earlier than 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 deregistration.

#### 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 with the sale and 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 a property (and the attached to it plants, equipment, inventory and etc.) held by the Group to accumulate rent income or to increase the equity value, or both (including property under construction for future use as investment property). Investment properties are initially measured at cost, which includes the transaction costs of acquisition. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and any impairment losses. Transfers to and from the investment property group are made when there is a change in the functional use and intended use of a property. In the case of a transfer from “investment property” to “own-use property”, the asset is recorded in its new group at its historical cost, which is its fair value at the date of transfer. Conversely, where there is a transfer from “property for own use” to “investment property”, the asset is measured at its fair value at the date of transfer, with the difference to its carrying amount presented as a component of the consolidated statement of comprehensive income (within other components of comprehensive income) and presented within “revaluation reserve - property, plant and equipment” in the consolidated statement of changes in equity.

Any gain or loss on disposal of investment property (calculated as a difference between the proceeds from disposal and the carrying amount of the asset) is recognized in profit or loss for the period.

Depreciation of investment properties are recognized in profit or loss, over their estimated useful lives, applying the straight-line method.

The estimated useful lives for the current and comparative periods are as follows:

Administrative and commercial buildings	25 years
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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 recognizes a financial asset or a financial liability in the statement of financial position, only when the Group is a party under contractual terms of these financial instruments. Initially all financial assets and financial liabilities are recognised at fair value. The fair value of particular asset/liability in its initial recognition is the contract price. The contract price for financial assets/liabilities, excluding these, which are classified at fair value through profit or loss, includes the deal expenses, which directly reference to the acquisition/issuance of the financial instrument. The transaction expenses, incurred during the acquisition of financial asset and the issuance of a financial liability, classified at fair value through profit or loss, are accounted immediately as expense.

The Group recognizes a financial asset, using the settlement date of the transaction, thus an asset is recognised on the day it is received by the Group and is written-off on the day it is given by the Group.

Financial asset is written-off by the Group, when the contractual rights on the cash flows from this asset mature or when the Group transferred these rights through transaction, in which all significant risks and benefits, arising from the ownership of the asset are transferred to the buyer. Each investment in already transferred financial asset, which the Group retains, is recognized separately as particular asset or liability.

In cases when the Group retains all or a greater part of the risks and rewards, related to the assets, the latter are not written-off from the statement of financial position (example for such transactions are repos with buy-back options).

In transactions, where the Group neither retains nor transfers the risks and rewards, related to financial assets, the latter is written-off from the statement of financial position when and only when the Group has lost control on it. The rights and liabilities, which the Group retains in these cases, are reported separately as asset and liability. In transactions, where the Group retains control on the asset, its reporting in the statement of financial position continues, but to the amount determined by the level of investment retention in the asset and risk bearing by the Group of change in asset value.

The Group derecognizes a financial liability when its contractual obligations have been fulfilled, or have been cancelled, or have expired.

### **3.4.2. Subsequent measurement of financial assets**

Subsequent assessment 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 appliance 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 accumulated depreciation with the usage of the method of the effective interest rate 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 of the chosen financial 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 sale 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 to raised payments only for principal and interest.

### **3.4.3. Subsequent assessment of financial liabilities**

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

#### ***Liabilities measured 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 with high level of safety 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 report 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 statement 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 reimbursed (directly, or through correction of corrective account for trade receivables) in profit or loss. However, the reimbursement may not result to 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.

When at the end of the reporting period the Group - through Parent company or its subsidiaries - has reacquired shares of the Parent company, their nominal value is presented as a decrease in share capital, and the difference below or above the nominal value – in retained earnings, according to *IAS 32 Financial Instruments: Disclosure and Presentation*.

### 3.7. Deferred income and prepaid expenses

Deferred income and prepaid expenses in the statement of financial position of the Group comprises revenue and expenses, which are prepaid in the current period, but relate to future periods, such as guarantees, insurance, subscriptions, rent, etc.

### 3.8. Employment 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 comprises current income tax and deferred taxes. Income tax is recognised in profit or loss, except when it relates to business combinations or items recognised directly in equity or in other comprehensive income.

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

Current income tax is calculated in accordance with the requirements of Bulgarian tax legislation (the Group has no entities registered abroad) – the Corporate Income Tax Act. The nominal corporate income tax rate for 2025 is 10% (2024: 10%).

There is no change in the tax rate from 01.01.2026, but at the end of 2023. changes have been adopted in the Corporate Income Tax Act, which provides for multinational and large national groups of enterprises to be subject to a national surtax. The minimum effective taxation applies to constituent entities that are domiciled in the country and that during the tax period are members of a multinational enterprise group or a large national enterprise group with annual revenues in the consolidated financial statements of the ultimate parent entity of the group, including the revenues of the excluded entities, in at least two of the four tax periods preceding the current tax period of at least EUR 750,000,000 or their lev equivalent determined at the official exchange rate of the lev to euro. This Part shall not apply to excluded entities, namely:

1. a public entity, an international organisation, a non-profit organisation, a pension fund, an investment fund which is the ultimate parent entity, and a real estate investment company which is the ultimate parent entity;
2. an entity at least 95 per cent of the value of which is held directly or indirectly by one or more entities referred to in point 1, other than pension service entities, and which:
  - (a) carries on an activity which consists wholly or almost wholly in holding assets or investing funds for the benefit of entities referred to in point 1; or
  - (b) carries on activities solely ancillary to those carried on by entities referred to in point 1;
3. an entity at least 85 per cent of the value of which is held, directly or through one or more excluded entities, by one or more entities referred to in point 1 other than pension service entities, provided that its profits are made up almost entirely of dividends or capital gains or losses which are not taken into account in determining eligible profit or loss in the manner provided for in Article 260n para. (2) point (2) and (3).

Secondary taxation within a multinational group of enterprises is provided for.

The tax rate of the additional tax is the positive difference between 15 per cent and the effective tax rate of the multinational or large national enterprise group for the jurisdiction.

### 3.9. Income tax (continued)

As at the date of these financial statements, the Group does not qualify for additional taxation and no additional taxation on the Group's profits is expected in 2026.

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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries 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.

Given the exceptions in IAS 12, no additional disclosures are required to be made by the Group in respect of Pillar 2 income taxes.

Taxable profit differs from accounting profit either because certain income and expenses are considered to be taxable or tax recognised or because the timing of their taxable or tax recognised treatment differs in their tax and accounting treatment.

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 clients***

A contract is an agreement between two or more parties, which generates rights and obligations for the parties. A client is a party, who has entered into an agreement with the Group to receive goods or services, which are subject of the normal operations of the Group, in exchange for a consideration.

The Group recognizes revenue to report the transfer of the goods or services promised to clients to the amount reflected the consideration, which the Group has a right as an exchange for the transferred goods and services.

The transfer of goods or services is based on the conception for the transfer of control upon them, the ability to manage the usage of assets and to receive in essence all other rewards from it. The control includes and the ability for prevention other companies to manage the usage of asset and to receive the rewards from it.

The revenue from contracts with clients is recognised over time, reflecting the contractual work done by the Group or in exact moment, when the control on goods or services is transferred to the client.

The revenue form contract with clients is recognised based on the policies and models in IFRS 15.

#### ***3.10.2. Finance income and finance costs***

Finance income comprises interest income, gain on transactions with own bonds, foreign exchange rate gains, gains from revaluation of financial assets accrued at fair value through profit or loss and other. Finance costs comprise interest expenses, foreign exchange rate losses, loss from revaluation of financial assets accrued at fair value through profit or loss, bank fees, commissions and other finance costs.

Borrowing costs, which may be directly attributable to the acquisition, construction or production of a qualifying asset prior to its being ready for its intended use or sale, and necessarily takes extended period of time, are capitalized in part of the cost of the asset. All other finance income and costs are recognized in profit or loss for all instruments, measured at amortized cost 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**

Lease contracts may contain both lease and non-lease components. For a contract that contains a lease component and one or more additional lease components or non-lease components, the Group allocates the consideration under the contract for each lease component based on the relative unit price of the lease component and the aggregate unit price of non-lease components. Leasing assets are 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 initial date, the lessee shall measure the lease liability at the present value of lease payments not paid at that date. Lease payments are discounted at the differential interest rate of 6.678% in 2025 and 6.659% for 2024.

### 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 differential interest 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 acquiring an asset includes 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 with lease term, which expired 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 fulfillment of obligations are assumed.

A non-repayable 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, major operating decisions), 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.

### 3.14. Non-current assets, held for sale

Non-current assets (disposal groups) are classified as held for sale if their carrying amount will be recovered, through sale rather than through continued use by the Group. These criteria are considered to be met only when sale is highly probable and the asset is available for sale in its present condition.

Non-current assets held for sale (disposal groups) are measured at the lower of carrying amount and fair value less costs to sell.

Intangible assets and property, plant and equipment once classified as held for sale are not amortised. Once classified as held for sale, investments in associates cease to be accounted for using the equity method

### 4. Determination of fair values

Several of the Group's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and reports directly to the Management.

Significant unobservable inputs and valuation adjustments are reviewed regularly. If third party information, such as broker quotes or pricing services is used to measure fair values, then the valuation team assesses the evidence obtained from third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Management of the Group.

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

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

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

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

## 5. Segments reporting

The Group has identified the following operating segments, based on the reports presented to the Group's Management, which are used in the process of strategic decision-making:

- **Wholesale of fuels** – wholesale of petroleum products in Bulgaria;
- **Retail of fuels** – retail of petroleum and other products through a network of petrol stations;
- **Other activities** – financial and accounting services, consultancy, rental income, maintenance and repairs and other activities.

The segment information, presented to the Group's Management for the years ended as of December 31, 2025 and 2024 is as follows:

2025	Wholesale of fuels BGN'000	Retail of fuels BGN'000	All other segments BGN'000	Total for the Group BGN'000
Total segment revenue	22,959	470,014	3,209	496,182
Intra-group revenue	63	6,483	2,190	8,736
<b>Revenue from external customers</b>	<b>22,896</b>	<b>463,531</b>	<b>1,019</b>	<b>487,446</b>
<b>Adjusted EBITDA</b>	<b>(224)</b>	<b>29,577</b>	<b>(14,055)</b>	<b>15,298</b>
Depreciation/amortization	(162)	(6,236)	(1,434)	(7,832)
Impairment loss (net)	-	-	(1,532)	(1,532)
<b>2024</b>	<b>Wholesale of fuels BGN'000</b>	<b>Retail of fuels BGN'000</b>	<b>All other segments BGN'000</b>	<b>Total for the Group BGN'000</b>
Total segment revenue	17,012	493,536	4,348	514,896
Intra-group revenue	67	6,635	2,032	8,734
<b>Revenue from external customers</b>	<b>16,945</b>	<b>486,901</b>	<b>2,316</b>	<b>506,162</b>
<b>Adjusted EBITDA</b>	<b>(822)</b>	<b>28,780</b>	<b>(7,844)</b>	<b>20,114</b>
Depreciation/amortization	(268)	(6,522)	(1,769)	(8,559)
Impairment loss (net)	-	-	(3,345)	(3,345)

The policies for recognition of revenue from intra-group sales and sales to external clients for the purposes of the reporting by segments do not differ from these applied by the Group for revenue recognition in the consolidated statement of profit and loss and other comprehensive income.

The Group's management assesses the performance of the segments based on Adjusted EBITDA. The calculation of adjusted EBITDA excludes the effect of impairment of assets. A reconciliation of reportable segment information to the figures in the annual consolidated financial statements for the period ending December 31, 2025 and 2024 is set out in the following table:<sup>15</sup>

<sup>15</sup> EBITDA (earnings before interest, tax, depreciation and amortization) – финансов резултат преди нетни финансови разходи, данъци и амортизация.

**5. Segments reporting (continued)**

	2025 BGN'000	2024 BGN'000
<b>Revenue</b>		
Total revenue from reported segments	492,973	510,548
Revenue from other segments	3,209	4,348
Eliminations of intra-group sales	<u>(8,736)</u>	<u>(8,734)</u>
<b>Revenue from external customers</b>	<b><u>487,446</u></b>	<b><u>506,162</u></b>
<b>Adjusted EBITDA</b>		
Adjusted EBITDA of reported segments	29,353	27,958
Adjusted EBITDA of all other segments	<u>(14,055)</u>	<u>(7,844)</u>
<b>Consolidated adjusted EBITDA before taxes on continuing operations</b>	<b><u>15,298</u></b>	<b><u>20,114</u></b>
Depreciation expenses of continuing operations	(7,832)	(8,559)
Profit (loss) of impairment, net	(1,532)	(3,345)
Finance costs, net	<u>(3,181)</u>	<u>(9,734)</u>
<b>Profit/ (loss) before taxes on continuing operations</b>	<b><u>2,753</u></b>	<b><u>(1,524)</u></b>

**6. Revenue from sales**

	2025 BGN'000	2024 BGN'000
Sales of goods	476,937	493,967
Sales of services	<u>6,206</u>	<u>6,335</u>
	<b><u>483,143</u></b>	<b><u>500,302</u></b>

## 6. Revenue from sales (continued)

Revenue from sales of goods comprises, as follows:

	<b>2025</b>	<b>2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Fuels	416,730	430,326
Lubricants and other goods	<u>60,207</u>	<u>63,641</u>
	<b><u>476,937</u></b>	<b><u>493,967</u></b>

## 7. Other income

	<b>2025</b>	<b>2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Gain on the sale of property, plant, and equipment, materials, and non-current assets held for sale, including:		
<i>Income from sales</i>	3,168	4,702
<i>Carrying amount</i>	6,443	6,712
<i>Surpluses of assets</i>	(3,275)	(2,010)
Grants	526	428
Insurance claims	194	309
Penalties and indemnities	119	107
Other	44	27
	<u>252</u>	<u>287</u>
	<b><u>4,303</u></b>	<b><u>5,860</u></b>

By Decisions and amendments of the Council of Ministers, in the period from 2021 to June 30, 2026, a programme for compensation of non-residential end customers of electricity was adopted with the aim of protecting and supporting all non-residential end consumers in dealing with the consequences of fluctuations in electricity prices. For 2025, the Group received and recognised income from financing under this programme in the amount of BGN 194 thousand (2024: BGN 309 thousand).

## 8. Cost of goods sold

	<b>2025</b>	<b>2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Fuels	370,769	383,147
Lubricants and other goods	<u>48,415</u>	<u>52,093</u>
	<b><u>419,184</u></b>	<b><u>435,240</u></b>

## 9. Materials and consumables

	<b>2025</b>	<b>2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Electricity and heating	2,517	2,298
Fuels and lubricants	521	556
Spare parts	501	315
Office consumables	398	406
Working clothes	207	227
Water supply	136	120
Advertising materials	62	47
Other	166	97
	<u><b>4,508</b></u>	<u><b>4,066</b></u>

## 10. Hired services

	<b>2025</b>	<b>2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Dealers' remunerations and other commissions	12,353	11,700
Maintenance and repairs	3,257	2,929
Consulting and training	1,174	1,221
State, municipal fees and other costs	873	980
Insurances	622	575
Communications	501	522
Rents	446	530
Cash collection expense	440	451
Security	431	618
Software licenses	217	213
Transport	109	119
Advertising	95	119
Other	829	792
	<u><b>21,347</b></u>	<u><b>20,769</b></u>

Rental costs in 2025 include rentals of BGN 271 thousand (2024: BGN 254 thousand) in relation to petrol stations leased under operating leases that fall within the IFRS 16 exemptions.

In 2025 the Group has accrued for services provided by registered auditors totalling BGN 92 thousand (2024: BGN 76 thousand) for services related to the independent financial audit of the individual and consolidated financial statements.

## 11. Personnel expenses

	<b>2025</b>	<b>2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Wages and salaries	19,457	18,152
Social security contributions and benefits	5,066	4,992
	<u>24,523</u>	<u>23,144</u>

The Group has entered into an agreement with a licensed operator to provide food vouchers to its employees and / or employees working under employment contracts or to persons employed under management and control contracts, separate from their remuneration as a result of which vouchers for 2025 have been distributed. food with a total value of BGN 1,769 thousand (2023: BGN 1,896 thousand)

## 12. Impairment losses

	<b>2025</b>	<b>2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Recognised impairment loss on financial assets, including:	1,978	5,913
<i>Impairment loss on loans granted</i>	1,029	5,711
<i>Impairment loss on trade and other receivables</i>	854	157
<i>Recognised impairment loss on property, plant and equipment and intangible assets</i>	95	45
<i>Recognised impairment loss on property, plant and equipment and intangible assets</i>	-	35
Reversed impairment loss on financial assets, including:	(446)	(2,603)
<i>Reversed impairment loss on trade loans granted</i>	(443)	(2,336)
<i>Reversed impairment loss on trade and other receivables</i>	(3)	(267)
<b>Recognised losses, net</b>	<u><b>1,532</b></u>	<u><b>3,345</b></u>

The impairment losses recognized in 2025 and 2024 on trade receivables, guarantee deposits, and loans granted are primarily the result of the Group's adoption of IFRS 9 Financial Instruments.

