

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS
OF PETROL GROUP
AND CONDENSED EXPLANATORY NOTES TO THE INTERIM
CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD
ENDED MARCH 31, 2026**

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

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
For the period ended March 31, 2026

	2026 EUR thousand	2025 EUR thousand
Revenue from sales	61,415	55,573
Other income	215	155
Cost of goods sold	(53,830)	(48,437)
Materials and consumables	(529)	(535)
Hired services	(2,685)	(2,434)
Employee benefits	(3,272)	(3,044)
Depreciation and amortisation	(970)	(1,071)
Impairment loss, net	(10)	(15)
Other expenses	(159)	(171)
Finance income	1,776	1,658
Finance costs	(2,442)	(2,530)
Loss before tax	<u>(491)</u>	<u>(851)</u>
Income tax expense	(66)	-
Loss for the period	<u>(557)</u>	<u>(851)</u>
Total comprehensive income for the period	(557)	(851)
Loss attributable to:		
Owners of the Parent company	(557)	(851)
Non-controlling interest	-	-
Loss for the period	<u>(557)</u>	<u>(851)</u>
Total comprehensive income attributable to:		
Owners of the Parent company	(557)	(851)
Non-controlling interest	-	-
Total comprehensive income for the period	<u>(557)</u>	<u>(851)</u>
Loss per share (EUR)	<u>(0.02)</u>	<u>(0.03)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2026

	March 31 2026 EUR thousand	December 31 2025 EUR thousand
Non-current assets		
Property, plant, equipment and intangible assets	50,347	51,241
Investment property	737	743
Right-of-use assets	4,332	4,664
Goodwill	3,331	3,331
Deferred tax assets	2,398	2,367
Loans granted	26,552	26,332
Guarantee deposits	35,450	35,450
Total non-current assets	123,147	124,128
Current assets		
Inventories	8,334	7,550
Non-current assets held for sale	411	732
Loans granted	41,108	40,239
Trade and other receivables	21,469	20,825
Cash and cash equivalents	937	2,251
Total current assets	72,259	71,597
Total assets	195,406	195,725

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2026 (continued)

	March 31 2026 EUR thousand	December 31 2025 EUR thousand
Equity		
Registered capital	13,929	13,964
Reserves	20,844	21,052
Accumulated loss	<u>(23,262)</u>	<u>(22,913)</u>
Total equity attributable to owners of the Parent company	<u>11,511</u>	<u>12,103</u>
Non-controlling interest	<u>18</u>	<u>18</u>
Total equity	<u>11,529</u>	<u>12,121</u>
Non-current liabilities		
Loans and borrowings	102,456	121,858
Lease liabilities	3,379	3,774
Deferred tax liabilities	724	717
Defined benefit plan obligations	<u>562</u>	<u>562</u>
Total non-current liabilities	<u>107,121</u>	<u>126,911</u>
Current liabilities		
Trade and other payables	42,377	41,734
Loans and borrowings	31,838	12,463
Lease liabilities	1,659	1,701
Current income tax liabilities	<u>882</u>	<u>795</u>
Total current liabilities	<u>76,756</u>	<u>56,693</u>
Total liabilities	<u>183,877</u>	<u>183,604</u>
Total equity and liabilities	<u>195,406</u>	<u>195,725</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended March 31, 2026

	Capital attributable to owners of the Parent company				Total	Non-cont. interest	Total capital
	Reg. capital	General reserves	Revaluati on reserve	Retained earnings (loss)			
	EUR thousand	EUR thousand	EUR thousand	EUR thousand			
Balance as at January 1, 2025	<u>55,858</u>	<u>9,645</u>	<u>13,579</u>	<u>(68,297)</u>	<u>10,785</u>	<u>18</u>	<u>10,803</u>
<i>Changes in equity for the period ended December 31, 2025</i>							
Comprehensive income for the period							
Profit for the period	-	-	-	1,373	1,373	-	1,373
Remeasurement of defined benefit plan obligations	-	-	-	(55)	(55)	-	(55)
Total other comprehensive income	-	-	-	(55)	(55)	-	(55)
Total comprehensive income	-	-	-	1,318	1,318	-	1,318
Increases (decreases) through transfer between registered capital and accumulated losses	(41,894)	-	-	41,894	-	-	-
Transfer of asset revaluation reserve to retained earnings, net of taxes	-	-	(2,172)	2,172	-	-	-
Balance as at December 31, 2025	<u>13,964</u>	<u>9,645</u>	<u>11,407</u>	<u>(22,913)</u>	<u>12,103</u>	<u>18</u>	<u>12,121</u>
<i>Changes in equity for the period ended March 31, 2026</i>							
Comprehensive income for the period							
Loss for the period	-	-	-	(557)	(557)	-	(557)
Total comprehensive income	-	-	-	(557)	(557)	-	(557)
Decrease in registered capital	(35)	-	-	-	(35)	-	(35)
Transfer of asset revaluation reserve to retained earnings, net of taxes	-	-	(208)	208	-	-	-
Balance as at March 31, 2026	<u>13,929</u>	<u>9,645</u>	<u>11,199</u>	<u>(23,262)</u>	<u>11,511</u>	<u>18</u>	<u>11,529</u>

CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended March 31, 2026

	2026 EUR thousand	2025 EUR thousand
Cash flows from operating activities		
Loss for the period	(557)	(851)
Adjustments for:		
Income tax expense	66	-
Depreciation of property, plant, equipment, intangible assets and right-of-use assets	970	1,071
Interest and bank commission expense, net	702	851
Shortages and shrinkage, net of surpluses	2	8
Accruals for unused annual leave and retirement benefits	198	160
Impairment of assets	10	15
Gain on sale of assets	<u>(125)</u>	<u>(22)</u>
	1,266	1,232
Change in trade payables	(380)	4,702
Change in inventories	(787)	118
Change in trade receivables	<u>(635)</u>	<u>(1,355)</u>
Cash generated from operating activities	(536)	4,697
Interest, bank fees and commissions paid	(1,380)	(1,450)
Corporate tax paid	<u>(5)</u>	<u>(54)</u>
Net cash flows from operating activities	(1,921)	3,193

CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended March 31, 2026 (continued)

	2026 EUR thousand	2025 EUR thousand
Cash flows from investing activities		
Payments for purchase of property, plant and equipment, excl. VAT	(5)	(11)
Proceeds from sale of property, plant and equipment, excl. VAT	1,444	1,226
Proceeds from/(payments for) loans granted, net	(27)	(5,141)
Interest received on loans granted and deposits	134	139
Net cash flows from investing activities	1,546	(3,787)
Cash flows from financing activities		
Proceeds from loans and borrowings	-	5,120
Repayments of loans and borrowings	(594)	(4,024)
Lease payments	(511)	(533)
Net cash flows from financing activities	(1,105)	563
Net change in cash and cash equivalents during the period	(1,480)	(31)
Cash and cash equivalents at the beginning of the period	2,202	843
Effect of exchange rate changes	132	(22)
Cash and cash equivalents at the end of the period (excl. blocked)	854	790

**CONDENSED EXPLANATORY NOTES TO THE
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
OF PETROL GROUP
FOR THE PERIOD ENDED
MARCH 31, 2026**

I. General Information

Petrol AD (the Parent company) was registered in Bulgaria in 1990 and entered in the Commercial Register to the Registry Agency with UIC 831496285. The headquarter address of the Parent company is 12 Tyrgovska Str., Hotel Lovetch in Lovetch city. As at the end of the reporting period shareholders are legal entities, the state - through the Ministry of Energy and individuals.

The main activity of Petrol AD and its subsidiaries (the Group) is related with trading of petrol products, non-oil products, merchandise and services.

These explanatory notes are prepared according to the requirements of Art. 100o1, par.5 of the Public Offering of Securities Act (POSA) and Appendix 4 to Ordinance No. 2 of November 09, 2021 for initial and subsequent disclosure of information during public offering of securities and admission of securities to trading on a regulated market by the public companies and other issuers of securities, and represent information about important events occurred during the first quarter of 2026. The explanatory notes reflect their influence on the results in the statements for the first quarter of 2026 and describe the main risks and uncertainties which the Petrol Group faces and comprise information on transactions with related and/or interested parties, as well as information on newly emerging significant receivables and/or payables during the same reporting period.

II. Information on important events occurred in the first quarter of 2026

General

The interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the Commission of the European Union (EU).

These interim consolidated financial statements have been prepared under the historical cost convention, except for provisions and retirement benefit obligations, assets and liabilities under IFRS 16 reported at the present value of expected future payments, property, plant and equipment recognised as a result of a business combination and carried at fair value. When compiling them, the same accounting policy and calculation methods applied in the last annual financial statements have been followed.

Functional currency and presentation currency

The functional currency is the currency of the primary economic environment in which a company operates and in which cash is primarily generated and expended. It reflects the primary transactions, events and conditions relevant to the Group.

As of January 1, 2026, as a member state of the eurozone, Bulgaria adopted the euro as its official currency and from that date the functional and presentation currency of the Group's financial statements is the euro.

The conversion from lev to euro was performed at the fixed rate of 1.95583 BGN per one euro.

II. Information on important events occurred in the first quarter of 2026 (continued)

Property, plant, equipment, intangible assets and non-current assets held for sale

The initial revalued (to fair value) amount of property, plant, equipment and intangible fixed assets was determined by a market valuation prepared by an independent valuer 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 made a judgement that there could be a material variance in the fair values of the assets and assigned new market valuations as at December 31, 2022. In these interim consolidated financial statements, property, plant, equipment and intangible fixed assets are presented at the valuations prepared by an independent valuer as at December 31, 2022, in which the intermediate comparisons, capitalised rental income and property value methods were used to determine fair value. Property, plant, equipment and intangible assets acquired through business combinations in 2023 were measured at fair value at the date control was obtained. As at March 31, 2026, Management has assessed that there are no circumstances requiring a new valuation by a licensed valuer.

As at March 31, 2026, the Group has property, plant, equipment and intangible assets with a total carrying amount of EUR 50,347 thousand. Property, plant and equipment with a carrying amount of EUR 44,424 thousand are mortgaged or pledged as security for bank loans granted to the Group and to unrelated parties under credit facility agreements for the issuance of bank guarantees.

