

ENERGY S.P.A.

**EXPLANATORY REPORT
OF THE BOARD OF DIRECTORS
ON THE PROPOSALS CONCERNING THE ITEMS ON THE AGENDA**

Ordinary Shareholders' Meeting

April 29, 2026 – first call

April 30, 2026 – second call

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Dear Shareholders,

this report sets forth the proposals that the Board of Directors of Energy S.p.A. ("Company") intends to submit for your approval at the Ordinary Shareholders' Meeting convened, on first call, for April 29, 2026, at 12:00 p.m., and, if necessary, on second call for April 30, 2026, at the same time, to discuss the following:

AGENDA

1. Review and approval of the financial statements as of December 31, 2025, accompanied by the management report, the report of the Board of Statutory Auditors, and the report of the Independent Auditors. Presentation of the consolidated financial statements of the Group as of December 31, 2025, and the related reports. Resolutions pertaining to and resulting from the foregoing.
2. Allocation of the 2025 net income. Related and consequential resolutions.

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Dear Shareholders,

you have been convened to this ordinary Shareholders' Meeting to approve the financial statements for the fiscal year ended December 31, 2025, and to take note of the Group's consolidated financial statements for the fiscal year ended December 31, 2025, both of which were approved and/or reviewed by the Company's Board of Directors on March 27, 2026, and prepared in accordance with national accounting standards (OIC).

First and foremost, I would like to express my sincere gratitude for the trust and support you continue to show toward the Energy Group. The year 2025 marked the beginning of a gradual recovery for us following the difficulties encountered in 2024. The actions taken last year to strengthen the Group's operational and commercial structure have begun to yield tangible results, enabling us to significantly improve key economic and financial indicators. Despite a market environment that remains challenging for the renewable energy and energy storage sectors, the Group has demonstrated adaptability and resilience, laying a solid foundation for sustainable growth in the coming years.

In particular, it should be noted that the financial year ended December 31, 2025, closed with a loss of €2,141,546 and a consolidated Group loss of €2,484,073.

2025 was a year of consolidation and gradual recovery of profitability for the Energy Group. During the fiscal year, the Group continued to implement its medium- to long-term strategy, establishing the newco Energyonsite GmbH in July—headquartered in Munich and dedicated to the German market—and finalizing the acquisition of a 10% stake in Energyonsite S.r.l.

These transactions were carried out in an external environment still characterized by a slight decline in prices, due to an oversupply in the renewable energy sector—albeit to a lesser extent than observed in 2023 and 2024—and by a significant reduction in demand in the residential segment, continuing the trend from 2024. The macroeconomic landscape was also affected by persistently relatively high interest rates—albeit declining in the latter part of the year—and by the continuation of

serious uncertainties linked to delays in regulatory definitions, with consequent effects of uncertainty on investments.

Despite these unfavorable external factors, the Group intends to continue its path of evolution and strengthening of its leadership position in the energy storage sector, adapting to market dynamics and seizing the opportunities offered by the global energy transition.

The 2025 fiscal year saw a decline in revenue, which stood at €29.8 million on a consolidated basis, representing a decrease of €7.3 million compared to the previous year (€37.2 million), and at €27.9 million on a statutory basis, representing a decrease of €7.4 million compared to 2024 (€35.4 million). This decline is attributable not only to the external factors mentioned above but also to divergent trends between the two demand segments, with a reduction in the residential segment not fully offset by growth in the Commercial & Industrial (C&I) segment.

Profitability in the year under review returned to a fully positive level compared to 2024, with positive EBITDA of €0.6 million at the Parent Company level and positive consolidated EBITDA of €0.7 million, an improvement over the previous year, thanks in part to increased sales of the higher-value-added XL range.

With regard to the financial and balance sheet performance, fixed assets increased compared to the previous fiscal year and were in line with the planned capital expenditure program, totaling €32.7 million (€27.4 million as of December 31, 2024). Within this category, property, plant, and equipment, amounting to €25.9 million (€19.9 million as of December 31, 2024), include investments in the new building under construction on the land adjacent to the headquarters, machinery for the battery assembly line, and other work related to the building adjacent to the headquarters. Intangible assets amount to €5.8 million (€6.6 million as of December 31, 2024) and primarily include costs related to the listing on EGM, amounting to €3.1 million (historical cost), and development costs. Financial assets, recorded in the statutory financial statements at €3.3 million, include equity investments in Pylon LifeEU S.r.l., Energyincloud S.r.l., Energyonsite S.r.l., and Energyonsite GmbH.

Trade working capital decreased significantly during the fiscal year, standing at €21.6 million on a consolidated basis and €21.3 million for the Parent Company alone as of December 31, 2025 (€26.6 million as of December 31, 2024), and consists primarily of net inventory of €24.6 million (€24.7 million as of December 31, 2024), accounts receivable of €4.5 million (€6.3 million as of December 31, 2024), and accounts payable of €7.6 million (€4.5 million as of December 3, 2024). The total figure shows a 19% decrease compared to the end of the 2024 fiscal year.

Consolidated invested capital amounts to €55.1 million, a decrease of €0.5 million compared to December 31, 2024 (€55.6 million), while on a statutory basis it stands at €55.2 million, a slight increase of €0.6 million compared to December 31, 2024.