### 13. Other expenses

	2025 BGN'000	2024 BGN'000
Scrap, shortages and liquidation of assets	1,163	741
Local taxes and taxes on expenses	702	637
Entertainment expenses and sponsorship	440	945
Penalties and indemnities	65	37
Business trips	15	16
Written-off receivables	-	341
Other	201	112
	<u>2,586</u>	<u>2,829</u>

### 14. Finance income and costs

	2025 BGN'000	2024 BGN'000
<b><i>Finance income</i></b>		
Interest income, including	13,504	10,335
<i>Interest income on loans granted</i>	8,699	6,566
<i>Interest income on deposits</i>	4,707	3,694
<i>Interest income on trade receivables</i>	98	75
Positive foreign exchange changes, net	-	44
Gain on sale of subsidiary	3,809	27
	<u>17,313</u>	<u>10,406</u>
<b><i>Financial costs</i></b>		
Interest costs, including:	(19,243)	(18,726)
<i>Interest expenses on bank loans</i>	(15,594)	(14,725)
<i>Interest expenses on debenture loans</i>	(1,661)	(1,664)
<i>Interest expenses on trade and other payables</i>	(942)	(1,180)
<i>Interest on leases</i>	(747)	(874)
<i>Interest expenses to the state budget</i>	(273)	(217)
<i>Interest expenses on trade loans</i>	(26)	(66)
Negative foreign exchange changes, net	(132)	-
Remeasurement of financial assets,	-	(202)
Loss on sale of receivables	-	(120)
Bank fees, commissions and other financial expenses	(1,119)	(1,092)
	<u>(20,494)</u>	<u>(20,140)</u>
<b>Finance income (costs), net</b>	<u><b>(3,181)</b></u>	<u><b>(9,734)</b></u>

## 15. Taxation

### 15.1. Tax expenses

Tax expense recognised in profit or loss from continuing operations includes the sum of current income tax expense and deferred income tax expense as required by IAS 12 Income taxes.

	2025 BGN'000	2024 BGN'000
Current tax expense	842	689
Change in deferred tax, including:	(774)	(562)
<i>Temporary differences recognised during the year</i>	(60)	120
<i>Temporary differences arisen during the year</i>	(720)	(680)
<i>Adjustments</i>	6	(2)
<b>Tax (income) expense from continuing operations</b>	<b>68</b>	<b>127</b>

### 15.2. Effective tax rate

The reconciliation between the accounting profit (loss) and tax expense, as well as calculation of the effective tax rate as of December 31, 2025 and 2024 is presented in the table below:

	2025 BGN'000	2024 BGN'000
Profit (loss) before tax for the year	2,753	(1,524)
Applicable tax rate	10%	10%
Tax benefit at the applicable tax rate	275	(152)
Tax effect from permanent differences	150	(112)
Tax adjustments for prior periods	(6)	2
Tax effect from consolidation adjustments	(351)	389
<b>Tax (income) expense from continuing operations</b>	<b>68</b>	<b>127</b>
<b>Effective tax rate</b>	<b>2,47%</b>	<b>-</b>

The respective tax periods of the Group may be subject to inspection by the tax authorities until the expiration of 5 years from the end of the year in which a declaration was submitted, or should have been submitted. Consequently, additional taxes or penalties may be imposed in accordance with the interpretation of the tax legislation. The Group's management is not aware of any circumstances, which may give rise to a contingent additional liability in this respect.

## 15.2. Effective tax rate (continued)

The latest tax audit carried out on the Parent company was to verify the corporate and expense taxes declared and paid for the period 2016-2021 and value added tax for the period 2016 - July 2022.

## 15.3. Recognised deferred tax assets and liabilities

### Recognised deferred tax assets

	Asset (liability) as at January 1, 2024	Recognised in profit and loss	Recognised in equity	Asset (liability) as at December 31, 2024	Acquired through business combination	Recognised in profit and loss	Asset (liability) as at December 31, 2025
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Property, plant and equipment	(2,841)	-	80	(2,761)	390	127	(2,244)
Impairment of assets	5,045	(4)	59	5,100	-	87	5,187
Tax loss carry-forwards	79	-	(3)	76	(19)	12	69
Provisions for unused paid leave and other provisions	163	-	11	174	-	27	201
Excess of interest payments in accordance with CITA	118	-	743	861	-	520	1,381
Other temporary differences, including unpaid benefits to individuals	29	-	8	37	-	(1)	36
	<b>2,593</b>	<b>(4)</b>	<b>898</b>	<b>3,487</b>	<b>371</b>	<b>772</b>	<b>4,630</b>

### Recognised deferred tax liabilities

	Asset (liability) as at January 1, 2024	Recognised in profit and loss	Asset (liability) as at December 31, 2024	Recognised in profit and loss	Asset (liability) as at December 31, 2025
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Property, plant and equipment	(1,093)	(368)	(1,461)	(1)	(1,462)
Impairment of assets	13	43	56	3	59
Tax loss carry-forwards	10	(10)	-	-	-
Other temporary differences, including unpaid benefits to individuals	1	(1)	-	-	-
	<b>(1,069)</b>	<b>(336)</b>	<b>(1,405)</b>	<b>2</b>	<b>(1,403)</b>

The Group is entitled to carry forward tax assets related to the tax loss to subsequent tax years through 2030.

#### 15.4. Unrecognized deferred tax assets

As of December 31, 2025 the Group's Management reviews the recoverability of deductible temporary differences and tax loss carry forward, forming tax assets. Because of this review, the Group's Management estimates that there might be no sufficient taxable profits in the near future against which the assets will be utilized. Consequently, the Group does not recognize tax assets on the following deductible temporary differences and tax loss carry forward and impairment of assets, incurred during the current and previous reporting periods.

The amount of deductible tax losses for which the Group has not recognised a tax asset due to uncertainty in the realisation of sufficient future tax benefits is as follows:

<b>Temporary difference/period in which it can be deducted</b>	<b>until 2026</b>	<b>until 2027</b>	<b>until 2028</b>	<b>until 2029</b>	<b>until 2030</b>
Tax loss carry-forward	1,130	1,124	1,119	-	-

**16. Property, Plant, and Equipment, and Intangible Assets**

	Land	Buildings	Machinery and equipment	Transport vehicles	Other assets	Assets under construction	Intangible assets	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
<i>Historical cost</i>								
<b>Balance at January 1, 2024</b>	<b>45,904</b>	<b>25,363</b>	<b>37,584</b>	<b>428</b>	<b>10,601</b>	<b>285</b>	<b>655</b>	<b>120,820</b>
Additions	1	235	354	-	388	841	33	1,852
Transfers	237	32	238	-	203	(710)	-	-
Transfers to assets held for sale	(118)	(205)	(593)	-	(92)	-	-	(1,008)
Disposals	(1,027)	(405)	(715)	-	(201)	(73)	(4)	(2,425)
Impairment	-	-	-	-	-	-	(35)	(35)
<b>Balance at December 31, 2024</b>	<b>44,997</b>	<b>25,020</b>	<b>36,868</b>	<b>428</b>	<b>10,899</b>	<b>343</b>	<b>649</b>	<b>119,204</b>
Additions	5	132	664	-	470	244	109	1,624
Transfers	-	-	260	-	13	(273)	-	-
Transfers to assets held for sale	(830)	(421)	(228)	-	(18)	-	-	(1,497)
Disposals	(1,678)	(385)	(567)	-	(171)	(105)	(2)	(2,908)
Disposals through business combination	(2,512)	(1,489)	(458)	-	(86)	(1)	(4)	(4,550)
<b>Balance at December 31, 2025</b>	<b>39,982</b>	<b>22,857</b>	<b>36,539</b>	<b>428</b>	<b>11,107</b>	<b>208</b>	<b>752</b>	<b>111,873</b>
<i>Accumulated depreciation</i>								
<b>Balance at January 1, 2024</b>	<b>-</b>	<b>425</b>	<b>1,179</b>	<b>36</b>	<b>441</b>	<b>-</b>	<b>112</b>	<b>2,193</b>
Charged	-	1,016	2,777	10	1,293	-	128	5,224
Transfers to assets held for sale	-	(10)	(54)	-	(17)	-	-	(81)
Written off during the year	-	(20)	(97)	-	(40)	-	-	(157)
<b>Balance at December 31, 2024</b>	<b>-</b>	<b>1,411</b>	<b>3,805</b>	<b>46</b>	<b>1,677</b>	<b>-</b>	<b>240</b>	<b>7,179</b>
Charged	-	953	2,794	9	1,319	-	67	5,142
Transfers to assets held for sale	-	(27)	(35)	-	(4)	-	-	(66)
Written off during the year	-	(34)	(224)	-	(50)	-	(2)	(310)
Written off on business combination	-	(176)	(84)	-	(30)	-	-	(290)
<b>Balance at December 31, 2025</b>	<b>-</b>	<b>2,127</b>	<b>6,256</b>	<b>55</b>	<b>2,912</b>	<b>-</b>	<b>305</b>	<b>11,655</b>
<b>Carrying amount at January 1 2024</b>	<b>45,904</b>	<b>24,938</b>	<b>36,405</b>	<b>392</b>	<b>10,160</b>	<b>285</b>	<b>543</b>	<b>118,627</b>
<b>Carrying amount at December 31, 2024</b>	<b>44,997</b>	<b>23,609</b>	<b>33,063</b>	<b>382</b>	<b>9,222</b>	<b>343</b>	<b>409</b>	<b>112,025</b>
<b>Carrying amount at December 31, 2025</b>	<b>39,982</b>	<b>20,730</b>	<b>30,283</b>	<b>373</b>	<b>8,195</b>	<b>208</b>	<b>447</b>	<b>100,218</b>
<b>Carrying amount at December 31, 2024, if assets were reported at cost</b>	<b>39,661</b>	<b>20,375</b>	<b>21,433</b>	<b>29</b>	<b>8,078</b>	<b>415</b>	<b>105</b>	<b>90,096</b>
<b>Carrying amount at December 31, 2025, if assets were reported at cost</b>	<b>36,748</b>	<b>18,479</b>	<b>19,437</b>	<b>29</b>	<b>7,244</b>	<b>296</b>	<b>147</b>	<b>82,380</b>

## 16. Property, Plant, and Equipment, and Intangible Assets (continued)

As at December 31, 2025, Property, plant and equipment with a carrying amount of BGN 88,298 thousand (December 31, 2024: BGN 97,938 thousand) are mortgaged or pledged as security for bank loans granted to the Parent company and to unrelated parties under credit facility agreements for the issue of bank guarantees.

Assets under construction primarily include expenditures incurred in connection with the redevelopment of facilities.

The initial revalued (to fair) amount of property, plant, equipment and intangible fixed assets has been determined by an independent valuer's market valuation prepared and applied in the accounting policy as of January 1, 2020. Based on the NSI Consumer Price Index in December 2022 compared to the same month in 2021, which shows an annual inflation rate of 16.9%, Management has made a judgement that there could be a material deviation in the fair values of the assets and has commissioned a new market valuation as at 31 December 31, 2022. In these consolidated financial statements, property, plant and equipment and intangible fixed assets are presented at their revalued amounts, prepared by an independent valuer as at December 31, 2022. In preparing the valuation report of the independent licensed appraiser, the fair value of property, plant, equipment and intangible fixed assets is determined using the methods of the intermediate comparisons, capitalized rental income and the intangible asset real value method. Property, plant and equipment and intangible assets acquired through business combinations in 2023 are measured at fair value on acquisition of control. As at December 31, 2025, management has assumed that there are no circumstances requiring a new valuation to be appointed to a licensed valuer.

## 17. Investment property

	December 31 2025 BGN'000	December 31 2024 BGN'000
<i>Cost</i>		
<b>Balance at the beginning of the year</b>	<b>1,883</b>	<b>1,883</b>
Acquisitions	-	-
<b>Balance at the end of the year</b>	<b>1,883</b>	<b>1,883</b>
<i>Accumulated depreciation</i>		
<b>Balance at the beginning of the year</b>	<b>380</b>	<b>331</b>
Depreciation for the year	49	49
<b>Balance at the end of the year</b>	<b>429</b>	<b>380</b>
<b>Carrying amount at the beginning of the year</b>	<b>1,503</b>	<b>1,552</b>
<b>Carrying amount at the end of the year</b>	<b>1,454</b>	<b>1,503</b>

The investment properties, representing a land property and a building, were acquired in December 2016 through a business combination. The Group estimated the fair value of the investment properties for disclosure purposes using an independent valuer's valuation which was carried out using the mortgaged replacement value method, the indirect comparison method, the direct capitalization method. The fair value of the investment properties as at December 31, 2025 is BGN 2,626 thousand (December 31, 2024: BGN 2,358 thousand). The investment properties are used to secure obligations under a bank loan.

## 18. Assets and liabilities under leases

The consolidated statement of financial position as at December 31, 2025 and 2024 presents the following items and amounts related to lease agreements:

<b>Consolidated statement of financial position</b>	December 31 2025 BGN'000	December 31 2024 BGN'000
<b>Right-of-use assets, incl.:</b>	<b>9,121</b>	<b>11,284</b>
<i>Property (land and buildings)</i>	8,855	10,529
<i>Plant, equipment and machinery</i>	125	15
<i>Transport vehicles</i>	141	740
<b>Liabilities under leases, incl.:</b>	<b>(10,708)</b>	<b>(12,309)</b>
<i>Current liabilities</i>	(3,327)	(3,449)
<i>Non-current liabilities</i>	(7,381)	(8,860)
<b>Net effect on equity</b>	<b>(1,587)</b>	<b>(1,025)</b>

## 18. Assets and liabilities under leases (continued)

Costs recognized in the consolidated statement of profit or loss and other comprehensive income from continuing and discontinued operations:

Consolidated statements of profit or loss and other comprehensive income	December 31	December 31
	2025	2024
	BGN'000	BGN'000
Depreciation costs of right-of-use assets, incl.:	2,641	3,286
<i>Properties (lands and buildings)</i>	2,375	2,768
<i>Machinery, plants and equipment</i>	41	8
<i>Transport vehicles</i>	225	510
Interest for right-of-use assets on lease contracts	747	874
<b>Total</b>	<b>3,388</b>	<b>4,160</b>

The Group has leased various assets: land, retail premises, small offices and buildings, vehicles, photocopiers. The leases are normally for a period of 3 to 10 years but may contain extension options.

The total cash outflow under lease contracts for assets with right of use as at December 31, 2025 is an amount of BGN 2,774 thousand (2024: BGN 3,136 thousand), which does not include value added tax paid.

## 19. Goodwill

The recognised goodwill arose from acquisitions of subsidiaries in prior periods and as at December 31, 2025 and 2024 amounts to BGN 26,914 thousand, against which total impairment losses of BGN 20,400 thousand have been charged.

The allocation of goodwill by company is as follows: Varna Storage Ltd – recognised goodwill of BGN 19,787 thousand (fully impaired), Crystal Asset Property Ltd – BGN 5,330 thousand with accumulated impairment of BGN 512 thousand, Crystal Assets Trade Ltd – BGN 1,690 thousand with accumulated impairment of BGN 51 thousand, Crystal Assets Bulgaria Ltd – BGN 50 thousand (fully impaired), Lozen Asset JSC – BGN 29 thousand and Petrol Technologies Ltd – BGN 28 thousand.

As at December 31, 2025 and 2024, Management has analysed impairment indicators and confirmed that no events have occurred requiring additional corrections to the carrying amount.

## 20. Non-current assets held for sale

	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
Non-current assets held for sale, incl:	1,431	927
<i>Land</i>	830	118
<i>Buildings</i>	394	195
<i>Machinery, plant and equipment</i>	193	539
<i>Other</i>	<u>14</u>	<u>75</u>
	<b><u>1,431</u></b>	<b><u>927</u></b>

In December 2024, a preliminary contract was signed for the sale of the commercial site - petrol station. The Group's management considers that the assets meet the requirements of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations at that time and are classified as non-current assets held for sale. All assets classified as held for sale as of December 31, 2024, were successfully disposed of during the 2025 reporting year. As a result of preliminary agreements entered into in 2025, management classified two new retail properties (gas stations) as assets held for sale.