Investment property

The investment properties, representing land property and a building with a carrying value as at March 31, 2026 of EUR 737 thousand, were acquired in December 2016 through a business combination. The Group has estimated their fair value for disclosure purposes using an independent valuer's valuation which was carried out using the amortised cost method, the median comparison method and the capitalisation of future rental income method. The fair value of the investment properties as at March 31, 2026 is EUR 1,343 thousand. The investment properties serve as collateral for obligations under a bank loan agreement.

II. Information on important events occurred in the first quarter of 2026 (continued)

Leases

The following items and amounts related to leases are presented in the interim consolidated statement of financial position as at March 31, 2026:

	March 31 2026 EUR thousand
Right-of-use assets, including:	4,332
<i>Properties (land and buildings)</i>	4,231
<i>Transport vehicles</i>	43
<i>Plant, equipment and machinery</i>	58
Obligations, lease liabilities, including:	(5,038)
<i>Current liabilities</i>	(1,659)
<i>Non-current liabilities</i>	(3,379)
Depreciation of right-of-use assets, including:	331
<i>Properties (land and buildings)</i>	296
<i>Transport vehicles</i>	29
<i>Plant, equipment and machinery</i>	6
Interest on right-of-use asset lease agreements	84
Total	415

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

Long-term guarantee deposits in banks

The Parent company has provided cash on a long-term basis to a commercial bank pursuant to Debt Product Agreements in exchange for interest. As at March 31, 2026, receivables under these contracts amounted to EUR 35,790 thousand. An impairment charge of EUR 340 thousand has been recognised on the amounts provided, in accordance with the policy for recognition of expected credit losses on financial assets.

The Parent company has entered into an agreement for the blocking of these funds to secure the performance of credit facilities granted by the same bank, with the same term.

Loans granted

As at March 31, 2026, the Group reported trade loans receivable net of impairment of EUR 67,660 thousand, of which EUR 41,108 thousand is current.

Loans to unrelated parties as at March 31, 2026 have the following interest rate terms and final maturity dates:

II. Information on important events occurred in the first quarter of 2026 (continued)

Category	Loans receivable as at 31.03.2026	Principal due	Interest due	Impairment as at 31.03.2026	Annual interest	Maturity
borrower	net				%	
	EUR thousand	EUR thousand	EUR thousand	EUR thousand		Principal - 31 Dec 28 Interest - current for year
Trading company	12,788	13,038	281	(531)	6.70%	
Trading company	8,853	7,567	1,286	-	7.20%	31 Dec 28
Trading company	5,437	4,857	862	(282)	7.00%	31 Dec 26
Trading company	5,192	4,977	426	(211)	6.70%	31 Dec 28
Trading company	4,726	4,048	712	(34)	7.00%	31 Dec 26
Trading company	3,902	3,541	361	-	6.70%	31 Dec 26
Trading company	3,639	3,911	331	(603)	7.30%	31 Dec 26
Trading company	3,266	2,981	523	(238)	7.00%	31 Dec 26
Trading company	2,872	2,553	1,187	(868)	6.70%	31 Dec 26
Trading company	1,995	1,698	313	(16)	7.00%	31 Dec 26
Trading company	1,491	1,442	51	(2)	7.20%	31 Dec 26
Trading company	1,246	1,117	247	(118)	7.00%	31 Dec 26
Trading company	755	616	145	(6)	7.00%	31 Dec 26
Trading company	724	706	68	(50)	5.00%	31 Dec 26
Trading company	711	610	115	(14)	6.70%	31 Dec 26
Trading company	557	491	86	(20)	7.00%	31 Dec 26
Trading company	493	486	13	(6)	7.20%	31 Dec 26
Trading company	289	249	43	(3)	7.00%	31 Dec 26
Trading company	288	330	6	(48)	6.70%	31 Dec 26
Trading company	224	220	4	0	6.70%	31 Dec 26
Trading company	213	202	11	-	7.20%	31 Dec 26
Trading company	15	15	-	-	0.00%	31 Dec 26
Trading company	10	10	0	0	0.00%	31 Dec 25
Trading company	3	160	73	(230)	7.00%	07 Aug 26
Trading company	1	62	14	(75)	5.00%	31 Dec 26
Trading company	1	1	-	-	6.80%	31 Dec 26
Trading company	-	643	314	(957)	6.70%	18 Dec 28
Trading company	-	8	4	(12)	6.70%	31 Dec 26
Trading company	-	2,654	-	(2,654)	0.00%	28 Oct 15
Trading company	-	1,130	-	(1,130)	9.50%	04 Oct 12
Trading company	-	22	-	(22)	9.50%	17 Jan 17
Trading company	-	-	1	(1)	8.50%	26 Aug 15
	59,691	60,345	7,477	(8,131)		

II. Information on important events occurred in the first quarter of 2026 (continued)

Loans granted to related parties amount to EUR 7,969 thousand net of impairment and are disclosed in Section III of these Explanatory Notes - Disclosure of transactions with related parties.

