The European Energy Efficiency Fund SA, SICAV-SIF

31 Z.A. Bourmicht, L-8070 Bertrange
Grand-Duchy of Luxembourg

R.C.S. Luxembourg: B 162.036

Financial statements and Independent Auditor's Report for the year ended 31 December 2025

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ORGANISATION

Registered Office

31 Z.A. Bourmicht
L-8070 Bertrange
Grand-Duchy of Luxembourg

Initiators/ Sponsors

European Investment Bank
98-100, boulevard Konrad Adenauer
L-2950 Luxembourg
Grand-Duchy of Luxembourg

European Commission
Directorate-General for Energy
(DG ENER)
Rue de Mot 24
B-1040 Brussels
Belgium

Board of Directors

Chairman

Giorgio Chiarion Casoni [1]
Director of Directorate L – InvestEU and financial institutions
Directorate-General for Economic and Financial Affairs
European Commission
12, rue Guillame Kroll
L-1882 Luxembourg
Grand-Duchy of Luxembourg

Members

Robert Nuij [2]
Head of Unit
European Commission
Directorate General for Energy
Unit ENER.B3: Energy Efficiency of Buildings and Products
B-1049 Brussels
Belgium

Daniela Matiz
Independent Director
12b, rue de Schoenfels,
L8151 Bridel,
Grand Duchy of Luxembourg

Antoniorosario Lovascio
Head of Private Multi Asset
Generali Investment Asset Management SGR
1, Piazza Tre Torri
20145 Milano
Italy

Board of Directors (continued)

Claudiu Ciprian Cristea [3]
Adviser for Project Finance in
DG GROW, European Commission.
Avenue des Nerviens 105
Brussels (1040)
Belgium

Alternative Investment Fund Manager (AIFM)

Alter Domus Management Company S.A. [4]
15 Boulevard F.W. Raiffeisen
L-2411 Luxembourg RCS Luxembourg
Grand-Duchy of Luxembourg

Portfolio Manager

Gresham House Europe AG
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CH-6300 Zug
Switzerland

Depositary

Citibank Europe plc, Luxembourg Branch
31 Z.A. Bourmicht
L-8070 Bertrange
Grand-Duchy of Luxembourg

Administrative and Domiciliary Agent

Citibank Europe plc, Luxembourg Branch
31 Z.A. Bourmicht
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Cabinet de révision d'entreprises agréé

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Grand-Duchy of Luxembourg

[1] Until 31 December 2025
[2] Effective 1 January 2026, Robert Nuij assumed the role of Chairman.
[3] Effective 2 June 2026.
[4] Effective 1 April 2025, Alter Domus Management Company S.A has replaced DWS Investment S.A. See note 20.
[5] Until 31 March 2025.

REPORT OF THE BOARD OF DIRECTORS

In 2025, the European Energy Efficiency Fund S.A., SICAV-SIF ("eeef" or the "Fund") remained focused on its core mission: supporting European public authorities and public-sector-linked entities in reducing energy consumption, improving infrastructure efficiency and lowering greenhouse gas emissions.

Energy efficiency continued to play a central role in Europe's energy agenda throughout the year. According to the latest available Eurostat data, EU energy consumption fell to its lowest level since 1990 in 2024. Nevertheless, both primary and final energy consumption remained above the EU's binding 2030 targets, underscoring the substantial investment and implementation gap that still needs to be addressed across buildings, heating and cooling systems, public infrastructure, and demand-side efficiency measures.

In the context of continued geopolitical uncertainty and energy market volatility, improving energy efficiency and increasing 'home-grown' renewable energy has become even more strategically important for Europe. Reducing energy demand not only supports climate objectives but also strengthens energy security by lowering dependence on imported fossil fuels and non-EU energy suppliers. Accelerating efficiency improvements therefore remains essential to enhancing Europe's resilience, competitiveness, and long-term economic stability while supporting the transition to a more sustainable energy system.

Effective 1 April 2025, Alter Domus Management Company S.A. and Gresham House Europe AG (formerly known as SUSI Partners AG) were appointed as the Fund's new AIFM and Portfolio Manager, respectively. The new operating structure became fully operational during the year, and the portfolio handover was completed successfully, ensuring the uninterrupted management and oversight of the existing portfolio.