## 21. Inventory

	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
Goods, including:	14,032	12,563
<i>Fuels</i>	7,466	7,368
<i>Lubricants and other goods</i>	6,566	5,195
Materials	<u>735</u>	<u>694</u>
	<b><u>14,767</u></b>	<b><u>13,257</u></b>

## 22. Loans granted

	December 31 2025 BGN'000	December 31 2024 BGN'000
<b>Non-current receivables</b>		
Deposits granted	69,335	59,430
<i>Initial value</i>	70,000	60,000
<i>Allowance for impairment</i>	(665)	(570)
Loans granted to unrelated parties, including	51,501	40,849
<i>Initial value</i>	52,954	41,468
<i>Allowance for impairment</i>	(1,453)	(619)
	<b>120,836</b>	<b>100,279</b>
<b>Current receivables</b>		
Loans granted to unrelated parties, including	63,415	66,163
<i>Initial value</i>	77,852	80,848
<i>Allowance for impairment</i>	(14,437)	(14,685)
Loans granted to related parties, incl.:	15,285	15,285
<i>Initial value</i>	17,870	17,870
<i>Allowance for impairment</i>	(2,585)	(2,585)
	<b>78,700</b>	<b>81,448</b>
	<b>199,536</b>	<b>181,727</b>

In September 2023, the Parent company deposited cash with a commercial bank under Debt Product Agreements (pursuant to Regulation 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 with a ten-year maturity until 15.08.2033. As at December 31, 2025 and 2024, the deposited amounts to BGN 55,000 thousand.

The Parent company has entered into agreements for the blocking of these funds in order to secure the performance of a credit line granted to the Parent company by the same bank, with the same term. As at 31 December 2025 an impairment charge of BGN 570 thousand (2024: BGN 525 thousand) has been made on the cash provided, in accordance with the policy for the recognition of expected credit losses on financial assets.

In December 2024 and January and February 2025, the Parent company placed funds in the same commercial bank under Debt Product Agreements (pursuant to Regulation 575/2013 of the EP and the Council of June 26, 2013) against interest linked to the bank's Base Interest Rate (BIR) plus a surcharge of 3.2100 percentage points for a period of five years, with maturity January 1, 2030. The deposited amounts under these terms total BGN 15,000 thousand. The Parent company has concluded agreements to block these funds in order to secure the performance under an overdraft on the account of the Parent company granted by the same bank, with the same term. As at December 31, 2025, an impairment of BGN 95 thousand (2024: BGN 48 thousand) has been charged on the funds provided, in accordance with the policy for recognition of expected credit losses on financial assets.

Loans granted to unrelated entities - legal entities registered in the Republic of Bulgaria are granted under the following interest rate terms and final repayment period:

## 22. Loans granted (continued)

Borrower	Receivables on loans granted as at 31.12.2025, net	Principal	Interest	Accrued Impairmen t	Annual Interest	Maturity
	BGN'000	BGN'000	BGN'000	BGN'000	%	
Commercial Company						Principal - 31.dec.28 Interest – currently for the year.
	<b>24,584</b>	25,500	123	(1,039)	6.70%	
Commercial Company	<b>17,047</b>	14,800	2,248	(1)	7.20%	31.DEC.28
Commercial Company	<b>10,528</b>	9,557	1522	(551)	7.00%	31.DEC.26
Commercial Company	<b>9,993</b>	9,735	671	(413)	6.70%	31.DEC.28
Commercial Company	<b>9,151</b>	7,962	1256	(67)	7.00%	31.DEC.26
Commercial Company	<b>7,515</b>	6,925	590	-	6.70%	31.DEC.26
Commercial Company	<b>6,977</b>	7,650	507	(1,180)	7.30%	31.DEC.26
Commercial Company	<b>6,288</b>	5,830	923	(465)	7.00%	31.DEC.26
Commercial Company	<b>5,492</b>	4,951	2238	(1,697)	6.70%	31.DEC.26
Commercial Company	<b>3,854</b>	3,331	556	(33)	7.00%	31.DEC.26
Commercial Company	<b>2,865</b>	2,820	50	(5)	7.20%	31.DEC.26
Commercial Company	<b>2,409</b>	2,196	445	(232)	7.00%	31.DEC.26
Commercial Company	<b>1,464</b>	1,212	264	(12)	7.00%	31.DEC.26
Commercial Company	<b>1,399</b>	1,380	116	(97)	5.00%	31.DEC.26
Commercial Company	<b>1,332</b>	1,155	205	(28)	6.70%	31.DEC.26
Commercial Company	<b>1,074</b>	961	152	(39)	7.00%	31.DEC.26
Commercial Company	<b>946</b>	950	8	(12)	7.20%	31.DEC.26
Commercial Company	<b>557</b>	488	76	(7)	7.00%	31.DEC.26
Commercial Company	<b>551</b>	645	1	(95)	6.70%	31.DEC.26
Commercial Company	<b>430</b>	430	-	-	6.70%	31.DEC.26
Commercial Company	<b>409</b>	395	14	-	7.20%	31.DEC.26
Commercial Company	<b>30</b>	30	-	-	0.00%	31.DEC.26
Commercial Company	<b>0</b>	313	137	(450)	7.00%	07.AUG.26
Commercial Company	<b>20</b>	20	-	-	-	31.DEC.26
Commercial Company	<b>1</b>	1	-	-	6.80%	31.DEC.26
Commercial Company	-	121	26	(147)	5.00%	31.DEC.26
Commercial Company	-	5,190	-	(5,190)	0.00%	28.OCT.15
Commercial Company	-	2,210	-	(2,210)	9.50%	28.OCT.15
Commercial Company	-	1,258	592	(1,850)	6.70%	18.DEC.28
Commercial Company	-	44	-	(44)	9.50%	21.JAN.17
Commercial Company	-	18	7	(25)	6.70%	31.DEC.26
Commercial Company	-	-	1	(1)	8.50%	26.AUG.15
	<b>114,916</b>	<b>118,078</b>	<b>12,728</b>	<b>(15,890)</b>		

## 22. Loans granted (continued)

Borrower – BG companies	Receivables on loans granted as at 31.12.2024, net	Principal	Interest	Accrued Impairment	Annual Interest	Maturity
	BGN'000	BGN'000	BGN'000	BGN'000	%	
Commercial Company	25,034	25,500	152	(618)	6.70%	Principal - 31.dec.28 Interest – currently for the year
Commercial Company	15,967	14,800	1,168	(1)	7.20%	31.dec.28
Commercial Company	9,849	9,546	854	(551)	7.00%	31.dec.25
Commercial Company	9,510	9,735	10	(235)	6.70%	31.dec.25
Commercial Company	8,624	7,994	696	(66)	7.00%	31.dec.25
Commercial Company	7,045	6,925	120	-	6.70%	31.dec.25
Commercial Company	6,563	7,650	23	(1,110)	7.30%	31.dec.25
Commercial Company	5,942	5,793	1,848	(1,699)	6.70%	31.dec.25
Commercial Company	5,896	5,830	514	(448)	7.00%	31.dec.25
Commercial Company	3,740	3,454	319	(33)	7.00%	31.dec.25
Commercial Company	3,045	3,005	272	(232)	7.00%	31.dec.25
Commercial Company	1,828	1,671	168	(11)	7.00%	31.dec.25
Commercial Company	1,029	985	83	(39)	7.00%	31.dec.25
Commercial Company	819	709	138	(28)	6.70%	31.dec.19
Commercial Company	794	729	65	0	7.20%	31.dec.24
Commercial Company	730	670	73	(13)	5.00%	31.dec.25
Commercial Company	524	489	42	(7)	7.00%	31.dec.25
Commercial Company	73	65	8	-	6.70%	31.dec.24
Commercial Company	-	5,190	-	(5,190)	0.00%	28.oct.15
Commercial Company	-	2,210	-	(2,210)	9.50%	28.oct.15
Commercial Company	-	1,258	487	(1,745)	6.70%	31.dec.24
Commercial Company	-	313	116	(429)	7.00%	07.aug.25
Commercial Company	-	121	19	(140)	5.00%	31.dec.25
Commercial Company	-	44	-	(44)	9.50%	21.jan.17
Commercial Company	-	20	6	(26)	6.70%	31.dec.25
Commercial Company	-	-	429	(429)	6.70%	31.dec.19
	<b>107,012</b>	<b>114,706</b>	<b>7,610</b>	<b>(15,304)</b>		

The Group's exposure to credit and foreign currency risk and impairment losses related to loans are disclosed in note 32.

### 23. Trade and other receivables

	December 31 2025 BGN'000	December 31 2024 BGN'000
Receivables from clients, including	20,599	16,603
<i>Initial value</i>	25,075	20,228
<i>Allowance for impairment</i>	(4,476)	(3,625)
Receivables from related parties, including	13,434	2,159
<i>Initial value</i>	13,434	2,159
<i>Allowance for impairment</i>	-	-
Receivables under cession agreements, assumption of debt and regress	2,114	2,025
<i>Initial value</i>	4,372	4,283
<i>Allowance for impairment</i>	(2,258)	(2,258)
Financial assets, measured at fair value through profit or loss	1,793	1,793
Guarantees for participation in tender procedures	762	783
Prepaid expenses	654	1,551
Advances granted, including	197	272
<i>Initial value</i>	266	341
<i>Allowance for impairment</i>	(69)	(69)
Tax refundable, incl.:	36	22
<i>Property Tax and Waste Collection Fee</i>	28	-
<i>VAT</i>	8	22
Litigations and writs	-	-
<i>Initial value</i>	10	10
<i>Allowance for impairment</i>	(10)	(10)
Other	1,142	144
<i>Initial value</i>	1,153	155
<i>Allowance for impairment</i>	(11)	(11)
	<b>40,731</b>	<b>25,352</b>

In accordance with the established policy, the Group provides its clients with a credit period, after which an interest is charged on the unpaid balance. An interest is provided for in every particular contract. As at the end of every reporting period the Group carries out a detailed review and analysis of the significant due trade receivables and the assessed as uncollectible are impaired.

The adoption of the new IFRS 9 has substantially changed the accounting of impairment losses on financial assets by replacing the accrued loss approach under IAS 39 with a more forward-looking model of expected credit losses. IFRS 9 requires the Group to recognize a provision for expected credit losses for all debt instruments that are not carried at fair value through profit or loss and for contractual assets.

The Group considers that unimpaired overdue receivables are collectible based on a historical information about payments, guarantees received and a detailed analysis of the credit risk and collaterals of its customers.

The Group's exposure to credit and currency risk and impairment losses, related to trade and other receivables is disclosed in Note 32.

## 24. Cash and cash equivalents

	December 31 2025 BGN'000	December 31 2024 BGN'000
Cash in transit	1,588	1,341
Cash at banks	2,644	221
Cash on hand	75	86
<b>Cash in the consolidated cash flow statement</b>	<b>4,307</b>	<b>1,648</b>
Blocked cash	95	92
<b>Cash in the consolidated statement of financial position</b>	<b>4,402</b>	<b>1,740</b>

As at December 31, 2025 and 2024 the Group reported BGN 95 thousand and 92 thousand, respectively, cash in banks, blocked as a collateral for enforcement litigations.

Cash in transit comprises cash collected from the fuel stations as at the end of the reporting period but received in the bank accounts of the Group in the beginning of the next reporting period.

## 25. Registered capital

The registered capital of the Group is presented at its nominal value. It represents the registered capital of the Parent company Petrol AD. As at December 31, 2024, the fully paid-in registered capital in the amount of BGN 109,250 thousand was divided into 27,312,403 registered shares, each with a nominal value of four leva. On March 6, 2025, a change in the capital of the Parent company - Petrol AD was registered in the Commercial Register and the Register of Non-Profit Companies at the Registry Agency, in accordance with a resolution of the general meeting of shareholders of Petrol AD adopted on February 18, 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 leva) to BGN 27,312,403 (twenty-seven million three hundred and twelve thousand four hundred and three leva) pursuant to Art. 200, item 1 of the Commercial Act (CA) by reducing the nominal value of the issued shares from BGN 4 (four leva) to BGN 1 (one lev). This fact was reflected in the CRNPC with registration No. 20250306160504. As at December 31, 2025, the fully paid-in registered capital amounts to BGN 27,312 thousand, divided into 27,312,403 registered shares, each with a nominal value of one lev.

As at December 31, 2025 and 2024 the shareholders in the Parent company are as follows:

	December 31 2025	December 31 2024
Alfa Capital AD	28.85%	28.85%
Storage Invest EOOD	26.77%	26.77%
Perfeto consulting EOOD	16.43%	16.43%
Trans Express Oil EOOD	9.82%	9.82%
Petrol Bulgaria AD	7.05%	7.05%
Gryphon Power AD	5.39%	5.39%
The Ministry of Energy	0.65%	0.65%
Other minority shareholders	5.04%	5.04%
	<b>100.00%</b>	<b>100.00%</b>

## 25. Registered capital (continued)

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

### *Profit (loss) per share*

The profit (loss) per share is calculated by dividing the net loss for the period by the weighted average number of ordinary shares held during 2025 and 2024:

	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
Weighted average number of shares (BGN'000)	27,312	27,312
Profit (loss) for the year attributable to equity holders of the parent company in thousand BGN	<u>2,685</u>	<u>(1,651)</u>
<b>Profit (loss) per share (BGN)</b>	<b><u>0.10</u></b>	<b><u>(0.06)</u></b>

## 26. Loans and borrowings

	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
<b>Non-current liabilities</b>		
Bank loans	201,893	200,378
Debenture loans	<u>36,440</u>	<u>36,396</u>
	<b><u>238,333</u></b>	<b><u>236,774</u></b>
<b>Current liabilities</b>		
Bank loans	23,665	22,226
Debenture loans	668	668
Loans from unrelated parties	37	78
Loans from related parties	<u>4</u>	<u>7,141</u>
	<b><u>24,374</u></b>	<b><u>30,113</u></b>
	<b><u>262,707</u></b>	<b><u>266,887</u></b>

Additional information about the interest, currency and liquidity risk, to which the Group is exposed as a result of the loans received, is disclosed in Note 32.

## 26.1. Debenture loans

In October 2006, the Parent company issued 2,000 registered transferable bonds with fixed annual interest rate of 8.375% and issue value 99.507% of the face value, which is determined at EUR 50,000 per bond. The purpose of the emission is to provide working capital funds, financing of investment projects and restructuring of outstanding debt of the Parent company. The principal is due in one payment at the maturity date. The bond term is 5 years and the maturity date is in October 2011. At the general meetings of the bondholders conducted in October and December 2011, it was decided to extend the term of the issue until January 26, 2017. On December 23, 2016, a procedure of extension of the bond issue to 2022 and reduction of the interest rate in the range from 5.5% to 8% was successfully completed with payments of interest once in a year.

In September 2020 the Parent company successfully completed a new procedure for renegotiating the conditions of the debenture loan. The maturity of the debenture loan principal is deferred until January 2027, the agreed interest rate is reduced to 4.24% per annum, with six months regularity of the interest (coupon) payments - in January and in July of each year until the maturity of the loan.

As of the date of these consolidated financial statements, the nominal value of the debenture loan amounts to EUR 18,659 thousand and the fair value is BGN 32,913 thousand (2024: BGN 27,066 thousand), calculated at an interest rate of 29.33% (2024: 74.17%).

The debenture liabilities are presented in the statement of financial position at their amortised cost. In 2025, the annual effective interest rate on the issue is 4.51% (including a 4.24% annual coupon rate).

## 26.2. Bank loans

In July 2023, the Parent company entered into an agreement with a commercial bank for a revolving line of credit in the amount of BGN 220,000 thousand to be used for purposes including, but not limited to, investment purposes, working capital, issuance of bank guarantees and opening letters of credit. The funds may be drawn down and repaid repeatedly until 15 August 2033 and the repayment period for all obligations arising from the credit line is until 15 September 2033. The annual interest payable on the amount drawn down consists of the Base Interest Rate (BLPA) for the leva applied by the Bank plus a surcharge of 3.21 percentage points, but not less than 5.9%. The credit line is secured by a specific pledge of the commercial enterprise of Petrol AD, subsidiaries Kremikovtzi Oil Ltd, Shumen Storage Ltd, Office Estate Ltd, Crystal Asset Properties Ltd, Crystal Asset Trade Ltd, Crystal Asset Bulgaria Ltd, Prima Asset Bulgaria Ltd, Prima Asset Trade Ltd, Prima Consult Properties Ltd, Prima Land Property Ltd. and unrelated parties, suretyship by an unrelated party, contractual mortgages on real estate of co-borrowers, including unrelated parties, suretyship and financial security over accounts receivable with the bank and cash deposited by the borrower under a debt product agreement.