Cash and cash equivalents

As at March 31, 2026, the Group reported cash totalling EUR 937 thousand, of which EUR 83 thousand is blocked under attachments in enforcement proceedings.

In the notes under Art.15 par.1 of Ordinance No. 2 and the Public Offering of Securities Act (POSA), as cash equivalents of EUR 755 thousand, is presented the cash collected from the trade sites as at the end of the reporting period and entering the Group's bank accounts at the beginning of the next reporting period.

Registered capital

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

As at March 31, 2026, the fully paid-in registered capital, after changes from subsequent increases and decreases, amounts to EUR 13,929 thousand, divided into 27,312,403 registered shares, each with a nominal value of EUR 0.51.

As at the end of the reporting period shareholders in the Parent company are:

<i>Shareholder</i>	March 31 2026
Alpha Capital AD	28.85%
Storage Invest Ltd	26.77%
Perfeto Consulting Ltd	16.43%
Trans Express Oil Ltd	9.82%
Petrol Bulgaria AD	7.05%
Griffon Power AD	5.39%
Ministry of Energy	0.65%
Other minority shareholders	5.04%
	<u>100.00%</u>

Current income tax liabilities and tax audits

As at March 31, 2026, the Group has current corporate tax liabilities of EUR 882 thousand.

II. Information on important events occurred in the first quarter of 2026 (continued)

Loans and borrowings liabilities

As at March 31, 2026, the Group has commitments under bank, bond and commercial borrowings from unrelated parties totalling EUR 134,292 thousand, of which EUR 31,836 thousand are current.

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 EUR 112,484 thousand. The funds are intended to be used for purposes including, but not limited to, investment purposes, working capital, issuance of bank guarantees and opening letters of credit. They may be drawn down and repaid repeatedly until August 15, 2033, and the repayment period for all obligations arising from the credit line is until September 15, 2033. The annual interest payable on the amount drawn down consists of the Base Interest Rate (BIRA) applied by the Bank plus a margin 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, Crystal Asset Property Ltd, Crystal Assets Trade Ltd, Crystal Assets Bulgaria Ltd, Prima Assets Bulgaria Ltd, Prima Assets Trade Ltd, Prima Consult Property Ltd, Prima Land Property Ltd and unrelated parties, suretyship from an unrelated party and the subsidiary Svilengrad Oil Ltd, contractual mortgages on real estate of co-borrowers, including unrelated parties, suretyship and financial collateral over receivables on accounts with the bank and cash deposited by the borrower under debt product agreements.

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

In July 2023, based on the revolving line agreement with a total limit of EUR 112,484 thousand, an annex agreed to grant Tranche No.1 in the amount of EUR 46,016 thousand as an investment loan for the purchase of assets and company shares with a drawdown period until October 30, 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 March 31, 2026 the Group has a liability for principal of EUR 33,899 thousand and interest of EUR 222 thousand.

In July 2023, based on the revolving credit line agreement with a total limit of EUR 112,484 thousand, an annex agreed to grant Tranche No.2 in the amount of EUR 15,339 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 repayment deadline do not differ from those agreed in the main contract. In November 2023, the funds under Tranche No. 2 were drawn down. As at March 31, 2026 the Group has a liability for principal of EUR 13,867 thousand and interest of EUR 78 thousand.

In July 2023, based on the revolving line agreement with a total limit of EUR 112,484 thousand, an annex agreed to provide Tranche No.3 in the amount of EUR 28,121 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 the final repayment term do not differ from those agreed in the main contract. As at March 31, 2026 the Group has a liability under this tranche for principal of EUR 28,121 thousand and interest of EUR 482 thousand.

II. Information on important events occurred in the first quarter of 2026 (continued)

In July 2023, based on the revolving line agreement with a total limit of EUR 112,484 thousand, an annex agreed to grant Tranche No.4 in the amount of EUR 23,008 thousand as a revolving working capital loan. The drawdown and utilisation of the amount under this tranche shall be until August 14, 2033. The interest rate and the final repayment term do not differ from those agreed in the main agreement. As at March 31, 2026 the Group has a liability under this tranche for principal of EUR 23,008 thousand and EUR 394 thousand of interest.

In November 2023, the Parent company entered into a bank loan agreement in the amount of EUR 1,533 thousand intended for working capital for operations, at an annual interest rate equal to the BIRA of the lender bank, increased by a margin of 2.61 percentage points, but not less than 5.9% per annum. The repayment plan is for 5 (five) years with equal monthly principal instalments, with the final repayment date of November 25, 2028. The loan is secured by mortgages on land and buildings owned by the Group, a pledge of plant, equipment and machinery, and financial collateral by granting a pledge under the provisions of the Financial Collateral Act on receivables on accounts opened with the creditor bank. As at March 31, 2026, the Parent company's liability for principal under this agreement amounts to EUR 844 thousand and EUR 5 thousand of interest.