The **Net Financial Position** as of December 31, 2025, was €9.8 million on a consolidated basis and €9 million for the parent company alone.

(migliaia di euro)	31/12/2025 Consolidato	31/12/2024 Consolidato	var.	var. %
(Disponibilità liquide)	(1.713)	(4.699)	2.986	(64%)
(Crediti finanziari correnti)	0	0	0	n.a.
Debiti verso banche correnti	7.388	5.587	1.800	32%
Debiti verso altri finanziatori correnti	0	0	0	n.a.
Indebitamento finanziario corrente	5.675	889	4.786	539%
Debiti verso banche non correnti	4.178	7.204	(3.026)	(42%)
Debiti verso altri finanziatori non correnti	0	0	0	n.a.
Indebitamento finanziario netto	9.853	8.093	1.760	22%

(migliaia di euro)	31/12/2025	31/12/2024	var.	var %
(Disponibilità liquide)	(665)	(4.471)	3.806	(85%)
(Crediti finanziari correnti)	0	0	0	n.a.
Debiti verso banche correnti	7.107	5.389	1.717	32%
Debiti verso altri finanziatori correnti	0	0	0	n.a.
Indebitamento finanziario corrente	6.442	918	5.524	602%
Debiti verso banche non correnti	2.691	5.441	(2.751)	(51%)
Debiti verso altri finanziatori non correnti	0	0	0	n.a.
Indebitamento finanziario netto	9.132	6.359	2.773	44%

Regarding strategic investments: we continued to invest in areas we consider fundamental for future development, with a particular focus on Commercial & Industrial (C&I) storage systems and high-value-added projects in energy storage systems and related services, as well as commercial development in the DACH region.

We focused on growth and innovation by continuing to strengthen our presence in the Italian C&I market and the EMEA region, and we continued to develop integrated products and services within the Energy Group, leveraging internal expertise and synergies among the companies.

We continue to integrate ESG principles into corporate management and product development, consolidating the path we began with the publication of our second Sustainability Report.

For 2026, the Energy Group intends to continue its path of growth and competitive strengthening through several key strategic priorities:

- International expansion: we will continue to expand into Central and Northern European markets, with a particular focus on the DACH and Dutch regions.
- Development of XL solutions: we will strengthen our Extra Large Energy Storage business while maintaining our presence in the Small & Large segment;
- Technological innovation: we will invest in and consolidate our production processes, know-how, and innovation.
- Cloud and engineering services: We will further develop our cloud platform and the application of artificial intelligence in after-sales processes and core technology.
- Strategic partnerships: We will intensify collaboration with strategic partners to reach a broader customer base, with a focus on servitization and energy efficiency.
- Financial management: We will use the tools at our disposal to better manage market dynamics and optimize inventory.

In conclusion, 2025 marks a new milestone for the Energy Group on its path to recovery and diversification. We have strengthened the Group's industrial and technological foundations, expanding our expertise and international presence, broadening our technological portfolio, and extending our market coverage.

I would like to express my sincere gratitude to all employees, managers, and partners who contribute to the Group's development every day with passion and professionalism.

On this foundation, we face the future with confidence and determination, ready to seize the opportunities offered by the energy transition and to continue creating sustainable value for our shareholders and for the entire ecosystem in which we operate.

For all detailed information and comments, please refer to the management report, made available to the public, together with the draft financial statements, the report of the Board of Statutory Auditors, and the report of the Independent Auditors, at the registered office, as well as on the Company's *website*, in accordance with the terms set forth by current regulations.

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In light of the foregoing, we hereby submit the following

Proposed Resolution

"The Shareholders' Meeting of Energy S.p.A., convened in ordinary session:

- *having examined the financial statements as of December 31, 2025, and having taken note of the consolidated financial statements as of December 31, 2025, together with the related reports submitted by the Board of Directors, the Board of Statutory Auditors, and the Independent Auditors*

resolves

1. *to approve the statutory financial statements of Energy S.p.A. as of December 31, 2025."*

2. Allocation of the 2025 net income. Related and consequential resolutions.

Dear Shareholders,

The financial statements of Energy S.p.A. ("the Company") as of December 31, 2025, which are subject to approval pursuant to the first item on the agenda of this Shareholders' Meeting, show a net loss for the year of €2,141,546.

On this point, please refer to the detailed explanation provided in the notes to the financial statements prepared by the Company's Board of Directors.

In light of the results achieved, with regard to the second item on the agenda, we propose to cover the net loss of €2,141,546 by utilizing retained earnings.

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In light of the foregoing, we therefore submit the following for your approval

Proposed Resolution

"The Shareholders' Meeting of Energy S.p.A., convened in ordinary session:

- *having examined the financial statements as of December 31, 2025, and having taken note of the consolidated financial statements as of December 31, 2025, together with the related reports submitted by the Board of Directors, the Board of Statutory Auditors, and the independent auditors, and,*
- *having considered the proposal of the Board of Directors*

resolves

1. *to cover the net loss for the year amounting to €2,141,546 through the use of retained earnings.*
2. *to grant the Board of Directors—and, on its behalf, the Chairman of the Board of Directors and the Chief Executive Officer—separately—the broadest possible authority to implement this resolution."*

Rovereto, April 9, 2026

For the Board of Directors

The Chairman

Alessandro Granuzzo