The funds under the revolving credit line with a total credit limit of BGN 220,000 thousand are provided in tranches further approved by the Bank and further terms agreed by annexes between the parties.

## 26.2. Bank loans (continued)

In July 2023, on the basis of the revolving line agreement with a total limit of BGN 220,000 thousand, an annex agreed to grant tranche 1 in the amount of BGN 90,000 thousand as an investment loan for the purchase of assets and company shares with a drawdown period until 30 October 2023. The interest rate and the final repayment term do not differ from those agreed in the main contract. The funds under this tranche have been drawn down and as at 31 December 2025 the Group has a liability for principal of BGN 67,644 thousand (2024: BGN 78,000 thousand) and interest of BGN 216 thousand (2024: BGN 232 thousand).

In July 2023, on the basis of the revolving credit line agreement with a total limit of BGN 220,000 thousand, an annex agreed to grant tranche No. 2 in the amount of BGN 30,000 thousand for working capital, funds for refinancing obligations under an existing revolving credit line granted by the same bank, and funds for payment of bank guarantees and letters of credit. The drawdown period is until August 14, 2033. The interest rate and final repayment deadline do not differ from those agreed in the main agreement. In November 2023, the funds under tranche No. 2 were drawn down. In July 2025, the tranche size was increased to BGN 31,600 thousand, and as at December 31, 2025 the Group has a liability under this tranche for principal of BGN 27,121 thousand (2024: BGN 24,621 thousand) and interest of BGN 157 thousand (2024: BGN 140 thousand).

In July 2023, on the basis of the revolving line agreement with a total limit of BGN 220,000 thousand, an annex agreed to grant tranche No. 3 in the amount of BGN 55,000 thousand as working capital in the form of an overdraft. The period for multiple drawdown and utilisation of the amount under this tranche is until August 14, 2033. The interest rate and final repayment deadline do not differ from those agreed in the main agreement. As at December 31, 2025, the Group has a liability under this tranche for principal of BGN 55,000 thousand (2024: BGN 55,000 thousand) and interest of BGN 21 thousand (2024: BGN 20 thousand).

In July 2023, on the basis of the revolving line agreement with a total limit of BGN 220,000 thousand, an annex agreed to grant tranche No. 4 in the amount of BGN 45,000 thousand as a revolving working capital loan. The drawdown and utilisation period for the amount under this tranche is until August 14, 2033. The interest rate and final repayment deadline do not differ from those agreed in the main agreement. As at December 31, 2025, the Group has a liability under this tranche for principal of BGN 45,000 thousand (2024: BGN 45,000 thousand) and interest of BGN 17 thousand (2024: BGN 215 thousand).

In November 2023, the Parent company entered into a bank loan agreement in the amount of BGN 3,000 thousand intended for working capital, at an annual interest rate of the BLPA for leva of the creditor bank increased by a surcharge of 2.61 percentage points, but not less than 5.9% per annum. The repayment schedule is for 5 (five) years with equal monthly instalments of principal, with a final repayment deadline of November 25, 2028. The loan is secured by mortgages on land and buildings owned by the Group, a pledge over plant, equipment and machinery, and financial collateral by way of a pledge under the Financial Collateral Act over receivables on accounts opened with the creditor bank. As at December 31, 2025, the Parent company's liability for principal under this agreement amounts to BGN 1,800 thousand (2024: BGN 2,350 thousand) and BGN 11 thousand of interest (2024: BGN 3 thousand).

In December 2024, based on the revolving line agreement with a total limit of BGN 220,000 thousand, an annex agreed to grant tranche No. 6 in the amount of BGN 12,000 thousand as a revolving working capital loan. By annexes in January 2025, the tranche was increased to BGN 12,750 thousand, and in December 2025 to BGN 14,250 thousand, and the drawdown period for the amount under this tranche was extended until December 31, 2026. The interest rate does not differ from the terms agreed in the main agreement. As at December 31, 2025, the Parent company has a liability under this tranche for principal of BGN 13,500 thousand (2024: BGN 12,000 thousand) and interest of BGN 93 thousand (2024: BGN 16 thousand).

## **26.2. Bank loans (continued)**

In December 2024, the Parent company entered into a bank loan agreement in the form of an overdraft facility with a maximum permissible amount of BGN 15,000 thousand for working capital purposes, at an annual interest rate of BIRA per BGN of the bank, plus a margin of 3.21 percentage points per annum. The period for availing the loan is up to 30.12.2029. The loan is secured by a pledge of the Parent company's receivables from the bank in the amount of the amount advanced under senior unsecured debt product agreements, and a pledge of the receivables under the Financial Collateral Contracts Act on all accounts of the Parent company opened with the bank. As at 31 December 2025, the Group's principal obligation under this agreement amounted to BGN 14,978 thousand (BGN 5,007 thousand).

## **26.3. Loans from unrelated parties**

In December 2025, the Group received a short-term loan from an unrelated commercial company in the amount of BGN 24 thousand. The interest payable amounts to 6.7% on the drawn-down amount. The loan maturity is December 31, 2026.

In January 2023, the Parent company received a short-term loan from an unrelated commercial company with a credit limit of BGN 2,000 thousand and interest of 5% on the drawn-down amount. The loan maturity was December 31, 2024 and the principal has been repaid. The obligation as at December 31, 2025 amounts to BGN 3 thousand of interest.

In August 2024, the Parent company received a short-term loan from an unrelated commercial company in the amount of BGN 150 thousand and interest of 8% per annum on the drawn-down amount. The loan repayment deadline was December 31, 2025, and the obligation as at December 31, 2025 amounts to BGN 10 thousand of principal.

## **26.4. Factoring**

In August 2024, an addendum to an agreement dated 10 March 2021 for the purchase of receivables under commercial invoices (standard factoring) with a commercial bank agreed an aggregate advance limit of up to BGN 6,000 thousand at an annual interest rate of BLPA per BGN applied by the factor, increased by a mark-up of 1.01 percentage points but not less than 4.5% per annum on the amount of the advance granted. The agreement is secured by a pledge of receivables in the Group's bank accounts opened with the Bank, As at December 31, 2025, no receivables or payables have been transferred in relation to the funding received under this factoring agreement.

In December 2024, a second standard factoring agreement was finalized with the same bank with a total advance limit of BGN 3,000 thousand, an annual interest rate of the BIRA per BGN applied by the factor, increased by a surcharge of 1.01 percentage points but not less than 4.5% per annum on the amount of the advance granted. The agreement is secured by pledge of receivables from bank accounts of the Parent company and pledge of receivables from counterparties is to be established. As of December 31, 2025, the exposure under this contract amounts to BGN 101 thousand.

## 27. Obligation for defined benefit retirement compensations

As at 31 December 2025, the Group's defined benefit obligations for retirement plans amount to BGN 856 thousand (2024: BGN 691 thousand). The amount of the obligation has been determined based on actuarial valuations based on assumptions for mortality, disability, probability of leaving, salary growth and others. The discount rate applied is 3.93% per annum (2024: 4.03%) and future salary increases of 4% (2024: 4%). The assumptions regarding mortality growth reflect the likelihood that individuals will live to the defined pensionable age. It is calculated for each person individually based on his or her sex and age at the time of the valuation. As at 31 December 2025, the National Statistical Institute's table of mortality and life expectancy by sex and place of residence for the period 2022-2024 was used.

The amount of the obligation for defined benefit retirement compensations is determined as follows:

	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
<b>Present value of defined benefit obligations as at January 1</b>	<b>856</b>	<b>691</b>
Benefits paid by the plan	(28)	(112)
Current service cost	128	102
Interest cost	36	27
<b>Expenses recognized in profit or loss</b>	<b>164</b>	<b>129</b>
Present value of defined benefit obligations as at January 1	108	148
<b>Present value of defined benefit obligations as at December 31</b>	<b>1,100</b>	<b>856</b>

The following table presents a sensitivity analysis to the significant assumptions as of December 31, 2025, calculated based on a method that extrapolates the effect on the employee benefit obligation at retirement assuming a reasonable change in the underlying assumptions as of the end of the reporting period.

<b>Major Assumptions</b>	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
Discount Rate	3,93%	3,93%
Future change in remuneration	4%	4%
Inflation growth	4%	4%

Although the analysis does not consider the full distribution of the expected cash flows, it provides an approximation of the sensitivity of the assumptions set out in the analysis.

## 28. Trade and other payables

	December 31 2025 BGN'000	December 31 2024 BGN'000
Payables to suppliers	58,505	35,960
Payables to related parties	8,832	4,167
Payables for dividends to unrelated parties	4,868	6,095
Payables to personnel and social security funds	3,251	3,084
Advances received and deferred income	2,608	1,107
Tax payables, including	2,210	1,884
<i>VAT</i>	1,531	1,134
<i>Excise and other taxes</i>	679	750
Other	1,351	1,308
	<u>81,625</u>	<u>53,605</u>

The Group's exposure to currency and liquidity risk related to trade and other liabilities is disclosed in Note 32.

The Group accrues unused paid leave provision for employees in compliance with IAS 19 *Employee Benefits*. The movement of these provisions for the period is as follows:

	December 31 2025 BGN'000	December 31 2024 BGN'000
Balance at the beginning of the year	758	711
Accrued during the year	861	648
Utilised during the year	(695)	(582)
Other changes	19	(19)
<b>Balance at the end of the year, including:</b>	<u>943</u>	<u>758</u>
<i>Paid leaves</i>	795	639
<i>Social security on paid leaves</i>	148	119

The balance at the end of the year is presented in the consolidated statement of financial position together with current payable to personnel.

## 29. Current income tax

	December 31 2025 BGN'000	December 31 2024 BGN'000
Income tax payable at the beginning of the year	1,625	1,266
Corporate income tax accrued	842	689
Corporate income tax paid	(827)	(303)
Other changes	(85)	(14)
Disposed through business combination	-	(13)
<b>Refundable corporate income tax at the end of the year</b>	<u>1,555</u>	<u>1,625</u>

### 30. Subsidiaries

The subsidiaries, included in the consolidation, over which the Group has control as at December 31, 2025 and 2024 are as follows:

Subsidiary	Main activity	Investment	Investment
		December 31 2025	December 31 2024
Varna Storage Ltd	Trade of petrol and petroleum products	100%	100%
Petrol Finance Ltd	Financial and accounting services	100%	100%
Elit Petrol –Lovech JSC	Trade of petrol and petroleum products	100%	100%
Lozen Asset JSC	Acquisition, management and exploitation of property	100%	100%
Petrol Properties Ltd	Trading movable and immovable property	100%	100%
Kremikovtsi Oil Ltd	Processing, import, export and trading with petroleum products	100%	100%
Shumen Storage Ltd	Processing, import, export and trading with petroleum products	100%	100%
Svilengrad Oil Ltd	Processing, import, export and trading with petroleum products	100%	100%
Bulgaria Cargo Rail Ltd	Export and transport of petrol and petroleum products	100%	100%
Crystal Assets Trade Ltd	Real estate management	100%	100%
Crystal Asset Property Ltd	Real estate management	100%	100%
Crystal Assets Bulgaria Ltd	Real estate management	100%	100%
Prima Assets Bulgaria Ltd	Real estate management	100%	100%
Prima Assets Trade Ltd	Real estate management	100%	100%
Prima Consult Property Ltd	Real estate management	100%	100%
Prima Lend Property Ltd	Real estate management	100%	100%
Petrol Oil Recycling Ltd	Management and processing of collection and recycling of waste oil products	100%	100%
Sandanski Storage Ltd	Real estate management	100%	100%
Petrol Investment JSC	Acquisition, management, operation and disposal of real estates	99,98%	99,98%
Petrol Finances Ltd	Financial and accounting services	99%	99%
Petrol Technologies Ltd	IT services and consultancy	98,80%	98,80%
Petrol Technology Ltd	IT services and consultancy	98,80%	98,80%
Office Estate Ltd	Ownership and management of real estates	-	100%
Varna 2130 Ltd	Trade of petrol and petroleum products	-	100%

### 30. Subsidiaries (continued)

In February 2025, the Management of the Group concluded a preliminary agreement for the sale of 100% of the equity interests of the subsidiary Office Estate Ltd. On April 11, 2025, a final agreement was concluded with an unrelated party for the sale of 100% of the company shares at a sale price of BGN 2,462 thousand. As at the transaction date, the consolidated net assets amounted to BGN 2,039 thousand, and the gain on disposal amounts to BGN 423 thousand. The net cash flow from the sale is BGN 2,461 thousand.

In December 2025, through a share purchase agreement, the Group transferred to a third party 1,499,810 company shares, each with a nominal value of BGN 1, representing 100% of the capital of the subsidiary Varna 2130 Ltd, at a sale price of BGN 5,300 thousand. As at the transaction date, the consolidated net assets amounted to BGN 1,914 thousand, and the gain on disposal amounts to BGN 3,386 thousand. The net cash flow from the sale is BGN 5,299 thousand.

In July 2024, through an in-kind contribution, a subsidiary – Sandanski Storage Ltd – was established and registered in the Commercial Register. Its capital is divided into 223,070 company shares, each with a nominal value of BGN 10.

All subsidiaries have their registered address in the Republic of Bulgaria

### 31. Non-controlling interest

The table below summarizes the changes in non-controlling interests in 2025 and 2024:

	Financial result for the year BGN'000	Non- controlling interest %	Non- controlling interest BGN'000
<b>Non-controlling interest as at January 1, 2024</b>			<b>38</b>
<b>Share of non-controlling interest in total comprehensive income</b>			
Petrol Finances Ltd	5	1%	-
Petrol Finance Ltd	-	1%	-
Petrol Technologies Ltd	(117)	1,2%	(1)
Petrol Technology Ltd	(2)	1,2%	-
Petrol Investment JSC	1	0,02%	-
<b>Non-controlling interest as at December 31, 2024</b>			<b>37</b>
<b>Share of non-controlling interest in total comprehensive income</b>			
Petrol Finances Ltd			
Petrol Finance Ltd	(2)	1%	-
Petrol Technologies Ltd	1	1%	-
Petrol Technology Ltd	(90)	1,2%	(1)
Petrol Investment JSC	(2)	1,2%	-
	2	0,02%	-
<b>Non-controlling interest as at December 31, 2025</b>			<b>36</b>

## 32. Financial instruments and risk management

### 32.1. Accounting classifications and fair values

The table shows the transmission and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. Not included information about the fair values of these short-term financial instruments that management believes that the carrying value in the consolidated statement of financial position is a reasonable approximation of fair value.

December 31, 2025, BGN'000	Financial assets and liabilities			Total	Fair value level 3
	Debt instruments at amortised cost	At fair value through profit or loss	Liabilities at amortised cost		
<b>Financial assets</b>					
Loans granted, net	199,536	-	-	199,536	-
Trade and other receivables, net	34,033	-	-	34,033	-
Cash and cash equivalents	4,402	-	-	4,402	-
Financial assets measured at fair value through profit and loss	-	1,793	-	1,793	1,793
	<b>237,971</b>	<b>1,793</b>	<b>-</b>	<b>239,764</b>	<b>1,793</b>
<b>Financial liabilities</b>					
Trade and other liabilities	-	-	(72,205)	(72,205)	-
Loans and borrowings	-	-	(262,707)	(262,707)	-
	<b>-</b>	<b>-</b>	<b>(334,912)</b>	<b>(334,912)</b>	<b>-</b>
<b>December 31, 2024 BGN'000</b>					
	Debt instruments at amortised cost	At fair value through profit or loss	Liabilities at amortised cost	Total	Fair value level 3
<b>Financial Assets</b>					
Loans granted, net	181,727	-	-	181,727	-
Trade and other receivables, net	18,762	-	-	18,762	-
Cash and cash equivalents	1,740	-	-	1,740	-
Financial assets measured at fair value through profit and loss	-	1,793	-	1,793	1,793
	<b>202,229</b>	<b>1,793</b>	<b>-</b>	<b>204,022</b>	<b>1,793</b>
<b>Financial liabilities</b>					
Trade and other liabilities	-	-	(46,222)	(46,222)	-
Loans and borrowings	-	-	(266,887)	(266,887)	-
	<b>-</b>	<b>-</b>	<b>(313,109)</b>	<b>(313,109)</b>	<b>-</b>

## 32.2. Measurement of fair values

### *Trade and other receivables*

Determining the fair value of trade and other receivables includes the following:

- analysis of analytical trail balances and reporting of internal transformations;
- differentiation between receivables and payables, excluding the presumption of future offsetting of receivables from different customers;
- valuation of receivables based on their collectability;
- revaluation of receivables in foreign currencies at the respective rates as at the date of the financial statements.