In December 2024, based on the revolving line agreement with a total limit of EUR 112,484 thousand, an annex agreed to grant Tranche No.6 in the amount of EUR 6,136 thousand as a revolving working capital loan. By an annex in January 2025 the amount of the tranche was increased to EUR 6,519 thousand, and in December 2025 to EUR 7,286 thousand, and the drawdown period was extended until December 31, 2026. The interest rate does not differ from the terms agreed in the main agreement. As at March 31, 2026, the Parent company has a liability under this tranche for principal of EUR 6,903 thousand and EUR 25 thousand of interest.

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 EUR 7,669 thousand for working capital purposes for the Parent company's operations, at an annual interest rate equal to the BIRA of the lender bank, increased by a margin of 3.21 percentage points per annum. The term of the facility is until December 30, 2029. The facility is subject to a commitment to establish security by way of pledge of the Parent company's receivables from the Bank under senior unsecured debt product agreements in the amount of EUR 7,669 thousand, as well as a pledge of receivables under the Financial Collateral Contracts Act on all accounts of the Parent company opened with the Bank. As at March 31, 2026, the principal amount due under this agreement is EUR 7,652 thousand.

Debenture loans

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

II. Information on important events occurred in the first quarter of 2026 (continued)

In September 2020, the Parent company successfully completed a procedure for renegotiating the conditions of the debenture loan. The maturity of the debenture loan principal is deferred until January 2027, and the agreed interest rate is reduced to 4.24% per annum, with six-monthly regularity of interest (coupon) payments - in January and in July of each year until the maturity of the loan.

As of the date of these explanatory notes, the nominal value of the debenture loan amounts to EUR 18,659 thousand.

The debenture liabilities are presented in the statement of financial position at their amortised cost. The annual effective interest rate after extension of the issue term is 4.51% (including a 4.24% annual coupon rate).

Trade loans received

In December 2025, the Group obtained a short-term loan from an unrelated party trading company in the amount of EUR 12 thousand. Interest is payable at 6.7% on the amount drawn down. The loan matures on December 31, 2026. The liability as at March 31, 2026 amounts to EUR 12 thousand.

In January 2023, the Parent company obtained a short-term loan from an unrelated party trading company with a credit limit of EUR 1,023 thousand and interest at 5% on the amount drawn down. The loan had a maturity date of December 31, 2024 and the principal has been repaid. The liability as at March 31, 2026 amounts to EUR 1 thousand for interest.

In August 2024, the Parent company obtained a short-term loan from an unrelated party trading company in the amount of EUR 77 thousand and interest at 8% per annum on the amount drawn down. The loan was repayable by March 31, 2026, and the liability as at March 31, 2026 amounts to EUR 4 thousand for interest.

The amounts payable under trade loans from related parties are disclosed in the related parties note in this notification.

Factoring

In August 2024, an addendum to an agreement dated March 10, 2021 for the purchase of receivables under commercial invoices (standard factoring) with a commercial bank agreed an aggregate advance limit of up to EUR 6,000 thousand at an annual interest rate of BIRA 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 March 31, 2026, no receivables have been transferred and no payables have arisen in relation to the funding received under this factoring agreement.

In December 2024, a second standard factoring agreement was finalised with the same bank with a total advance limit of EUR 1,534 thousand, an annual interest rate of BIRA 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 on bank accounts and a pledge of receivables from counterparties is pending. As at March 31, 2026, the exposure under this agreement amounts to EUR 57 thousand.

II. Information on important events occurred in the first quarter of 2026 (continued)

Since December 2025, the Group has entered into a non-recourse factoring agreement with a bank with a limit of EUR 511 thousand and an annual interest rate which is the sum of one-month EURIBOR plus an agreed margin of 3.50%, but not less than 3.50% per annum. Under this agreement the Group has exposure of EUR 1 thousand.

Operating leases

The Group is a lessee under operating leases. As at March 31, 2026, rental expense recognised in the statement of profit, loss and other comprehensive income includes rentals of EUR 45 thousand in respect of sites leased under operating leases which fall within the IFRS 16 exemptions and whose leases contain a clause which agrees that both parties have the right to terminate the lease on individual sites or in full for an insignificant penalty.

Subsidiaries

The Parent company (Controlling company) is Petrol AD. The subsidiaries included in the consolidation over which the Group has control as at March 31, 2026 are as follows:

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

II. Information on important events occurred in the first quarter of 2026 (continued)

Contingent liabilities, including information for newly arising significant liabilities for the reporting period

As at March 31, 2026, the Group has contingent liabilities, including contractual mortgages on properties and pledges of plant and equipment and investment properties, which serve as collateral for bank loans, overdrafts, credit limit agreements for the issuance of bank guarantees, granted to the Group and to unrelated parties with a total carrying amount of EUR 45,161 thousand, including in favour of First Investment Bank AD - EUR 42,548 thousand, in favour of Investbank AD - EUR 1,580 thousand and in favour of DSK AD - EUR 1,033 thousand.

Pursuant to an agreement dated October 17, 2018 and its annexes, the Group is a joint debtor and guarantor on a promissory note for the amount of EUR 22,395 thousand in favour of Investbank AD under a credit facility agreement of an unrelated party - supplier, including a limit for an overdraft-type loan and a limit for issuance of bank guarantees in favour of the Customs Agency, the total amount of the utilised funds and issued valid bank guarantees across all borrower exposures to the Bank not exceeding a total credit limit of EUR 24,372 thousand. In connection with this credit commitment, the Group has established in favour of Investbank AD a pledge over cash receivables on a bank account, as well as a special pledge over receivables from counterparties for EUR 2,045 thousand average monthly turnover.