During 2025, the Fund focused on ensuring continuity, active management of its 16-project portfolio across 10 countries in Europe and the continued deployment of capital. This included the construction of a biomethane plant in Latvia, which began injecting renewable gas into the national grid in early 2026, and the development of a portfolio of photovoltaic plants portfolio in Italy in collaboration with Cogeme S.p.A.

Technical Assistance ("TA") remained an important component of eeef's role as a project enabler and accelerator. Since inception, the TA Facility has approved 15 projects across Spain, Italy, Lithuania and Latvia. In 2025, the Fund signed a new TA agreement with the City Council of Reus in Spain, supporting the preparation of an investment programme covering public buildings, street lighting, digital energy monitoring and photovoltaic installations.

On 31 December 2025, Giorgio Chiarion Casoni stepped down as Chairman of the Board of Directors. The Board would like to express its sincere gratitude for his dedicated service, leadership and valuable contribution to the Fund over the years. During his tenure, eeef continued to support European climate and energy objectives while strengthening its role as a public-private platform for sustainable energy investment.

On 23 April 2026, Claudiu Ciprian Cristea was co-opted by the existing members of the Board of Directors as a new member of the Board, subject to approval by the shareholders at the next shareholders' meeting scheduled for June 2026, while Robert Nuij assumed the role of Chairman.

Total assets of the Fund as of 31 December 2025 stood at EUR 163.4m and the Fund expects to distribute EUR 2.2m in dividends to Class A shareholders.

Since the objective of the Fund is to make sustainable investments, it makes disclosures in accordance with Article 9 of the SFDR. Such information aims to provide transparency on the overall sustainability-related impact of the Fund during the year. This information on sustainable investments is made available in the annex to the unaudited section of the Annual Report.

Looking ahead, eeef will continue to focus on the full deployment of remaining capital, the completion of projects currently under development, active portfolio management, and the further refinement of the Fund's strategic direction.

The Board of Directors remains confident that eeef's mandate, portfolio and technical assistance activities enable the Fund to continue contributing to Europe's transition towards efficient, resilient and low-carbon public infrastructure.

Luxembourg, 8 June 2026

Robert Nuij

Chairman of the Board of Directors

Head of Unit for energy efficiency of buildings and products
at the European Commission

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To the Board of Directors of
The European Energy Efficiency Fund SA, SICAV-SIF
31, Z.A. Bourmicht
L-8070 Luxemburg
Grand Duchy of Luxemburg

REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*

Opinion

We have audited the financial statements of The European Energy Efficiency Fund SA, SICAV-SIF (the "Fund"), which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to holders of redeemable ordinary shares and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information .

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the *réviseur d'entreprises agréé* for the Audit of the Financial Statements" section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Société à responsabilité limitée au capital de 360.000 €
RCS Luxembourg B67.895
Autorisation d'établissement 10022179

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Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the *réviseur d'entreprises agréé* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the Financial Statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *réviseur d'entreprises agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Deloitte.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that 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 of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *réviseur d'entreprises agréé* to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *réviseur d'entreprises agréé*. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de révision agréé*

Elisabeth Layer, *Réviseur d'entreprises agréé*
Partner

09 June 2026

STATEMENT OF FINANCIAL POSITION

EUR	Notes	31-Dec-25	31-Dec-24
ASSETS			
Non-current assets			
Financial assets at amortised cost			
Debt instruments	5	80,388,188	88,568,150
Financial assets at fair value through profit or loss			
Debt instruments	5	7,118,645	5,609,899
Investment in associates and joint ventures	4	12,630,457	14,495,547
Derivative financial instruments	6	233,132	212,135
Total non-current assets		**100,370,422**	**108,885,731**
Current assets			
Financial assets at amortised cost			
Debt instruments		50,938	-
Restricted cash	7	-	276,776
Interest receivable		1,243,782	1,671,164
Prepaid expenses and other receivables		50,573	-
Cash and cash equivalents	7	61,659,859	63,632,183
Total current assets		**63,005,152**	**65,580,123**
Total assets		**163,375,574**	**174,465,854**
LIABILITIES			
Current liabilities			
Payable on EEEF technical assistance facility		1,931,576	1,996,184
Accounts payable and accrued expenses		1,252,589	2,489,751
Distribution to holders of redeemable ordinary shares	16	2,153,969	2,644,600
Total current liabilities		**5,338,134**	**7,130,535**
Non-current liabilities			
Net assets attributable to holders of redeemable ordinary A Shares	9	49,655,172	64,999,988
Net assets attributable to holders of redeemable ordinary C Shares	9	108,382,268	102,335,331
Total non-current liabilities		**158,037,440**	**167,335,319**
Total liabilities		**163,375,574**	**174,465,854**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