### *Debenture loan*

The fair value of the debenture liability is determined based on a quotable price as at the date of the consolidated financial statement, in case the instrument is quoted at an active market. In case it is not actively traded, the fair value is determined based on alternative valuation techniques. The valuation techniques used include analysis of discounted cash flows through expected future cash flows and discount level in relation with the market, the credit rating of the issuer, etc. The fair value is determined only for disclosure purposes.

### *Trade and other payables*

Determining the fair value of trade and other payables includes the following:

- complete review of payables as at the date of valuation;
- identification of overdue payables and determination of interests and penalties due;
- revaluation of payables in foreign currencies at rates as at the date of the financial statements.

### *Receivables and payables in relation with trade loans*

Fair values of received and granted trade loans are determined for the purposes of disclosure and are calculated on the basis of the present value of future cash flows of principals and interest discounted at a market interest rate as at the date of the financial statements.

## 32.3. Financial risk management

### *32.3.1. Risk management framework*

The use of financial instruments exposes the Group to market, credit and liquidity risk. In the present note information about the purposes, policies and procedures in risk management and equity management is presented.

Despite the turmoil caused by the war in Ukraine, the country's economy grew over the past reporting period, covering a wide range of industries and sectors. However, the country currently faces several challenges and future risks. The ongoing military conflict between Russia and Ukraine and in the Middle East is creating the conditions for a lasting humanitarian crisis, shortages of raw materials and supplies, rising inflation and geopolitical turmoil that could spread to Bulgaria. At the same time, commodity prices continue to rise, and high prices are likely to persist. On the other hand, the pandemic has not completely extinct and new outbreaks are possible. This leads to the risk of a slowdown in cash flows and payments, an increase in intercompany indebtedness, a reduction in earnings and ultimately an overall deterioration of the economic environment in the country in which the Group operates.

### 32.3.1. Risk management framework (continued)

The macroeconomic environment in the country, as well as the level of political stability, has a significant impact on the price, market, credit, liquidity, interest rate, operational and other risks to which the Group is exposed.

As a consequence of the above factors, there is a risk regarding the ability of customers to repay their obligations in accordance with the agreed terms. Therefore, the amount of impairment losses on interest-bearing loans, sales receivables, available-for-sale financial assets and other financial instruments, as well as the amounts of other accounting estimates, in subsequent reporting periods could differ materially from those determined and reported in these financial statements. The Group's management implements the necessary procedures to manage these risks.

### 32.3.2. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Because of the nature of its activity, the Group is exposed to price, currency and interest rate risk.

Due to the specific nature of the Group's core business, namely the wholesale and retail trading of fuels, the supply of fuels and commodities is sourced from a small number of suppliers, as a result of which the Company is exposed to the risk of discontinuation of its relationships with its main counterparties, which would lead in the short term to the depletion of inventories, the generation of losses and difficulties in trading activities.

#### *Currency risk*

The Group conducts transactions in currencies other than its functional currency and is therefore exposed to risk associated with potential changes in exchange rates. This risk arises primarily from changes in the U.S. dollar exchange rate, as the Group makes purchases and sales and has obligations under loans denominated in U.S. dollars. Transactions conducted in euros do not expose the Group to foreign exchange risk, as the Bulgarian lev has been pegged to the euro since January 1, 1999, and will become the functional currency as of January 1, 2026.

Financial assets and liabilities denominated in US dollars are presented in the following table:

	December 31, 2025		December 31, 2024	
	USD'000	BGN'000	USD'000	BGN'000
<b>Financial assets</b>				
Cash and cash equivalents	7	13	7	13
Trade and other receivables	-	-	-	-
<b>Financial liabilities</b>				
Trade and other liabilities	-	-	-	-
	<u>7</u>	<u>13</u>	<u>7</u>	<u>13</u>

### 32.3.2. Market risk (continued)

The currency risk sensitivity analysis was calculated at 6% change in the exchange rate of the US dollar against the Bulgarian lev. Management believes that this is a reasonably possible change based on the examined statistical data on the dynamics of exchange rate fluctuations over the past year based on the daily variation calculated over 250 days. If the US dollar had depreciated/ appreciated by 9% against the Bulgarian lev as at December 31, 2025, with all other risk variables held constant, profit after tax would have decreased/increased by BGN 1 thousand as a result of exchange differences on revaluation of cash, trade and other receivables and payables denominated in US dollars.

#### Interest rate risk

The Group is exposed to interest rate risk as part of borrowings have a variable interest rate agreed as basis interest increased by a certain margin. The Group continuously monitors and analyzes its main interest rate exposures by developing various scenarios for optimization as refinancing, renewal of existing loans, alternative financing (contracts for the sale and leaseback of assets) and calculates the impact of changing interest rates within a certain range on the financial result.

As at the date of these consolidated financial statements, the structure of the interest-bearing financial instruments is as follows:

	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
<b>Fixed rate instruments</b>		
Financial assets	97,324	90,263
Financial liabilities	<u>(36,478)</u>	<u>(36,474)</u>
	<b><u>60,846</u></b>	<b><u>53,789</u></b>
<b>Variable rate instruments</b>		
Financial assets	93,796	84,312
Financial liabilities	<u>(225,043)</u>	<u>(222,604)</u>
	<b><u>(131,247)</u></b>	<b><u>(138,292)</u></b>

The sensitivity analysis of the interest rate risk is prepared based on the presumption that interest positions with variable interest rates as of the end of the reporting period have existed in the same amount during the entire year and the reasonably possible increase/decrease of the interest rate is by 0 basis points. If the interest rates were higher/lower by 0 basis points, and all other variables were constant, the loss after tax would have not been changed.

#### Price risk

The Group is exposed to the risk of frequent and sudden changes in the prices of fuels and other tradable commodities. In order to reduce its sensitivity to changes in fuel prices, selling prices are updated on a daily basis in line with the geographical area and prices offered by major competitors.

In 2025, the Group maintained a relatively high inventory turnover rate. Inventory is fully turned over in approximately 12 days (2024: 12 days), which limits the price risk to which it is exposed

### 32.3.3. Credit risk

Credit risk is the risk that one party to a financial instrument fails to meet its obligation and thus causing loss to the other. Financial assets that potentially expose the Group to credit risk are mainly trade receivables and available-interest loans.

#### *Exposure to credit risk*

The carrying amount of financial assets represents the maximum credit risk the Group is exposed to. The maximum exposure to credit risk as at the reporting date is as follows:

	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
Loans granted	199,536	181,727
Trade and other receivables	34,033	18,762
Cash and cash equivalents	4,307	1,648
	<u><b>237,876</b></u>	<u><b>202,137</b></u>

#### *Trade and other receivables*

The Group is exposed to credit risk, if its customers do not pay their obligations in the expected term and amount. The policy of the Group regarding credit risk is to sell goods and services only to customers with appropriate credit standing and to use adequate collaterals as a means of reducing the risk of financial losses. The creditworthiness of customers is estimated by taking into consideration their financial position, past experience and other factors. Credit limits have been stipulated and their compliance is regularly monitored. In case of exceeding the credit limits, interest on arrears is accrued. Retail sales are settled in cash predominantly or by credit cards.

#### *Impairment of trade and other receivables*

To estimate expected credit losses for its trade receivables, the Group applies a simplified approach based on an "expected default rate" using an allowance matrix. As at 31 December 2025, an average impairment rate has been applied to the trade receivables of the relevant maturity group as follows:

	<b>Average %</b>
Up to 30 days from maturity - not overdue	1,99%
Between 30 and 90 days from the due date of the receivable	21,19%
Between 90 and 180 days from the due date of the receivable	57,12%
Between 180 and 360 days from the due date of the receivable	88,71%
More than 360 days from due date	99,16%

### 32.3.3. Credit risk (continued)

Time structure of trade and other receivables at the reporting date are not impaired, is as follows:

	<b>December 31 2025 BGN'000</b>	<b>December 31 2024 BGN'000</b>
Up to 30 days	911	1,177
31 - 120 days	1,991	2,169
121 - 210 days	4,186	467
Over 211 days	2,298	3,655
	<b><u>9,386</u></b>	<b><u>7,468</u></b>

The Group believes that the unimpaired overdue amounts are collectible based on historical payment information, guarantees provided and a detailed analysis of the credit risk and collateral of the relevant customers. Up to the date of approval for the issue of these consolidated financial statements, a portion of the outstanding unimpaired receivables has been settled or secured.

#### ***Loans and Deposits Granted (debt products)***

An impairment charge of BGN 1,124 thousand (2024: BGN 5,756 thousand) has been recognised in respect of loans and debt products issued based on an analysis of the expected credit loss policy applied.

A rate for expected credit losses has been applied to the various borrowers ranging from 0.16% to 22.22% (2024: 1.77% to 22.22%), with a portion of the receivables deemed to be hard to collect impaired at 100%. For the guarantee deposit (debt products) as at 31 December 2025 and 2024 with a credit institution rated "B" by Fitch, at PD 2.60% and LGD 36.5%, an expected credit loss rate of 0.95% has been applied.

#### ***Cash and cash equivalents***

Cash and cash equivalents of the Group are in banks with high ratings.

#### ***Guarantees***

The Group provides guarantees mainly for tenders under the Public Procurement Act. It is exposed to credit risk in respect of guaranteed obligations to related and third parties.

### 32.3.4. Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations when they fall due. The policy is aimed at ensuring sufficient liquidity with which to serve liabilities when they fall due, including abnormal and emergency situations. The goal of management is to maintain a constant balance between continuity and flexibility of financial resources through the use of various forms of financing. Liquidity risk management includes maintaining sufficient stocks of cash, arranging adequate credit lines, preparation, analysis and updating cash flow forecasts.

The following table presents the contractual maturities of financial liabilities based on the earliest date on which the Group may be required to pay them. The table shows the undiscounted cash flows, including principal and interest, excluding the effect of netting arrangements:

<b>December 31, 2025, BGN'000</b>	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Up to one year</b>	<b>Between one and five years</b>
Debentures	37,108	38,982	1,687	37,295
Bank loans	225,558	225,558	9,600	215,958
Trade loans	41	41	41	-
Trade and other payables	<u>72,205</u>	<u>72,205</u>	<u>72,205</u>	<u>-</u>
	<b><u>334,912</u></b>	<b><u>336,786</u></b>	<b><u>83,533</u></b>	<b><u>253,253</u></b>
<b>December 31, 2024 BGN'000</b>	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Up to one year</b>	<b>Between one and five years</b>
Debentures	37,064	40,665	1,687	38,978
Bank loans	222,604	222,604	9,600	213,004
Trade loans	7,219	7,219	7,219	-
Trade and other payables	<u>46,222</u>	<u>46,222</u>	<u>46,222</u>	<u>-</u>
	<b><u>313,109</u></b>	<b><u>316,710</u></b>	<b><u>64,728</u></b>	<b><u>251,982</u></b>

The Group does not expect cash flows included in the table to occur significantly earlier or at significantly different amounts.

### 33. 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 its registered capital.

As at December 31, 2025 and 2024, the net assets amount to BGN 23,706 thousand and BGN 21,129 thousand respectively. For the year ending December 31, 2025, the Group reports positive total comprehensive income of BGN 2,577 thousand; however, as a result of accumulated losses from prior years, equity amounts to BGN 23,706 thousand, of which attributable to the Group BGN 23,670 thousand. As at December 31, 2025, current liabilities are covered by the Group's current assets.

To ensure the functioning of the Group as a going concern, Management has undertaken a series of measures, both purely procedural and business-oriented, aimed at bringing the Group's capital in line with the requirements of the Commercial Act, as well as overall improvement of the financial position.

Some of the measures include taking action to reduce the registered capital below the net assets of the Parent company. The first step in this direction was the holding of several general meetings of shareholders in the period 2016–2017, where a resolution was passed to carry out the procedure for a reverse split of shares to merge 4 old shares with a nominal value of BGN 1 into 1 new share with a nominal value of BGN 4 and subsequent reduction of the capital of the Parent company in order to cover losses by reducing the nominal value of shares from BGN 4 to BGN 1 per share.

On March 6, 2025, a change in the capital of the Company was registered in the account of Petrol AD in the Commercial Register and the Register of Non-Profit Companies at the Registry Agency, in accordance with a resolution of the general meeting of shareholders of the Parent company Petrol AD adopted on February 18, 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 leva) to BGN 27,312,403 (twenty-seven million three hundred and twelve thousand four hundred and three leva) pursuant to Art. 200, item 1 of the Commercial Act (CA) by reducing the nominal value of the issued shares from BGN 4 (four leva) to BGN 1 (one lev). This fact was reflected in the CRNPC with registration No. 20250306160504.

As at December 31, 2025, the fully paid-in registered capital amounts to BGN 27,312 thousand, divided into 27,312,403 registered shares, each with a nominal value of BGN 1 (one) lev.

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

As a result of the timely actions taken by Petrol Group aimed at optimising costs, searching for hidden reserves, maintaining the Group's liquidity and at the same time entering new market niches, Petrol Group is currently successfully navigating through the difficulties that have arisen, and in 2025 managed to recover part of the losses caused by the pandemic and the war in Ukraine, with the operating financial result before taxes and interest (EBIT) for the reporting financial year amounting to BGN 5,934 thousand compared to BGN 8,210 thousand for the comparative period.

As a consequence of the effects of the pandemic and the military conflict in Ukraine that erupted 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, primarily in the retail market, as some of the smaller independent traders gradually exit the fuel business.

### 33. Capital management (continued)

At the same time, the forecasts regarding trading margin levels indicate they will remain around or below the European average.

The future development plans of the Group's business are closely linked to the stated expectations of changes in the market environment. The management continues to follow the outlined restructuring program of the Petrol Group's activities, which has to be changed as a result of the rapidly changing market environment and the risks and difficulties encountered, with the aim of concentrating efforts in the direction of optimizing the core business - retail and wholesale fuel trading, and at the same time developing and expanding the Group's activities in line with climate changes and new prospects. In order to improve the financial position, the Management continues to actively analyze all cost items in search of hidden reserves for their optimization, including closing or leasing underperforming petrol stations, increasing the number of self-service petrol stations, or switching to a mixed mode of operation. In 2026, Management will continue the process of analyzing and exploring opportunities to expand wholesale, including through the import and export of petroleum products.

In the coming years, the Group's performance will also depend on the ability to make investments and the successful implementation of new projects. The Group's investments will be preferably focused to build new petrol stations, modernize others, provide them with charging stations and increase Petrol AD's sales and market share, mainly by transforming the petrol stations operated by the Group into modern full-service and leisure facilities.

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 2025 the number of petrol stations under franchise agreements increased by two more stations, but following the strategy of expanding market share in the retail market, the Group plans to attract new petrol stations under the Petrol flag under the franchise programme. In addition, in the coming years, the Group's management will seek opportunities, through external financing, to build several new service stations in prime locations.

The Group's management carries out an active marketing policy. Marketing events are planned, supported by sufficient media appearances to drive fuel sales growth. Management will continue to develop its card system and the establishment of a customer loyalty system. The actions of the Petrol Group's Management are aimed at promoting the principles and traditions of good corporate governance, enhancing the confidence of stakeholders, namely shareholders, investors and counterparties, as well as disclosing timely and accurate information in accordance with legal requirements.

### 33. Capital management (continued)

The Group's management monitors the emergence of risks and negative consequences as a result of the military conflicts in Ukraine and Middle East and the high levels of inflation, making ongoing assessments of the possible effects on the Group's assets, liabilities and operations, seeking to comply as far as possible with contractual commitments, despite the force majeure circumstances that have arisen. In view of the effects of the pandemic, military conflicts and high inflation, which are challenging economic activity in the country and creating significant uncertainty about future business developments, there is a real risk of a decline in sales and losses for the Group. However, the Group's management believes that it will be able to successfully lead the Group out of the emergency in which it has been placed. (see also sections, *Russia-Ukraine and Middle East military conflicts, Outlook*).

To carry out its business, the Group requires unrestricted capital resources primarily to provide the working capital required for its operations, to service its obligations in a timely manner and to pursue its investment intentions. The principal sources of liquidity are cash and cash equivalents, long-term and short-term borrowings, a reduction in the period for collection of trade receivables and an extension of the period for payment of trade payables, which the Group's management seeks to optimise.