Pursuant to an agreement dated June 17, 2021, the Group is a joint debtor in favour of Investbank AD under a Bank Guarantee Limit Agreement granted to an unrelated party - supplier in the amount of EUR 307 thousand.

The Group is jointly liable under a Debt Incurrence Agreement dated January 13, 2017 for the obligation of its subsidiary until March 2018 - Elit Petrol AD, which as at March 31, 2026 amounts to EUR 1,199 thousand.

Under a revolving credit line agreement entered into in 2023 with a total limit of EUR 112,484 thousand and a sub-limit of EUR 16,156 thousand for refinancing of liabilities, including the issuance of bank guarantees and letters of credit, bank guarantees have been issued for a total amount of EUR 2,056 thousand as at March 31, 2026, including EUR 920 thousand under contracts with third party suppliers of the Group, a EUR 256 thousand bank guarantee 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 Petroleum and Petroleum Products, and bank guarantees securing the Group's obligations under contracts in connection with the Public Procurement Law in the amount of EUR 880 thousand. As at March 31, 2026, the agreement is secured by a pledge over the Group's receivables on bank accounts to secure obligations, as well as mortgages on immovable property and pledges of plant and equipment.

In prior reporting periods, Group companies entered into the debt of a subsidiary until December 2015 under loan agreements whereby the lender bank granted loans to the subsidiary in the amount of USD 15,000 thousand and USD 20,000 thousand. In 2015, the creditor obtained from the court immediate execution orders and writs of execution against the subsidiaries, joint and several debtors. In connection with the appeals filed by the subsidiaries, the competent court cancelled the immediate execution orders and invalidated the writs of execution. In October and December 2015, the creditor brought actions under Article 422 of the Civil Procedure Code against the subsidiaries for the existence of claims under each of the loan agreements. The legal proceedings initiated by the creditor have not been concluded.

II. Information on important events occurred in the first quarter of 2026 (continued)

In December 2016, the Court of First Instance rendered a judgment (the Judgment) finding that the Bank had a claim against the subsidiaries, joint and several debtors, in the amount of USD 15,527 thousand arising from the loan agreement entered for the amount of USD 15,000 thousand. By the same judgment, the court ordered the joint debtors to pay to the creditor bank the sum of EUR 411 thousand in legal fees and costs, and in favour of the budget of the judiciary, the state fee for the order proceedings in the amount of EUR 538 thousand and the state fee for the claim proceedings in the amount of EUR 275 thousand. In January 2017, the subsidiaries filed timely appeals against the Judgment, and therefore it has not entered into force. As at the date of preparation of these explanatory notes, the dispute is pending before the Court of Appeal, and the Group's Management believes that there is a reasonable chance that the Judgment will be set aside in its entirety.

As at the date of preparation of these explanatory notes, the lawsuit filed against the subsidiaries, joint debtors, to establish the existence of the Bank's claim under the USD 20,000 thousand loan agreement is pending before the court of first instance. Management believes that there is a reasonable chance of a favourable decision by a court of competent jurisdiction. During 2018, the Parent company sold its interest in one subsidiary-solidary debtor, and the potential risk for the Group is reduced to the legal proceedings against the second subsidiary.

Corporate Commercial Bank AD (in insolvency) - a creditor of a subsidiary (until December 2015) - unfoundedly claimed in court the responsibility of the Parent company under a guarantee agreement for liabilities arising from a framework credit limit agreement, as a result of which bank accounts of the Parent company were garnished up to a total amount of USD 29,983 thousand. This claim was disputed in court by the Group because the liability as guarantor had not arisen and/or was extinguished pursuant to Art. 147, par. 2 of the Law on Obligations and Contracts (LOC). At the time of signing the guarantee agreement, the deadline of the arrangements between the lender 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 guarantor, and therefore the guarantor's liability lapsed upon the expiry of six months after the initially agreed period, during which the creditor did not bring an action against the principal debtor. The term under Art. 147, par. 1 of the LOC is final and upon its expiration the Parent company's guarantee was terminated, and therefore its objection was upheld by the court and the imposed attachments on the bank accounts were lifted.

After the writs of execution, issued pursuant to order proceedings on the basis of which attachments were imposed on the Parent company's bank accounts, were invalidated, the creditor initiated legal claim proceedings under Art. 422 of the Civil Procedure Code to establish the same claims against the subsidiary (until December 2015) and the guarantor, the Parent company. In these proceedings the objections are repeated that liability as guarantor had not arisen and/or was extinguished pursuant to Art. 147, par. 2 of the LOC, and therefore Management expects that the claim of the creditor against the Parent company will be permanently dismissed by the court in its decisions on these cases. At present, the case is suspended due to the existence of a preliminary ruling which is relevant to the correct resolution of the case.