EUR	Notes	For the year ended 31-Dec-2025	For the year ended 31-Dec-2024
INCOME			
Interest income on investments	12	5,382,620	5,320,990
Interest income on deposits		1,240,946	2,179,288
Dividend income		1,289,817	194,120
Change in unrealised in fair value of investments in associates and joint ventures	4	3,499,284	-
Change in unrealised gain on derivative instruments		20,997	-
Commission and fees income		90,402	9,469
Change in unrealised gain on exchange		-	72,204
Realised gain on exchange		-	78,706
Total income		**11,524,066**	**7,854,777**
EXPENSES			
Direct operating expenses	8.1	(2,039,801)	(1,976,761)
Loss allowance on debt intruments		(429,232)	(61,403)
Change in unrealised in fair value of investments in associates and joint ventures		-	(8,351,417)
Change in unrealised in fair value of debt instruments		(6,229)	(4,280,929)
Change in unrealised loss on derivative instruments		-	(200,764)
Change in unrealised loss on exchange		(79,511)	-
EEEF Technical assistance facility	8.3	(334,668)	(315,300)
Interest expenses	12	(330,676)	(338,046)
Realised loss on exchange		(103,028)	-
Total operating expenses		**(3,323,145)**	**(15,524,620)**
Operating Profit/Loss		**8,200,921**	**(7,669,844)**
Distribution to holders of redeemable ordinary A Shares	16	(2,153,972)	(2,644,598)
Allocation attributable to holders of redeemable ordinary C Shares	16	(6,046,949)	10,314,442
Total comprehensive income for the year		**-**	**-**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE ORDINARY SHARES

EUR

As at 31 December 2023	**157,649,761**
Issue of redeemable shares	20,000,000
Increase in net assets attributable to shareholders from transactions in shares	**20,000,000**
Decrease in net assets from operations attributable to holders of redeemable ordinary C Shares	(10,314,442)
As at 31 December 2024	**167,335,319**
Redemption of redeemable shares	(15,344,828)
Increase in net assets attributable to shareholders from transactions in shares	**(15,344,828)**
Increase in net assets from operations attributable to holders of redeemable ordinary C Shares	6,046,949
As at 31 December 2025	**158,037,440**

STATEMENT OF CASH FLOWS

EUR	Notes	For the year ended 31-Dec-2025	For the year ended 31-Dec-2024
Operating profit		**8,200,921**	**(7,669,844)**
Net changes in operating assets and liabilities			
Adjustments for non cash items			
Financial assets at fair value through profit and loss		(3,434,542)	12,760,906
(Reversal) of loss allowance on debt instruments		429,231	61,403
Interest income		(5,382,620)	(5,320,990)
Interest expenses		330,676	338,046
		(8,057,255)	**7,839,365**
(Increase) in debt instruments		(13,669,638)	(29,360,406)
Decrease in debt instruments		19,774,946	16,007,379
(Increase) / decrease in prepaid expenses and other receivable	2.4.6	(50,573)	186,510
Increase in accounts payable and accrued expenses	2.4.6	(1,237,162)	(484,279)
Increase/ (decrease) in contribution to the technical assistance facility	8.3	(64,608)	(489,639)
Interest received	12	5,810,002	5,203,761
Interest paid	12	(330,676)	(338,046)
Net cash flow (used in)/ from operating activities		**10,375,957**	**(9,105,199)**
Cash flows used in investing activities			
Net (increase)/ decrease in investments in associates and joint ventures		5,364,374	(8,000)
Decrease in restricted cash		276,776	715,394
Net cash flow (used in) from investing activities		**5,641,150**	**707,394**
Cash flows from financing activities			
Issue of redeemable ordinary shares	9	-	20,000,000
Redemption of redeemable ordinary shares	9	(15,344,828)	-
Distribution to holders of redeemable ordinary A Shares		(2,644,603)	(2,051,890)
Net cash flow from financing activities		**(17,989,431)**	**17,948,110**
Net increase / (decrease) in cash and cash equivalents		(1,972,324)	9,550,305
Cash and cash equivalents at beginning of the year		**63,632,183**	**54,081,878**
Cash and cash equivalents at end of the year		**61,659,859**	**63,632,183**