The major ratios, which give information about the financial position of the Group are disclosed in *Selected performance indicators* from the Annual consolidated management report of Petrol Group for 2025.

As at December 31, 2025, the Group's current ratio decreased to 1.26 compared to 1.38 a year earlier. Despite the decrease in the ratio, current assets increased by BGN 17,307 thousand to BGN 140,031 thousand as at December 31, 2025, compared to BGN 122,724 thousand a year earlier. The increase in current assets is mainly attributable to the increase in trade and other receivables of BGN 15,379 thousand and cash and cash equivalents of BGN 2,662 thousand, while short-term loans granted decreased by BGN 2,748 thousand.

The increase in current liabilities of BGN 22,089 thousand is mainly attributable to the significant increase of BGN 28,020 thousand in trade and other payables to BGN 81,625 thousand, as a result of higher volumes of fuel deliveries at the end of 2025. Short-term loan and borrowing liabilities decreased by BGN 5,739 thousand to BGN 24,374 thousand, as a result of the decrease in short-term related party loans of BGN 7,137 thousand.

As at December 31, 2025, the Group's consolidated indebtedness, including short-term and long-term interest-bearing loans and borrowings, decreased to BGN 262,707 thousand compared to BGN 266,887 thousand as at December 31, 2024. The decrease of BGN 4,180 thousand is attributable to the repayment of short-term related party loans during the year, while long-term loans increased by BGN 1,559 thousand. In 2025, the Debt/Assets ratio improved to 68.6% compared to 74.6% at the end of 2024. The improvement in the ratio is the result of the increase of BGN 24,988 thousand in total assets to BGN 382,804 thousand, combined with a simultaneous decrease in total debt.

The Debt/Equity ratio as at December 31, 2025 improved to 1,108% compared to 1,263% as at December 31, 2024. The improvement is attributable on the one hand to the decrease in total debt of BGN 4,180 thousand, and on the other hand to the increase in the Group's equity of BGN 2,577 thousand to BGN 23,706 thousand at the end of 2025, as a result of the net profit for the year of BGN 2,685 thousand.

### 33. Capital management (continued)

Inventory turnover as at December 31, 2025 remains close to the prior year, with the time required for inventory to complete one full cycle being 12 days compared to 12 days for 2024.

The inventory balance increased by BGN 1,510 thousand to BGN 14,767 thousand at the end of 2025. The time required for the Group to collect its trade receivables increased slightly to 14 days compared to 13 days at the end of 2024, reflecting higher trade receivables. The average payment period for payables increased to 43 days compared to 32 days at the end of 2024, as a result of higher trade payables to suppliers at the end of 2025 compared to the comparative period.

The performance of Petrol Group is influenced by the overall economic condition of the country and by the degree of successful implementation by the government of market-oriented economic reforms, changes in gross domestic product (GDP) and the purchasing power of Bulgarian consumers. In the medium term, changes in fuel consumption in the country are commensurate with changes in GDP.

#### Macroeconomic conditions and legal framework

In 2025, inflation in Bulgaria accelerated compared to 2024, with the consumer price index reaching 5.0% year-on-year by December 2025, at an average annual inflation rate of 4.6%. The Harmonised Index of Consumer Prices (HICP) for 2025 was 3.5% on an annual average basis. The main factors driving the acceleration of inflation were the increase in food prices at a rate significantly above the European average, the increase in service prices, as well as price expectations related to the introduction of the euro in Bulgaria from 1 January 2026. In 2025, the European Central Bank continued the cycle of reductions in key interest rates, initiated in 2024.

According to the preliminary data of the National Statistical Institute, the Gross Domestic Product of the country for 2025 increased in real terms by 3.1% compared to 2024, exceeding forecasts and expectations. The nominal GDP for 2025 reached approximately BGN 226,957 million (EUR 116,018.3 million at the official conversion rate of EUR 1 = BGN 1.95583). The structure of the economy remains dominated by the services sector, which accounts for 72.8% of gross value added, followed by industry with 24.4% and agriculture with 2.8%. In 2025, GDP per capita reached EUR 18,060.

In 2025, exports of goods from Bulgaria to third countries (outside the EU) continued to decline by 2.2% compared to 2024, reaching BGN 30,020 million. Imports from third countries increased by 8.5%, reaching BGN 45,119.5 million. The trade deficit with third countries was BGN 15,100 million. The main trading partners outside the EU are Turkey, China, Serbia and the USA. In total trade (including with the EU), total exports decreased by 3.2% and total imports increased by 6.1% compared to 2024.

If the restrictive actions of central banks continue, this will inevitably lead to a future slowdown in economic activity in the country, which, combined with persistent inflation and rising prices, will create risks and restrict consumption of goods and services, including fuels. This in turn will lead to a decrease in the Company's revenues, difficulties in meeting regular payments and the generation of an operating loss. Bulgaria's accession to the eurozone from 1 January 2026 at the official conversion rate of EUR 1 = BGN 1.95583 (identical to the currency board rate from 1999) represents a historic economic milestone, bringing benefits from the elimination of exchange rate risk with eurozone partners, but also short-term inflationary risks related to price rounding, commercial speculation and psychological price effects.

### 33. Capital management (continued)

#### War conflicts between Russia – Ukraine and the Middle east

Throughout 2025, military actions in Ukraine continued without interruption, while a number of meetings and initiatives to end the conflict were held. Already upon the inauguration of the Trump administration on 20 January 2025, the United States intensified diplomatic efforts to achieve peace, conducting multiple rounds of negotiations with Russian and Ukrainian representatives; in November 2025, a 28-point American peace plan was presented, providing for NATO-type security guarantees for Ukraine on condition that it relinquishes parts of the occupied eastern territories and its aspiration for NATO membership. As of March 2026, peace negotiations are on hold without an official ceasefire, and analysts assess a 'frozen conflict' without a lasting peace agreement as the more likely scenario for the medium-term horizon.

The arising military conflict and the imposed by the EU and the US economic, financial, and other sanctions on Russia to end the conflict are blocking the economic activity between the European Union and Russia, restricting the payments and the free movement of people, goods and services, and simultaneously cause significant ubiquitous disruptions on financial markets and non-financial sector.

The military conflict has further affected the prices of many goods, resources and services, as Russia is a major exporter of fossil fuels, metals and other resources, and the purpose of sanctions imposed by the European Union and the United States is to limit Russia's economic activity. Fossil fuels are still a major part of the process from the creation to final consumption of almost all goods in the EU, because of which a future uncertainty about prices and availability of fossil fuels and other resources worsens the economic prospects for the EU and Bulgaria in particular. The warm winter and the increase in the fossil supplies from alternative sources help the EU countries to overcome the breaking out short-term anomalies caused by the sanctions and restrictions.

The conflict between the two countries and the departure of Ukrainian civilians from their homes to escape the military invasion creates an unprecedented humanitarian crisis in Europe in the post-World War II period. All business sectors are affected in 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 one side and Iran on the other, significantly intensifies the conditions and concerns for the spread of the conflict and its negative economic effects on a global scale. From the very beginning of the conflict, it has had a direct impact on the Company's activities and results, affecting international oil prices as a result of geopolitical uncertainty in the region and disrupted supply chains.

In 2025, the European Union adopted a series of new sanctions packages against Russia, including measures against the shadow fleet for transporting Russian oil and additional export restrictions, the extension of port access bans, a ban on the import of refined petroleum products from Russian crude oil manufactured in third countries (eliminating circumvention through third countries), and the suspension of derogations for Rosneft and Gazpromneft. In early 2026, the Council of the EU gave its final approval for the phased ban on imports of Russian natural gas into the European Union.

A significant event from the perspective of the oil market in Bulgaria was the sanction imposed by the US Department of the Treasury (OFAC) on 22 October 2025 against LUKOIL. On 17 November 2025, the management of Lukoil Neftochim Burgas AD – the country's sole oil refinery – and of the other LUKOIL group companies in Bulgaria was transferred to an independent administrator, as LUKOIL announced its intention to sell its Bulgarian assets.

### 33. Capital management (continued)

At the end of 2023, following long political discussions, with the adoption by the National Assembly of the Law amending and supplementing the Law on Control over the Application of 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 was prohibited from 1 March 2024.

This prohibition is in force for the entire period of 2025. The Lukoil Neftochim Burgas refinery was already in the process of diversifying supplies from alternative sources such as Kazakhstan, Iraq and Tunisia, prior to the transition to management by an independent administrator. The aforementioned sanctions and regulatory changes primarily affect the wholesale supply of petroleum products in the country and indirectly impact the pricing environment in which the Group operates. In 2025, the Group achieved an increase in fuel wholesale revenues, which increased to BGN 22,696 thousand compared to BGN 16,880 thousand for the comparative period, as a result of higher wholesale fuel sales in 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 ensure fuel consumption, the management of the Company believes that in the short term no disruptions are to be expected that would lead to significant losses for Petrol AD. Nevertheless, with ongoing military conflicts in regions close to Bulgaria, there is a risk of escalation and deepening with subsequent destructive consequences. Changes in the structure of the oil market in Bulgaria – with the Lukoil Neftochim Burgas refinery transitioning to management by an independent administrator and a subsequent change of ownership – may lead to temporary instability in supply and changes in pricing conditions. Bulgaria's membership of the eurozone from 1 January 2026 brings long-term benefits from price stability and the elimination of exchange rate risk, but may in the short term generate inflationary pressure and speculation. The management of the Company closely monitors the development of all these factors and takes timely measures to manage the related risks.

As the major activity of the Group is the trade of fuels and other petroleum products, a sustained increase in fossil fuel prices on global markets will have a negative impact on the Group's sales, leading to significant losses and a deterioration of the Group's financial position and operating results. The constantly changing geopolitical environment and the sanctions imposed on Russia may lead to the speculative creation of a fuel shortage in the country and problems for the Group in securing its sales, with a risk of closure of trading sites, a transition to a temporary operating regime and other negative consequences. To respond to this scenario, the management of the Group is exploring the possibility of importing fuels from third countries, and to this end a credit line with a financial institution was signed in 2026 for the future securing and guaranteeing of fuel imports, thereby reducing potential future consequences for the Group from disrupted supply chains, the military conflict in the Middle East, and the sanctions imposed by the EU and USA on Russia and their reciprocal measures.

Petrol AD does not conduct economic activities in Ukraine, Russia or the Middle East and does not suffer direct negative consequences from the military conflicts in those territories.

#### Grant funding and government financing

By a Decision № 739 of October 26 2021, amended by a Decision № 771 of November 06 2021 and a Decision № 885 of December 16 2021, the Council of Ministers adopted a program for compensation of non-residential end customers of electricity. The program aims to protect and assist all non-household end-users to deal with the effects of fluctuations in electricity prices. As at December 31, 2025 the Group received and reported income from financing for 2025 under this program of BGN 193 thousand (2024: BGN 307 thousand).

### 33. Capital management (continued)

#### *Competition*

In the past few years a trend for customers gradually choosing the well-known brands with traditions in retail fuel sales was observed. As a result some small players were forced to drop out of business or to sign franchise/dealership arrangements with the major companies in the sector. As a result of the change in customer preferences and the implementation of additional legislation control by the government, the market share of the small independent players continues to decline. The absence of strategic deals in the retail sector and significant investment programmes by the major players led to minimum change in the retail market shares of the companies.

In 2025, seven companies dominated in the retail market – LUKoil Bulgaria EOOD, Petrol AD, OMV Bulgaria EOOD, Shell Bulgaria EAD, Eko Bulgaria EAD, Rompetrol Bulgaria AD and NIS Petrol EOOD.

Concerning the wholesale market the fuel needs in the country are met by the output of the refinery Lukoil Neftochim in Burgas, the refinery “Insa oil” in Ruse and from import. The refinery in Burgas sells its oil products in the country exclusively through Lukoil Bulgaria EOOD. Major importers of fuels are OMV Bulgarian OOD, Insa Oil EOOD, Rompetrol Bulgaria AD, Eko Bulgaria EAD, Saksa OOD and Astra Bioplant EOOD. The import of petroleum products in the country is carried out mainly by the neighbouring Bulgaria countries. This is determined by the fact that some of the fuel market participants are economically related to the owners of the capital of the refineries in those countries. In 2025, the wholesale market followed the trend and volatility of crude oil prices on international markets.

Gradual introduction of new environmental standards and additional means of control by the government, increased the costs for companies in the sector, but on the other hand minimized the unfair competition, eliminating market participants who are part of the grey economy.

### 33. Capital management (continued)

#### Comparison of the changes in the financial liabilities with cash flows from financial operations and other non-monetary changes

BGN'000	Financial Liabilities				Total
	Debenture loans	Loans from financial institutions	Trade loans	Other financial liabilities	
<b>Carrying amount at January 1, 2025</b>	<b>37,064</b>	<b>222,604</b>	<b>7,219</b>	<b>12,309</b>	<b>279,196</b>
<b>Changes in result of cash flows from financing activities</b>					
Payments on loans and borrowings	-	(10,906)	(7,185)	-	(18,091)
Proceeds from loans received	-	13,972	24	-	13,996
Payments on finance leases	-	-	-	(2,774)	(2,774)
Payments for interest and commissions	(1,547)	(15,706)	(47)	-	(17,300)
<b>Total changes in result of financial cash flows</b>	<b>(1,547)</b>	<b>(12,640)</b>	<b>(7,208)</b>	<b>(2,774)</b>	<b>(24,169)</b>
<b>Other non-monetary changes</b>					
Capitalised interest expense on loans	(44)	-	-	-	(44)
Accrued interest on loans, borrowings, leases and other	1,661	15,594	26	747	18,028
Other payable changes related to liabilities	(26)	-	4	426	404
<b>Total other non-monetary changes</b>	<b>1,591</b>	<b>15,594</b>	<b>30</b>	<b>1,173</b>	<b>18,388</b>
<b>Carrying amount as at December 31, 2025</b>	<b>37,108</b>	<b>225,558</b>	<b>41</b>	<b>10,708</b>	<b>273,415</b>
<b>2024</b>					
<b>BGN'000</b>					
	<b>Debenture loans</b>	<b>Loans from financial institutions</b>	<b>Trade loans</b>	<b>Other financial liabilities</b>	<b>Total</b>
<b>Carrying amount at January 1, 2024</b>	<b>37,018</b>	<b>187,227</b>	<b>5</b>	<b>9,960</b>	<b>234,210</b>
<b>Changes in result of cash flows from financing activities</b>					
Payments on loans and borrowings	-	(9,600)	-	-	(9,600)
Proceeds from loans received	-	45,774	7,195	-	52,969
Payments on finance leases	-	-	-	(3,136)	(3,136)
Payments for interest and commissions	(1,547)	(15,490)	(45)	-	(17,082)
<b>Total changes in result of cash flows</b>	<b>(1,547)</b>	<b>20,684</b>	<b>7,150</b>	<b>(3,136)</b>	<b>23,151</b>
<b>Other non-monetary changes</b>					
Capitalised interest expense on loans	(46)	-	-	-	(46)
Accrued interest on loans, borrowings, leases and other	1,664	14,725	66	874	17,329
Other payable changes	(25)	(32)	(2)	4,611	4,552
<b>Total other non-monetary changes</b>	<b>1,593</b>	<b>14,693</b>	<b>64</b>	<b>5,485</b>	<b>21,835</b>
<b>Carrying amount as at December 31, 2024</b>	<b>37,064</b>	<b>222,604</b>	<b>7,219</b>	<b>12,309</b>	<b>279,196</b>

### 34. Disclosure of transactions with related parties

The Parent company (Controlling company) is Petrol AD. It has a two-tier management system, which includes a Management Board (MB) and a Supervisory Board (SB). Below are the names and functions of the members of the Supervisory and Management Board of Petrol AD.

#### Supervisory Board

Petrol Correct Ltd, represented by Nikolay Gergov Chairman from March 6, 2025

Petrol Asset Management Ltd, represented by Armen Nazaryan Member

Rumen Konstantinov Member from March 6, 2025

Ivan Voynovsky<sup>16</sup> Chairman until March 6, 2025

#### Management Board

Grisha Ganchev Chairman of the Management Board

Deputy Chairman of the Management Board from July 7, 2025

Milko Dimitrov Member of the Management Board until July 7, 2025 and Executive Director

Maya Vujjic Member of the Management Board until July 7, 2025 and Executive Director from July 7, 2025

Georgy Tatarski Member of the Management Board from July 7, 2025 and Deputy Chairman of the Management Board until July 7, 2025

Kiril Shilegov Member of the Management Board

Lachezar Gramatikov Member of the Management Board until July 7, 2025

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 Voynovsk being removed as a member of the Supervisory Board and replaced by Mr. Rumen Aleksandrov Konstantinov.