II. Information on important events occurred in the first quarter of 2026 (continued)

The Group has claimed its receivables from the subsidiary (until December 2015). The claims are included in the list of admitted claims under Art. 686 of the Commercial Act prepared by the insolvency administrator, but they are disputed by another creditor in the insolvency proceedings. At present, the pending court proceedings to establish the existence of these claims pursuant to Art. 694 of the Commercial Act have been concluded with a decision and the court has accepted the Group's claims up to the amount of EUR 2,451 thousand.

As at March 31, 2026, cash in the Group's bank accounts amounting to EUR 83 thousand is blocked in enforcement proceedings to which the Group is a party.

Under a revolving credit line agreement signed in 2023 with a total limit of EUR 112,484 thousand, in July 2023 a pledge of a commercial enterprise was established as a set of rights and obligations and de facto relations of Petrol AD, Kremikovtzi Oil Ltd, Shumen Storage Ltd, Crystal Asset Property Ltd, Crystal Assets Trade Ltd, Crystal Assets Bulgaria Ltd, Prima Assets Bulgaria Ltd, Prima Assets Trade Ltd, Prima Consult Property Ltd, Prima Land Property Ltd. As collateral under the same agreement, the Group has pledged receivables from bank accounts opened with the Bank, including funds deposited under a debt product agreement with a carrying amount as at March 31, 2026 of EUR 27,830 thousand.

Under a contract signed in December 2024 for a bank loan in the form of an overdraft with a maximum eligible amount of EUR 7,669 thousand. The Parent company has pledged as financial collateral receivables on bank accounts opened with the Bank, including funds deposited under a debt product agreement.

Pursuant to the covenants under a bank loan agreement entered into in November 2023, the Group has established a mortgage on property and a pledge of plant and equipment with a total carrying amount as at March 31, 2026 of EUR 1,503 thousand. The agreement is also secured by a pledge over bank account receivables.

Pursuant to an agreement dated May 2024, the Group is a guarantor under an overdraft agreement granted to an unrelated party - a commercial counterparty with a credit limit of EUR 716 thousand. In connection with this credit commitment, it has established in favour of the creditor bank a pledge over cash receivables on bank accounts and has established mortgages over real estate with a carrying value as at March 31, 2026 of EUR 1,007 thousand.

In August 2024, an addendum to the Agreement of March 10, 2021 for the purchase of receivables under commercial invoices (standard factoring) with a commercial bank agreed a total advance limit of up to EUR 3,068 thousand. The agreement is secured by a pledge of receivables on bank accounts opened with the bank with a carrying amount as at March 31, 2026 of EUR 7 thousand.

In December 2024, a new standard factoring contract was finalised with the same bank with a total advance limit of EUR 1,534 thousand. The agreed collateral is a pledge of receivables on the Parent company's bank accounts opened with the bank and a pending pledge of receivables from counterparties.

Pursuant to an agreement dated October 17, 2025, the Group is a joint debtor in favour of a commercial bank under a Bank Guarantee Limit Agreement granted to a third party - commercial counterparty in the amount of EUR 767 thousand. The agreement is also secured by a pledge of receivables on a bank account opened with the bank.

III. 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). As at March 31, 2026, the members of the Supervisory Board and Management Board of Petrol AD are as follows.

Supervisory Board

Petrol Correct Ltd, represented by Nikolay Gergov	Chairman
Petrol Asset Management Ltd, represented by Armen Nazaryan	Member
Rumen Konstantinov	Member

Management Board

Grisha Ganchev	Chairman of the MB
Milko Dimitrov	Deputy Chairman of the MB and Executive Director
Maya Vujicic	Member of the MB and Executive Director
Georgi Tatarski	Member of the MB
Kiril Shilegov	Member of the MB

The total amount of accrued remuneration of key management personnel of the Parent company, included in personnel expenses for the first quarter of 2026, amounts to EUR 160 thousand, and outstanding payables as at March 31, 2026 amount to EUR 41 thousand, of which EUR 35 thousand is presented as payables to staff and EUR 6 thousand as payables to related parties.

Other related parties of the 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 the first quarter of 2026 are rental expenses for property, plant and equipment of EUR 7 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.

As at March 31, 2026, the outstanding balances with related parties are as follows:

Related party	March 31 2026 EUR thousand Receivables	March 31 2026 EUR thousand Payables
Other related parties	9,083	6,121
<i>Short-term loans</i>	7,969	1
Shareholder with significant influence	4	40
<i>Short-term loans</i>	-	1
Key management personnel (legal entities)	-	6
	<u>9,087</u>	<u>6,167</u>

Finance income and expenses for the first quarter of 2026 are from other related parties and amount to EUR 153 thousand and EUR 52 thousand respectively.

III. Disclosure of transactions with related parties(continued)

In September 2024, the Group granted a short-term loan to a trading company - a related party of the shareholder with significant influence, Storage Invest AD. The loan has a credit limit of EUR 12,782 thousand, an interest rate of 6.7% and a maturity until December 31, 2025, extended by annex until December 31, 2026. The receivable as at March 31, 2026 is EUR 7,969 thousand principal, net of impairment of EUR 1,321 thousand.