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

1.General

1.1 Corporate Information

The European Energy Efficiency Fund S.A. SICAV-SIF (hereafter referred to as the "Fund") is a closed-ended investment company organised under the laws of the Grand Duchy of Luxembourg in the form of a public limited liability company (a "société anonyme") qualifying as a société d'investissement à capital variable – fonds d'investissement spécialisé ("SICAV - SIF") within the meaning of the Law of 13 February 2007 (the "SIF Law") as amended, having its registered office at 31 Z.A. Bourmicht, L-8070 Bertrange, Grand-Duchy of Luxembourg.

The Fund has been incorporated on 29 June 2011 for an unlimited duration.

The Fund has been registered with the Luxembourg Registre de Commerce et des Sociétés. Its Articles have been published in the Mémorial C, Recueil des Sociétés et Associations (the "Mémorial") and the Recueil Electronique des Sociétés et Associations ("RESA") and have been deposited with the Luxembourg Registre de Commerce et des Sociétés. The Fund is registered with the Luxembourg Registre de Commerce et des Sociétés under number B 162.036.
Since 11 January 2021, the Fund qualifies as an alternative investment fund ("AIF") within the meaning of the Luxembourg Alternative Investment Fund Managers Law of 12 July 2013 (the "AIFM Law"). The Fund has appointed Alter Domus Management Company S.A. as its external authorised AIFM.

The Fund's financial year starts on 1 January and ends on 31 December of each year.

1.2 Investment objectives

The objective of the Fund is to enhance energy saving, energy efficiency and foster renewable energy sources within the European Union. The Fund plans to accomplish this objective by providing direct or indirect financing for energy efficiency and renewable energy investments and projects to municipal, local, regional or national authorities and public or private entities acting on behalf of those public authorities, such as utilities, public transportation providers, social housing associations, Energy Service Companies ("ESCOs"), companies providing ESCO services, etc. (together the "Beneficiaries') and to financial intermediaries which are local commercial banks, non-bank financial institutions and other selected financial institutions (together the "FIs"). The Beneficiaries and the FIs are collectively referred to as "Partner Institutions".

1.3 Share Capital and Notes

The Fund may issue various Classes of Shares and Notes, each evidencing a different level of risk:

- Class C Shares

The first loss class C Shares ("Class C Shares") fully subordinated to the Class A Shares and to the Notes, are issued in successive Tranches, bear, pro rata to their respective NAV, all unrealised/ realised capital losses of the Fund until the NAV of Class C Shares has been fully depleted (as the case may be);

- Class A Shares

The senior class A Shares ("Class A Shares"), are issued in successive Tranches, bear, pro rata to their respective NAV, unrealised/ realised capital losses of the Fund only if the NAV of the Class C Shares has been reduced to zero;

Write backs of provisions on investments and any realised or unrealised capital gains are allocated to the respective Tranches of Class C and Class A Shares in the following order, priority and limits:
a) first to such Tranches of Class A Shares showing a NAV Deficiency Amount (if any) as of the NAV Valuation Date of the end of the previous financial year, the amounts necessary to balance the NAV Deficiency Amounts of such Tranches remaining after taking into account any NAV Deficiency Amount allocation made to such Tranches as of the relevant NAV Valuation Date pro rata to the NAV Deficiency Amounts of the respective Tranches of Class A Shares (see Note 10), thereafter;
b) to each specific Tranche of Class C Shares having previously borne losses in the case of write-backs and/or to each Tranche of Class C Shares pro-rata to the NAV of each Tranche for year-to-date realised or unrealised capital gains.

For the purpose of determining the Share Capital of the Fund, the net assets attributable to each Class and/or Tranche of Shares shall, if not expressed in EUR, be converted into EUR and the Share Capital shall be the total of the net assets of all the Classes and Tranches of Shares.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

1. General (continued)

• Notes
Notes may be issued by the Fund in successive Tranches, with different durations and with different terms and conditions, subject to the conditions provided in the Issue Document.

Other Classes of Shares which may be sub-divided in successive Tranches may be offered in the future at the discretion of the Board of Directors.

2. Material accounting policies

2.1 Statement of Compliance

The Fund's financial statements (the "Financial statements") have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB"), and interpretation issued by the International Financial Reporting Interpretation Committee of the IASB as adopted by the European Union ("IFRS").