On July 7, 2025, in the Commercial Register and the Register of Non-Profit Companies at the Registry Agency under the account of Petrol AD, a change in the representative authority of Petrol AD was registered, with Georgi Ivanov Tatarski being removed as Executive Director and replaced by Maya Velizarova Vujjic. Lachezar Nikolov Gramatikov was removed as a member of the Management Board of Petrol AD and replaced by Maya Velizarova Vujjic.

<sup>16</sup> 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.

### 34. Disclosure of transactions with related parties (continued)

The total amount of accrued remuneration of key management personnel of the Parent company, included in staff costs, amounts to BGN 1,560 thousand (2024: BGN 1,388 thousand), and the outstanding obligations as at December 31, 2025 amount to BGN 80 thousand, of which BGN 68 thousand are presented as payables to personnel and BGN 12 thousand as payables to related parties (2024: BGN 76 thousand, of which BGN 64 thousand are presented as payables to personnel and BGN 12 thousand as payables to related parties) (note 28).

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

Included in purchases from related parties – a shareholder with significant influence – for 2025 are lease expenses for property, plant, equipment and machinery of BGN 58 thousand (2024: BGN 58 thousand), recognised as lease expenses in accordance with the provisions of IFRS 16 in the statement of profit or loss and other comprehensive income, including as depreciation charges and interest charges. Sales to related parties amount to BGN 1 thousand and represent income from services (2024: BGN 2 thousand).

As of December 31, 2025 and 2024, financial income and expenses from related parties—legal entities—were as follows:

Related party	2025	2024	2025	2024
	BGN'000	BGN'000	BGN'000	BGN'000
	Finance income	Finance income	Finance Cost	Finance Cost
Other related parties	1,214	425	343	52
Shareholder with a significant influence	-	-	2	5
	<u>1,214</u>	<u>425</u>	<u>345</u>	<u>57</u>

As at December 31, 2025 and 2024, the outstanding settlements with related party entities are as follows:

Related party	December 31	December 31	December 31	December 31
	2025	2024	2025	2024
	BGN'000	BGN'000	BGN'000	BGN'000
	Receivables	Receivables	Payables	Payables
Other related parties	28,719	17,444	8,760	10,897
<i>Short-term loans</i>	15,285	15,285	2	6,796
Shareholder with a significant influence	-	-	64	399
<i>Short-term loans</i>	-	-	2	345
Key management (legal entity)	-	-	12	12
	<u>28,719</u>	<u>17,444</u>	<u>8,836</u>	<u>11,308</u>

In September 2024, the Group provided a short-term loan to a commercial company – a related party of the shareholder with significant influence Storage Invest AD. The loan has a credit limit of BGN 25,000 thousand, interest of 6.7% and a repayment term until December 31, 2025, extended by annex to December 31, 2026. The receivable as at December 31, 2025 and 2024 is BGN 15,285 thousand of principal, net of impairment of BGN 2,585 thousand.

### 34. Disclosure of transactions with related parties (continued)

In September 2024, the Group received a short-term loan from a commercial company – a related party of the shareholder with significant influence Storage Invest AD. The loan has a credit limit of BGN 24,000 thousand and interest of 3M EURIBOR plus a surcharge of 2 percentage points, but not less than 5% on the drawn-down amount, with a repayment term until December 31, 2024, extended by annex to December 31, 2025. The obligation as at December 31, 2025 is BGN 2 thousand of interest (2024: BGN 6,780 thousand of principal and BGN 16 thousand of interest).

In October 2024, the Group received a short-term loan from the shareholder with significant influence Storage Invest AD in the amount of BGN 500 thousand at an annual interest rate of 6% and a repayment term until December 31, 2025. As at December 31, 2025, the principal under this loan has been fully repaid and there is an outstanding interest obligation of BGN 2 thousand (2024: BGN 340 thousand of principal and BGN 5 thousand of interest).

### 35. Contingent liabilities

As at December 31, 2025, the Group has contingent liabilities including contractual mortgages on property and pledges of plant and equipment, investment properties, which serve as security for bank loans, overdrafts and contracts for credit limits for the issuance of bank guarantees granted to the Group and to unrelated parties, with a total carrying amount of BGN 89,752 thousand, of which in favour of First Investment Bank AD – BGN 84,611 thousand; in favour of Investbank AD – BGN 3,117 thousand and in favour of DSK AD – BGN 2,024 thousand.

The Group is a joint and several debtor under a credit commitment agreement with a supplier with a total principal limit of BGN 43,800 thousand, including an overdraft-type credit limit and a limit for the issuance of bank guarantees, and is also an aval guarantor of a promissory note for the amount of BGN 47,667 thousand under the same credit commitment. In connection with this credit commitment, the Group has established a pledge over cash receivables on a bank account and a specific pledge over receivables from counterparties for a monthly average turnover of BGN 4,000 thousand.

Pursuant to an agreement of June 17, 2021, the Group is a joint and several debtor in favour of Investbank AD under a Bank Guarantee Limit Agreement granted to an unrelated party – a supplier, in the amount of BGN 600 thousand.

The Group is jointly and severally obligated under an Agreement for Assumption of Debt of January 13, 2017 for the obligation of its subsidiary until March 2018 – Elite Petrol AD, which as at December 31, 2025 amounts to BGN 2,346 thousand.

In prior reporting periods, companies of the Group assumed the debt of a subsidiary until December 2015 under loan agreements, by which a creditor bank granted the subsidiary loans in the amount of USD 15,000 thousand and USD 20,000 thousand. In 2015, the creditor obtained court orders for immediate enforcement and enforcement writs against the subsidiary companies – joint and several debtors. In connection with complaints filed by the subsidiary companies, the competent court overturned the orders for immediate enforcement and annulled the enforcement writs. In October and December 2015, the creditor filed claims pursuant to Art. 422 of the Civil Procedure Code against the subsidiary companies to establish the existence of the receivables under each of the loan agreements. The court proceedings initiated by the creditor have not yet concluded.

### 35. Contingent liabilities (continued)

In December 2016, the court of first instance issued a judgment (the Judgment) by which it established that the bank has a receivable from the subsidiary companies – joint and several debtors in the amount of USD 15,527 thousand, arising from the loan agreement concluded for the amount of USD 15,000 thousand. By the same judgment, the court ordered the joint and several debtors to pay to the creditor bank the amount of BGN 411 thousand in legal fees and litigation costs, and in favour of the judicial budget a state fee for the order proceedings of BGN 538 thousand and a state fee for the adversarial proceedings of BGN 538 thousand. In January 2017, the subsidiary companies filed timely appeals against the Judgment, as a result of which it has not entered into force. As at the date of preparation of the present explanatory notes, the dispute is pending before the appellate court, and the Group's Management considers that there are reasonable prospects for the Judgment to be overturned in its entirety.

As at the date of preparation of the present consolidated financial statements, the case brought against the subsidiary companies – joint and several debtors to establish the existence of the bank's receivable under the loan agreement concluded for USD 20,000 thousand is pending before the court of first instance. Management considers that there are reasonable prospects for a favourable ruling from the competent court. In 2018, the Parent company sold its interest in one of the subsidiary co-debtors, and the potential risk for the Group has been reduced to the court proceedings against the second subsidiary company.

KTБ (insolvent), in its capacity as creditor of a subsidiary (until December 2015), unlawfully claimed through judicial proceedings the liability of the Parent company under a suretyship agreement for obligations arising from a framework credit limit agreement, as a result of which attachments were placed on the Parent company's bank accounts totalling up to USD 29,983 thousand. This claim was challenged in court by the Group on the grounds that 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 deadline of the arrangements between the creditor and the subsidiary under the framework credit limit agreement was July 1, 2014. The term of the framework credit limit agreement was extended without the consent of the surety, as a result of which the surety's liability lapsed upon the expiry of six months after the originally agreed deadline, during which period the creditor had not filed a claim against the principal debtor. The deadline under Art. 147, para. 1 of the OCA is a final deadline and upon its expiry the Parent company's suretyship was terminated; consequently, its objection was upheld by the court and the attachments placed on the bank accounts were lifted.

After the annulment of enforcement writs issued under the order proceedings, on the basis of which attachments were placed on the Parent company's bank accounts, the creditor initiated adversarial court proceedings pursuant to Art. 422 of the Civil Procedure Code to establish the same receivables against the subsidiary company (until December 2015) and the surety – the Parent company. In these proceedings, the objections have been repeated that liability as surety had not arisen and/or had been extinguished pursuant to Art. 147, para. 2 of the OCA, and Management therefore expects that the creditor's claim against the Parent company will be definitively dismissed by the court in its rulings on these cases. The case is currently stayed due to the existence of a preliminary judicial dispute that is material to the proper resolution of the case.

The Group has filed its receivables against the subsidiary (until December 2015). The filed receivables are included in the list of accepted receivables prepared by the trustee in bankruptcy pursuant to Art. 686 of the Commercial Act; however, these have been contested by another creditor in the insolvency proceedings. The pending court proceedings to establish the existence of these receivables pursuant to Art. 694 of the Commercial Act have now concluded with a judgment, in which the court accepted the Group's receivables up to the amount of BGN 4,794 thousand.

### 35. Contingent liabilities (continued)

As at December 31, 2025, cash in the Group's bank accounts in the amount of BGN 95 thousand is blocked under enforcement proceedings to which the Group is a party.

Under a revolving credit line agreement concluded in 2023 with a total limit of BGN 220,000 thousand and a sub-limit of BGN 31,600 thousand for refinancing of obligations, including for the issuance of bank guarantees and letters of credit, bank guarantees with a total value of BGN 4,323 thousand have been issued as at December 31, 2025, including BGN 1,800 thousand under agreements with third parties – suppliers of the Group, a bank guarantee of BGN 500 thousand in favour of the Ministry of Economy securing the Group's activities in connection with its registration under the Law on Administrative Regulation of Economic Activities Related to Oil and Petroleum Products, as well as bank guarantees securing the Group's obligations under contracts in connection with the Public Procurement Act in the amount of BGN 2,023 thousand. As at December 31, 2025, the agreement is secured by a pledge over the Group's receivables on bank accounts to secure obligations.

Under a revolving credit line agreement concluded in 2023 with a total limit of BGN 220,000 thousand, in July 2023 a pledge was established over the commercial enterprise as an aggregate of rights, obligations and factual relations of Petrol AD, Kremikovtsi 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 and Prima Land Property Ltd. As additional security under the same agreement, the Group provided a pledge over receivables on bank accounts opened with the bank, including funds deposited under a debt product agreement with a carrying amount as at December 31, 2025 of BGN 54,475 thousand.

Under an agreement concluded in December 2024 for a bank loan in the form of an overdraft with a maximum permissible amount of BGN 15,000 thousand, the Parent company provided, as financial collateral, a pledge over receivables on bank accounts opened with the bank, including funds deposited under a debt product agreement with a carrying amount as at December 31, 2025 of BGN 14,955 thousand.

In fulfilment of commitments under a bank loan agreement concluded in November 2023, the Group has established a mortgage on property and a pledge over plant and equipment with a total carrying amount as at December 31, 2025 of BGN 2,950 thousand. The agreement is also secured by a pledge over receivables on bank accounts.

Pursuant to an agreement of May 2024, the Group is a surety under an overdraft agreement granted to an unrelated party – a commercial counterparty, with a credit limit of BGN 1,400 thousand. In connection with this credit commitment, the Group has established in favour of the creditor bank a pledge over cash receivables on bank accounts and has established mortgages on real estate with a carrying amount as at December 31, 2025 of BGN 1,980 thousand.

In August 2024, by an annex to an Agreement of March 10, 2021 for the purchase of receivables under commercial invoices (standard factoring) with a commercial bank, a total advance limit of up to BGN 6,000 thousand was agreed. The agreement is secured by a pledge over receivables on bank accounts opened with the bank, with a carrying amount as at December 31, 2025 of BGN 277 thousand.

In December 2024, a new standard factoring agreement with a total advance limit of BGN 3,000 thousand was finalised with the same bank. The agreed security is a pledge over receivables on bank accounts of the Parent company opened with the bank and a forthcoming pledge over receivables from counterparties.

### 35. Contingent liabilities (continued)

Pursuant to an agreement dated October 17, 2025, the Group is a joint and several debtor to a commercial bank under a Bank Guarantee Line Agreement granted to a third party—a commercial counterparty—in the amount of BGN 1,500 thousand. The agreement is also secured by a pledge of receivables in a bank account opened with the bank, with a carrying amount as of December 31, 2025, of BGN 1 thousand.

### 36. Events after the end of the reporting period

On February 28, 2026, the US and Israel launched a military operation against Iran, leading to an unprecedented destabilisation of global oil and fuel markets. The price of Brent crude oil rose by more than 25%, reaching USD 100/barrel compared to approximately USD 70/barrel before the conflict, with a peak value of nearly USD 120/barrel in the first days after the outbreak. The blocking of the Strait of Hormuz – a key transit corridor for approximately 20% of global crude oil imports – halted the normal flow of oil tankers from the Persian Gulf. Countries in the Middle East declared force majeure on their export volumes of natural gas. The conflict disrupts the supply of approximately one fifth of global oil and gas supply. Diesel fuel prices in the EU rose by an average of 20% from the start of the conflict, and the fuel market in Bulgaria is already extremely vulnerable due to the sanctions against Lukoil and faces a serious threat of fuel shortages and a sharp rise in prices for end consumers.

From January 1, 2026, Bulgaria joined the Eurozone and adopted the euro as its official currency. From that date, the functional currency for the presentation of the Company's financial statements will be the euro. The conversion will be carried out at a fixed rate of 1.00 EUR = 1.95583 BGN.



## INDEPENDENT AUDITOR'S REPORT

To the shareholders of

Petrol AD

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of PETROL AD (the "Parent company") and its subsidiaries (together "the Group"), comprising the consolidated statement of financial position as at December 31, 2025 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, as well as the notes to the consolidated financial statements containing material information about the accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and its consolidated financial results and consolidated cash flows for the year ended on that date, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

#### Basis for Opinion

We conducted our audit in accordance with the International Standards of Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section in our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants (including the International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA code) and the ethics requirements of the Independent Financial Audit Act (IFAA), applicable in terms of our audit on the consolidated financial statements in Bulgaria. We have also fulfilled our other ethics responsibilities in accordance with the requirements of IFAA and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Related to Going Concern

We draw attention to note 2.7. "Application of the going concern principle" of the accompanying consolidated financial statements, which states that as at December 31, 2025, the equity attributable to the owners of the Parent company amounts to BGN 23,670 thousand and is below the registered capital of the Parent company by BGN 3,642 thousand, as a result of accumulated losses from prior years. In addition, the Group has disclosed that an assessment has been made of the uncertainties arising from these circumstances, including the possible effects of risks associated with the ongoing impact of the military conflicts in Ukraine, the Middle East and the military operation in the Strait of Hormuz (data



*"BN AUDIT CONSULT" Ltd*  
e-mail: [bnauditconsult@bnauditconsult.com](mailto:bnauditconsult@bnauditconsult.com)  
phone: +359 89 8 48 78 92  
address: 1324 Sofia, street "Godech"  
block № 805 ap. № 69

disclosed in note 33. "Capital management") and legal proceedings (data disclosed in note 35. "Contingent liabilities"), which indicate material uncertainty that could cast doubt on the Group's ability to continue as a going concern, should these risks materialise. In the same note it is disclosed that as at the date of preparation of the consolidated financial statements, Management's assessment is that the Group will be able to meet regularly its due bond and trade obligations, loans and interest in accordance with contractual commitments undertaken, and actions have been taken to bring the Parent company into compliance with the requirements of Art. 252, par. 1, item 5 of the Commercial Act, and additional information in this regard is disclosed in notes 25. "Registered capital" and 33. "Capital management".

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, but we do not provide a basis for a separate opinion on these matters. In addition to those matters, described in the Material Uncertainty to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

#### 1. Assessment and disclosure of the financial assets, disclosed in the consolidated statement of financial position as "Trade and other receivables" and "Loans granted"

We refer to the following notes to the accompanying consolidated financial statements for the year ended December 31, 2025 regarding the measurement, classification and presentation of financial assets in accordance with IFRS 9 Financial Instruments: 12. "Impairment", 22. "Loans granted", 23. "Trade and other receivables" and 32. "Financial instruments and risk management".