In September 2024, the Group obtained a short-term loan from a trading company - a related party of the shareholder with significant influence, Storage Invest AD. The loan has a credit limit of EUR 12,271 thousand and bears interest at 3M EURIBOR plus a margin of 2 percentage points but not less than 5% on the amount drawn down, with a maturity date of December 31, 2024, extended by annex until December 31, 2025. The liability as at March 31, 2026 is EUR 1 thousand of interest.

In October 2024, the Group obtained a short-term loan from the shareholder with significant influence, Storage Invest AD, in the amount of EUR 256 thousand with an annual interest rate of 6% and maturity until December 31, 2025. The principal of the loan was repaid on time. The liability as at March 31, 2026 is EUR 1 thousand of interest.

IV.Risks and uncertainties ahead of the Group for the rest of the financial year

Macroeconomic environment and regulatory framework

In 2025, inflation in Bulgaria accelerated compared to 2024, with the consumer price index reaching 5.0% year-on-year as at December 2025, with an average annual inflation of 4.6%. The Harmonised Index of Consumer Prices (HICP) for 2025 is 3.5% on average annual basis. The main factors behind the acceleration of inflation are the rise in food prices at a rate significantly above the European average, rising service prices, and price expectations related to the adoption of the euro in Bulgaria from January 1, 2026. In 2025, the European Central Bank continued the cycle of key interest rate reductions started in 2024.

According to preliminary data from the National Statistical Institute (NSI), Bulgaria's Gross Domestic Product for 2025 increased in real terms by 3.1% compared to 2024, exceeding forecasts and expectations. The nominal GDP for 2025 reaches approximately EUR 116,018.3 million. The economic structure remains dominated by the services sector, which represents 72.8% of gross value added, followed by industry at 24.4% and agriculture at 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 EUR 15,349 million. Imports from third countries increased by 8.5%. The trade deficit with third countries is EUR 7,721 million. The main trading partners outside the EU are Turkey, China, Serbia and the USA. In total trade (including with the EU), total exports declined by 3.2% and total imports increased by 6.1% compared to 2024.

If restrictive actions by central banks continue, this will inevitably lead to a future slowdown in economic activity in the country, which combined with sustained inflation and rising prices will create risks and a reduction in the consumption of goods and services, including fuels. This in turn will lead to a decline in the Group's revenues, difficulties in servicing regular payments and generating a loss from operations.

IV.Risks and uncertainties ahead of the Group for the rest of the financial year (continued)

Bulgaria's accession to the eurozone from January 1, 2026 at the official conversion rate of 1 EUR = 1.95583 BGN (identical to the currency board rate established in 1999) is a historic economic milestone, bringing benefits from the elimination of currency risk with eurozone partners, but also short-term inflationary risks related to price rounding, commercial speculation and psychological price effects.

Major commercial partners

Due to the specific nature of the primary business activity, namely wholesale and retail trading with fuels, the Group's fuel and goods supplies are provided by a small number of suppliers, as a result of which the company is exposed to the risk of discontinuation of relationships with key suppliers, which could lead in the short term to depletion of inventories, generation of losses and difficulties in trading activities.

The Group conducts retail and wholesale trading with fuels, lubricants and other goods, as well as storage of petroleum products through its own and third party-rented petrol stations and storage facilities. There is a risk for the Group of discontinuation of relationships with lessors and termination of lease agreements for petrol stations and/or storage facilities, as a result of which the Group could suffer significant harm, including a decline in sales, deterioration of financial results and substantial loss of market share.

Competition

In recent years, there has been a tendency for consumers to increasingly turn to established and well-known brands with a tradition in fuel retail. As a result, some small retailers were forced to close down or enter into franchise or dealership agreements with one of the major market participants. Due to the general decline in economic activity, consumer attitudes and the introduction of additional regulatory control by the government, the share of small independent players continues to decline.

The lack of strategic deals and significant investments by large participants in the retail fuel market has led to a minimal change in the market shares of companies in the sector.

Price risk

The Group is exposed to the risk of frequent and sharp changes in prices of fuels and other tradable non-petroleum goods. 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.

Market risk

During the planned period, the Group is exposed to the risk of changes in exchange rates, movements in interest rates and prices of capital instruments, as a result of which the Group's financial results or the value of its investments may be affected.

IV.Risks and uncertainties ahead of the Group for the rest of the financial year (continued)

Interest rate risk

Risks arising from an increase in the cost of financing of the Group.

Credit risk

The risk of inability of the Group's trade partners to fulfil their contractual obligations, as a result of which the Group may incur losses.

Exceptional costs

There is a risk of incurring unforeseen costs which may negatively affect the financial position of the Group.

Political risk

Risks to the Group arising from global and regional political and economic crises.

Climate conditions and seasonality

Climate conditions and seasonal fluctuations in demand for certain petroleum products affect the Group's operating results. The demand for petrol and diesel is highest in the second and fourth quarters, due to both the summer holiday season and the increased demand from agricultural producers, who traditionally increase their consumption during the autumn season.

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 in this area is aimed at ensuring the availability of sufficient liquid funds to service obligations when they fall due, including in extraordinary and unforeseen situations.