2.2 Basis of preparation

The Financial statements are presented in Euros and rounded in units for presentation purposes.
The preparation of financial statements in conformity with International Financial Reporting Standards requires the Board of Directors to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying Notes. The Board of Directors believes that the estimates utilised in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates and the differences may be material to the financial statements.

The Financial Statements have been prepared on a historical cost basis, except for financial assets and financial liabilities held at fair value through profit or loss ("FVPL") that have been measured at fair value.

2.3 Significant accounting estimates, assumptions and judgements

Fair value of financial instruments and equity investments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

For financial instruments not traded in an active market, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

As at 31 December 2025, the Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
-Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, London Stock Exchange, Frankfurt Stock Exchange or New York Stock Exchange) and exchanges traded derivatives like futures (for example, Nasdaq or S&P 500)
-Level 2: techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
-Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The determination of the adequate valuation method and of underlying assumptions requires significant estimation (see note 4 and 5).

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

2. Material accounting policies (continued)

Loss allowance on loans and receivables

IFRS 9's credit impairment requirements apply to financial assets measured at amortized cost, including outstanding debt instruments and irrevocable loan commitments of the Fund. On initial recognition, a loss allowance is established at an amount equal to 12-month expected credit losses ("ECL") that is the portion of life- time expected losses resulting from default events that are possible within the next 12 months (see Note 11).

Where a significant increase in credit risk since initial recognition is identified, the loss allowance increases so as to recognize all expected default events over the expected life of the asset.

Qualitative and quantitative criteria are used to determine whether the credit risk on a particular instrument has significantly increased from its initial recognition.

Judgment by the Board of Directors is required in the estimation of the ECL and timing of future cash flows when determining the level of allowance required. For each financial asset, the estimation of ECL is performed at each reporting date, based on a forward-looking approach considering probability-weighted macroeconomic scenarios using reasonable and supportable information about past, current and forecasts of future economic conditions. The estimation of ECL also takes into account the time value of money.

2.4 Summary of Material accounting policies

2.4.1 Foreign currency translation

2.4.1.1 Functional and presentation currency

The Fund's functional currency is the currency of the primary economic environment in which it operates. The Fund's majority of returns are Euro based, the capital is mostly raised in Euro and the performance is evaluated and its liquidity is managed in Euro. Therefore, the Fund concludes that the Euro (EUR) is its functional currency.

The Fund's presentation currency is also the Euro.

2.4.1.2 Transactions and balances

Foreign currency transactions are translated, in accordance with IAS 21, at the exchange rate prevailing on the date of the transaction.

Assets and liabilities denominated in currencies other than in Euro are translated into Euro at the exchange rate prevailing at the statement of financial position date. The gain or loss arising from such translation is recorded in the income statement.

Foreign exchange differences arising on the settlement of transactions at rates different from those at the date of the transaction, and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities, are recognized in the income statement.

2.4.2 Financial instruments

2.4.2.1 Classification

In accordance with IFRS 9, the Fund classifies its financial assets as subsequently measured at amortised cost, measured at fair value through other comprehensive income or measured at fair value through profit or loss on the basis of both:
The entity's business model for managing the financial assets
The contractual cash flow characteristics of the financial asset

Financial assets at amortised cost

Financial assets with terms that give rise to interest and principal cash flows only and which are held in a business model whose objective is to hold financial assets to collect their cash flow are measured at amortised cost. The Fund includes in this category debt instruments, which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables include investments detailed in Note 5 (but excluding Shareholder loans), collateral on derivative financial instruments and other short- term receivables.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

2. Material accounting policies (continued)

Financial assets at fair value through other comprehensive income ("FVOCI")

Financial assets with terms that give rise to interest and principal cash flows only and which are held in a business model whose objective is achieved by holding financial assets to collect their cash flow and selling them are measured at fair value through other comprehensive income. The Fund did not classify any financial instrument in this category.

Financial assets at fair value through profit and loss ("FVPL")

Other financial assets, including derivate financial instruments, are measured at fair value through profit and loss. The Fund includes in this category investments in associates and joint ventures, shareholder loans (disclosed in Note 5) and derivative financial instruments in an asset position, when their fair value is positive. At initial recognition, any financial asset may be irrevocably designated as measured at FVPL if such designation eliminates a measurement or recognition inconsistency.