Key audit matter	How our audit addressed the key audit matter
<p>The valuation of trade and other receivables and loans granted, and their expected credit losses, is a key issue in our audit, as significant judgments are required to value these financial assets.</p> <p>For financial assets classified as Debt instruments carried at amortized cost, the Group has developed models for determining expected credit losses.</p> <p>For the measurement of receivables part of current trade and other receivables presented in the consolidated statement of financial position and Note 23, classified as financial assets measured at fair value through profit or loss, an independent /external/ licensed appraiser was engaged to determine their fair value. In addition, these financial assets are the most significant part of the total assets of the Group - about 62.77% as at December 31, 2025.</p>	<p><i>Our audit procedures included, along with others:</i></p> <ul style="list-style-type: none"> <li>- evaluation of the internal control system in regard to the processes related to current financial assets;</li> <li>- evaluation of the adequacy of the applied accounting policy in regard to the trade and other receivables and loans granted and its consistency with the IFRS 9 Financial instruments;</li> <li>- verification and valuation of the adopted models for the expected credit loss regarding the financial assets, reported at amortized cost;</li> <li>- verification of the qualification and assessment of the independency and the objectivity of the hired by the Group appraiser;</li> <li>- we used our expert in the review of the valuation of the receivables at fair value in profit or loss, prepared by the independent licensed appraiser hired by the Group;</li> <li>- valuation of the adequacy of the Group's disclosures regarding the loans granted and</li> </ul>

Therefore, we believe that they require special attention from us.	trade and other receivables and their impairment.
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## 2. Uncertainty related to future decisions on legal litigations

We refer to the Notes 25, 33 and 35 to the enclosed consolidated financial statements, wherein the litigations and future outcomes related with them are disclosed.

Key audit matter	How our audit addressed the key audit matter
<p>In carrying out Group's operations, it is possible to arise a potential risk of administrative and legal proceedings due to the inherent uncertainty of their outcome. The companies of the Group are parties to legal proceedings, the outcome of which may have a significant influence on the financial position and outlook of the Group.</p> <p>Whether to be recognised a provision or disclosed a contingent liability in the consolidated financial statements depends of the level of significance of estimations and assumptions.</p> <p>On this basis, we consider the matter related to legal proceedings against the companies of the Group as key audit matter.</p>	<p><i>Our audit procedures included, along with others:</i></p> <ul style="list-style-type: none"> <li>- review of accrued costs for legal services and clarification of the legal advisers and procedural representatives of the Judicial Affairs Group to which it is a party;</li> <li>- review of minutes of meetings of the persons in charge of general management and correspondence between the Group and external legal advisers;</li> <li>- request from the legal advisers and the management of the Group for up-to-date information and assessment regarding the probable outcome of the court cases to which the Group is a party;</li> <li>- use of an expert to critically evaluate the assessments of the Group and its legal advisers regarding ongoing litigation and judgments on the recognition of provisions or the disclosure of contingent liabilities;</li> <li>- assessment of the completeness and adequacy of the Group's disclosures regarding material litigation.</li> </ul>

**3. Acquisition of subsidiaries and effects on the consolidated financial statements for the year - refer to notes 2.6.1, 2.6.6, 7, 16, 19 and 30.**

Key audit matter	How our audit addressed the key audit matter
<p>As disclosed in note 30, in February, Management of the Group concluded a preliminary agreement with an unrelated party for the sale of its subsidiary Office Estate EOOD at a sale price of BGN 2,462 thousand, and in April the Group concluded a final agreement. The result of the transaction is a profit of BGN 423 thousand. The net cash flow from the sale is BGN 2,461 thousand.</p> <p>In December 2025, through an agreement for the purchase and sale of equity interests, the Group transferred to a third party 1,499,810 equity interests representing 100% of the capital of its subsidiary Varna 2130 EOOD, at a sale price of BGN 5,300 thousand, and the result of the sale is a profit of BGN 3,386 thousand. The net cash flow from the sale is BGN 5,299 thousand.</p> <p>The subsidiaries sold in 2025 have a material effect on the consolidated financial statements of the Group for 2025, and therefore we have determined this matter as a key audit matter.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>- a review of the Group's accounting policies adopted in relation to the acquisition of control of subsidiaries and a review for impairment of goodwill;</li> <li>- enquiries into the objectivity and competence of the independent valuers engaged by the Group;</li> <li>- used our own experts to assess the key judgements in determining the fair value of the assets being valued, the methods applied and significant assumptions;</li> <li>- review and restatement of recognised goodwill (and subsequent impairment review at year end) and bargain purchase gain;</li> <li>- verification and restatement of net cash flows from acquisition of subsidiaries;</li> <li>- assessment of the completeness and adequacy of the Group's disclosures regarding the effects of acquisitions of subsidiaries.</li> </ul>

**Information other than the consolidated financial statements and the auditor's report thereon**

The Management is responsible for the other information. The other information comprises the information included in the consolidated management report, including a corporate governance statement, prepared by the management pursuant to Chapter seven of the Accountancy Act, but does not include the consolidated financial statements and our audit report thereon, which we received before the date of our audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon, except otherwise explicitly stated in our report and to the extent it is stated.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or with our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on our work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact.

We do not have anything to report on this matter.

**Responsibilities of the management and the persons, in charge of the overall management for the consolidated financial statements**



“BN AUDIT CONSULT“ Ltd  
e-mail: [bnauditconsult@bnauditconsult.com](mailto:bnauditconsult@bnauditconsult.com)  
phone: +359 89 8 48 78 92  
address: 1324 Sofia, street “Godech“  
block № 805 ap. № 69

The management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS, applied in EU and for such internal control system, as the management determine is necessary to ensure the preparation of the consolidated financial statements, which are free from material misstatements, whether or not due to fraud or error.

In preparing the consolidated financial statements, the Management is responsible for the assessment of the Group's ability to continue as a going concern, disclosing, as applicable, matters, related to going concern and using a going concern basis of accounting, unless the Management either intend to liquidate the Group or to cease operations, or the Management has no other alternative but to do so.

The persons, in charge with the overall management, are responsible for the supervision of the process of Group's financial reporting.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, whether or not due to fraud or error, and to issue an auditor's report that includes our auditor's opinion. Reasonable assurance is a high level of assurance, but it is not guaranteed that an audit conducted in accordance with ISA will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error and are considered material, whether they can reasonably be expected, individually or in the aggregate, to influence the economic decision of users taken on the basis of these consolidated financial statements.

As a part of the audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the whole audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether or not due to fraud or error, develop and perform audit procedures responsive to those risks, and obtain audit evidence, which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override or evasion of internal control.
- obtain an understanding of internal control relevant to the audit in order to develop audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidences obtained, whether a material uncertainty exists, related to events or conditions that may arise significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidences regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the persons in charge with the overall management, among the other matters, the planning scope and timing of the audit and the significant audit findings, including any significant deficiencies in the internal control that we identify during the audit conducted by us.

We also provide the persons in charge with the overall management a statement that we have complied with the relevant ethical requirements related to the independence and to communicate with them all relationships and other matters that may reasonably be studied to bear on our independence and where applicable related save measures.

Among the matters communicated with the persons in charge with the overall management, we determine those matters, which were of most significance in the audit of the consolidated financial statements for the current period and which are therefore key audit matters. We describe these matters in our auditor's report, except in cases when law or regulation precludes public disclosure of information about this matter or when, in extremely rare circumstances, we decide that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on other legal and regulatory requirements**

### ***Additional matters prescribed to report according to Accountancy Act and Public Offering of Securities Act***

In addition to our responsibilities and reporting according to ISA, described above in Other information different to the consolidated financial statements and auditor's report thereon section regarding the consolidated management report, corporate governance statement and consolidated non-financial declaration, we complied with the procedures, added to the requirements under ISA, according to Instructions regarding new and extended audit reports and auditor's communication of the professional organization of the registered auditors in Bulgaria, The Institute of the certified public accountants (ICPA). These procedures concern the audits for the existence and audits of the format and the content of this other information on purpose to help us form an opinion regarding whether the other information includes disclosures and reports, pursuant to Chapter seven of the Accountancy Act and the Public Offering of Securities Act, (Art. 100n, par.10 of POSA in relation to Art. 100n, par.8, item 3 and 4 of POSA) applicable in Bulgaria.

### *Opinion in relation to Art. 37, par. 6 of the Accountancy Act*

Based on the conducted procedures, our opinion is that:

- The information included in the consolidated management report for the financial year, for which the consolidated financial statements were prepared, corresponds to the consolidated financial statements.
- The consolidated management report is prepared in accordance with the requirements of the Chapter seven of the Accountancy Act and Art. 100(n), par.7 of the Public Offering of Securities Act (POSA).
- In the corporate governance statement of the Group for the financial year, for which the consolidated financial statements were prepared, is presented pursuant to the requirements of Chapter seven of the Accountancy Act and Art. 100(n), par.8 of the Public Offering of Securities Act (POSA).

- d) The consolidated non-financial declaration for the financial year, for which the consolidated financial statements were prepared, is presented and prepared in accordance with the requirements of the Chapter seven of the Accountancy Act.

***Opinion in relation to Art. 100(n), par.10 in relation to Art.100(n), par.8, item 3 and 4 of the Public Offering of Securities Act***

Based on the conducted procedures and the obtained knowledge and understanding on the Group's operations and the environment where it operates, on our opinion, the description of the main characteristics of the internal control and risk management systems of the Group in relation to the process of financial reporting, which is part of the consolidated management report (as section in the corporate governance statement) and information under Art. 10, par. 1, letters "c", "d", "f", "h" and "i" of the Directive 2004/25/EC of the European Parliament and to the Counsel of April, 21 2004 regarding the proposals for acquisitions, does not comprise cases of significant misstatement.

***Reporting on compliance with the electronic format of the consolidated financial statements included in the annual consolidated financial statements for the activity under Art. 100n, par. 5 of Public Offering of Securities Act (POSA) with the requirements of the ESEF Regulation***

We are committed to expressing a reasonable degree of certainty regarding the compliance of the electronic format of the consolidated financial statements of Petrol AD for the year ending December 31, 2025, attached to the electronic file „4851003SBNLWFQX4XS80-20251231-BG-CON.zip“, with the requirements of Commission Delegated Regulation (EU) 2019/815 of December 17, 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council through regulatory technical standards for the definition of the uniform electronic reporting format ("ESEF Regulation"). Our opinion is only regarding the electronic format of the consolidated financial statements and does not cover the other information included in the annual consolidated financial statements for the activity under Art. 100n, para. 5 of the POSA.

***Description of the subject and applicable criteria***

The Management Board has prepared an electronic format of the consolidated financial statements of the Group for the year ended December 31, 2025 under the ESEF Regulation in order to comply with the requirements of the POSA. The rules for the preparation of consolidated financial statements in this electronic format are set out in the ESEF Regulation and, in our view, have the characteristics of appropriate criteria for forming a reasonable assurance opinion.

***Responsibilities of management and persons charged with governance***

The Group's management is responsible for applying the requirements of the ESEF Regulation when preparing the electronic format of the consolidated financial statements in XHTML. These responsibilities include the selection and application of appropriate iXBRL markings using the taxonomy of the ESEF Regulation, as well as the introduction and implementation of such internal control system as management deems necessary for the preparation of the electronic format of the Group's annual consolidated financial statements. does not contain significant inconsistencies with the requirements of the ESEF Regulation.

The persons in charge of general management are responsible for overseeing the process of preparing the Group's annual consolidated financial statements, including the implementation of the ESEF Regulation.

***Auditor's responsibilities***

Our responsibility is to express an opinion of reasonable assurance as to whether the electronic format of the consolidated financial statements is in conformity with the requirements of the ESEF Regulation.

To this end, we have complied with the Guidelines on the Audit Opinion on the Implementation of the European Single Electronic Format (ESEF) for the Financial Statements of Companies "whose securities are admitted for trading on a regulated market in the European Union (EU)" of the professional organization of Registered Auditors in Bulgaria, Institute of Certified Accountants (ICA) "and we have committed to express a reasonable level of assurance in accordance with ISAE 3000 (revised) Assurance Exercises Other than Audits and Reviews of Historical Financial Information" ( ISAE 3000 (revised)).

This standard requires us to comply with ethical requirements, plan and perform appropriate procedures to obtain reasonable assurance whether the electronic format of the Group's consolidated financial statements has been prepared in all material respects in accordance with the applicable criteria set out above. The nature, timing and scope of the procedures selected depend on our professional judgment, including the assessment of the risk of material non-compliance with the requirements of the ESEF Regulation, whether due to fraud or error.

A reasonable level of assurance is a high level of assurance, but there is no guarantee that a commitment made in accordance with ISAE 3000 (revised) will always reveal a material non-compliance where applicable.

#### *Quality control requirements*

We apply the requirements of the International Standard on Quality Control (ISQC) 1 and, accordingly, maintain a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements for registered auditors in Bulgaria.

We meet the ethical and independence requirements of the International Code of Ethics for Professional Accountants (including International Standards of Independence) of the International Ethics Standards Board for Accountants (IESBA Code), adopted by ICA through the Independent Financial Audit Act.

#### *Summary of our work performed*

The purpose of the procedures planned and performed by us was to obtain a reasonable degree of assurance that the electronic format of the consolidated financial statements has been prepared, in all material respects in accordance with the requirements of the ESEF Regulation. As part of our assessment of compliance with the ESEF Regulation's electronic (XHTML) format for reporting on the Group's consolidated accounts, we maintained professional skepticism and used professional judgment. We also:

- we received an understanding of the internal control and the processes related to the implementation of the ESEF Regulation regarding the consolidated financial statements of the Group and including the preparation of the consolidated financial statements of the Group in XHTML format and its marking in machine readable language (iXBRL);
  - we checked if the applied XHTML format is valid;
  - we checked whether the human readable part of the electronic format of the consolidated financial statements corresponds to the audited consolidated financial statements;
  - we assessed the completeness of the markings in the consolidated financial statements of the Group in the use of machine-readable language (iXBRL) in accordance with the requirements of the ESEF Regulation;
  - assessed the appropriateness of the iXBRL markings selected from the main taxonomy used, as well as the creation of an extended taxonomy element in accordance with the ESEF Regulation where an appropriate element in the basic taxonomy is missing;

- we assess the appropriateness of the correlation (fixation) of the elements of the extended taxonomy in accordance with the ESEF Regulation.

We consider that the evidences received are sufficient and relevant to provide a basis for our opinion.

*Opinion on the compliance of the electronic format of the consolidated financial statements with the requirements of the ESEF Regulation*

In our opinion, based on our procedures, the electronic format of the consolidated financial statements of the Group for the year ended December 31, 2025, contained in the attached electronic file „4851003SBNLWFQX4XS80-20251231-BG- CON.zip“ has been prepared in all material respects in accordance with the requirements of the ESEF Regulation.

**Reporting pursuant to Art. 10 of the Regulations (EU) No 537/2014 in relation to the requirements of Art. 59 of the Independent Financial Audit Act**

Pursuant to the requirements of the Independent Financial Audit Act in relation to Art.10 of Regulation (EU) No 537/2014, we report additionally the information disclosed below:

- The registered auditor “BN Audit Consult” Ltd has been appointed as a mandatory auditor of the consolidated financial statements for the year ending on December 31, 2025 of PETROL AD (the Parent company) by the General Meeting of Shareholders, held on June 30, 2025, for a period of one year.
- The audit of the consolidated financial statements for the year ended December 31, 2025 of the Group is the first full continuous commitment for mandatory audit of this Group conducted by us.
- We confirm that the audit opinion expressed by us is in accordance with the additional report submitted to the audit committee of Petrol AD, in accordance with the requirements of Arti. 60 of the Independent Financial Audit Act.
- We confirm that we have not provided the information specified in Art. 64 of the Independent Financial Audit Act prohibited services outside the audit.
- We confirm that in conducting the audit we have maintained our independence from the Group.
- For the period covered by our statutory audit, apart from the audit, we have not provided any other services to the Group.

**Auditing company:**

**"BN AUDIT CONSULT" EOOD with reg. No 178**

**Bozhidar Yordanov Nachev**

**Manager,**

**Registered Auditor, responsible for the audit:**

**City of Sofia, 1324, "Lyulin" 8th micro-district,**

**Godech Street, No. 805, Ent. B, floor 5, app. 69**

**Date: 29 April 2026**



*"BN AUDIT CONSULT" Ltd*  
*e-mail: [bnauditconsult@bnauditconsult.com](mailto:bnauditconsult@bnauditconsult.com)*  
*phone: +359 89 8 48 78 92*  
*address: 1324 Sofia, street "Godech"*  
*block № 805 ap. № 69*