Financial liabilities

A financial liability is measured at FVPL if it meets the definition of held for trading. The Fund includes in this category, derivative financial instruments in a liability position, when their fair value is negative. Financial liabilities, other than those measured at FVPL, are measured at amortized cost. The Fund includes in this category term deposits, cash collaterals and other short-term payables.

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund assesses its investment opportunities on the basis of holding the assets until the maturity date of the loan. This includes cash flow and financial analysis over the period the Fund is invested, as well as considering the length of contracts the SPV's or companies, which are confirmed to extend over the contractual agreement the Fund enters in. The option to sell the asset during the lifetime of the contract is not included in the assessment of the Board to pursue the investment opportunity or not.

During the relationship with its partner institutions a severe change in the profile of the investment could be a trigger to consider a sale of the asset. The Issue Document of the Fund provides that for cases where a partner institution does not comply with any of the eligibility criteria, the AIFM following approval of the Board of Directors may require in accordance with the respective contractual arrangements, an accelerated repayment of the credit instrument, additional collateral or any other protective measure or sanction.

Historically, over its existence the Fund has not sold off any assets it has previously invested in, it has also not been considered.

Therefore the business model of the Fund can be considered as a Hold to Collect strategy.

SPPI test

The SPPI tests are performed for shareholder loans and other loans. All loans passed the test impairment of financial assets.

As a second step of its classification process the Fund assesses the contractual terms of financial instruments to identify whether they meet the SPPI (Solely Payments of Principal and Interest) test.
'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

2. Material accounting policies (continued)

Impairment of financial assets

IFRS 9's credit impairment requirements apply to financial assets measured at amortised cost, including outstanding debt instruments and irrevocable loan commitments of the Fund. On initial recognition, a loss allowance is established at an amount equal to 12-month expected credit losses (12mECL) that is the portion of lifetime expected losses resulting from default events that are possible within the next 12 months. Where a significant increase in credit risk since initial recognition is identified, the loss allowance increases so as to recognise all expected default events over the expected life of the asset (lifetime expected credit losses or "LTECL").

At the end of each reporting period, qualitative and quantitative criteria are used to determine whether the credit risk on a particular instrument has significantly increased from its initial recognition. The approach for assessing whether there has been a significant increase in credit risk is further explained in Note 11.1.

Based on the above process, the financial assets measured at amortized costs are grouped into Stage 1, Stage 2 and Stage 3, as described below:
-Stage 1: When loans are first recognised, the Fund recognises an allowance based on 12m ECLs. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.
-Stage 2: When a loan has shown a significant increase in credit risk since origination, the Fund records an allowance for LTECLs. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.
-Stage 3: Loans considered credit-impaired (as outlined in Note 11.1). The Fund records an allowance for the LTECLs.

For each financial asset within the application scope of IFRS 9 credit impairments, the estimation of ECL is performed at each reporting date, based on a forward-looking approach considering probability-weighted macroeconomic scenarios using reasonable and supportable information about past, current and forecasts of future economic conditions. The calculation of ECL also takes into account the time value of money and is measured as the present value of expected cash shortfalls, being the difference between the cash flows that are due to the Fund in accordance with the contract and the cash flows that the Fund expects to receive.

The ECL calculation is based on the following key elements, which are further described in Note 11.1:
-The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon.
-The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. It is expressed as a percentage of the EAD.
-The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including accrual of interest, disbursements of committed facilities and repayments of principal and interest.

Given the expected low materiality of the impairment allowances on cash accounts, the costs and efforts necessary for the calculation of the ECL on cash accounts are considered as undue. Hence, the Fund does neither calculate nor recognize any impairment allowances on its cash accounts.

2.4.2.2 Recognition

The Fund recognises a financial asset or a financial liability only when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

2.4.2.3 Initial measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

2. Material accounting policies (continued)

Debt instruments at amortised cost are recognized in the assets of the Fund when cash is advanced to the Partner Institutions. They are initially measured at fair value (the net disbursed amounts), which is the fair value of the cash given to originate the loan, including any transaction costs that are directly attributable to the acquisition or issue.

2.4.2.4 Subsequent measurement

After initial measurement, debt instruments are subsequently measured at amortized cost using the effective interest rate method, less any allowance for impairment. Gains and losses are recognized in profit or loss when the debt instruments are derecognized or impaired, as well as through the amortization process.

On initial recognition, a loss allowance is established at an amount equal to 12-month ECL that is the portion of life-time expected losses resulting from default events that are possible within the next 12 months. Where a significant increase in credit risk since initial recognition is identified, the loss allowance increases so as to recognize all expected default events over the expected life of the asset. The loss allowance is recognized in "Loss allowance on debt instruments" in the income statement.

After initial measurement, the Fund measures financial instruments which are classified as at FVPL at fair value. Subsequent changes in the fair value of those financial instruments as at FVPL are recorded, depending on the financial instrument, in "Change in unrealised in fair value of investments in associates and joint ventures" or in "Change in unrealised in fair value of debt instruments" in the statement of profit or loss and other comprehensive income.

Interest and dividends earned or paid on these instruments are recorded separately in interest revenue or expense and dividend revenue or expense in the income statement.

2.4.2.5 Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:
-The rights to receive cash flows from the asset have expired; or
-The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
-Either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass- through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset.

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

Derivative financial instruments

The Fund may engage, for the proportion of its portfolio which is invested in a currency other than Euro, in currency hedging or interest swap operations with a view to manage exposures to foreign currency risk and interest rates risk. These operations are assimilated as economic hedging.

The Fund does not apply hedge accounting and the derivative financial instruments are classified as held for trading.

The derivative financial instruments are measured at fair value through profit or loss accounts and carried as assets when the fair value is positive and as liabilities when the fair value is negative. Market values are determined by using quoted market prices, valuation techniques and broker quotations.

2.4.3 Cash and cash equivalents and restricted cash

The value of any cash on hand or on deposit, restricted cash, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

2. Material accounting policies (continued)

Restricted cash consists of cash held in segregated accounts in relation to undisbursed loans and therefore not available for general use. Restricted cash is not considered as "cash and cash equivalents".

2.4.4 Redeemable ordinary shares

The A and C Class of Shares are redeemable upon maturity of the relevant tranches of classes of shares and are classified as financial liabilities. The liabilities arising from these shares are carried at the redemption amount being the net asset value calculated in accordance with IFRS, which approximates the fair value.

2.4.5 Interest income

Interest income on loans, forfaiting agreements and deposits are recognised on an accruals basis in line with the contractual terms and should be based on effective interest rate.

2.4.6 Expenses

Most of the expenses, including AIFM fees and direct operating expenses, are recognized in the statement of profit or loss and other comprehensive income on an accrual basis.

2.4.7 Taxation

The Fund is not subject to any Luxembourg taxes on profits, income or capital gains. However, the Fund is liable in Luxembourg to a subscription tax ("taxe d'abonnement") at a rate of 0.01% per annum based on the Net Asset Value of the Fund at the end of the relevant quarter, calculated and paid quarterly.

Partner Institutions' investments are subject to withholding taxes payable on the interest income and royalties payments. Tax laws, regulations and court practice are subject to change, varying interpretation and inconsistent and selective enforcement.

Consequently, no assurance can be given that withholding taxes will not remain unchanged nor that higher withholding taxes will not be imposed retroactively.

2.4.8 New IFRS standards or amendments and potential impacts

- **New and revised IFRS applied on the Financial Statements without material impact**

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to IFRS effective for the Fund as of 1 January 2025. For the avoidance of doubt, only the new standards, amendments to standards and IFRIC which may have an effect on the Fund's financial statements are mentioned below:

-Amendments to IAS 21: Lack of Exchangeability
This amendment clarifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. It is effective for periods beginning on or after 1 January 2025.

This amendment has no material impact on the Fund's financial position or performance.

- **Standards issued but not yet effective**

The Board of Directors has decided not to early adopt the standards, amendments to standards and interpretations of the IFRIC which have been published but are not applicable for the year ending 31 December 2025. The Fund will adopt these standards on the date of their effective application and when they will be approved by the European Union. For the avoidance of doubt, only the standards, amendments to standards and IFRIC which may have an effect on the Fund's financial statements are mentioned below:

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures
The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs. The amendments apply for reporting periods beginning on or after 1 January 2026 and are not expected to have impact on the Fund's financial position or performance.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

2. Material accounting policies (continued)

IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 18 promotes a more structured income statement, as set out below. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories based on a company's main business activities. The Fund is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Fund's statement of profit or loss, the statement of cash flows and the additional disclosures required for management-defined performance measures. The Fund is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

IFRS 19 Subsidiaries without Public Accountability: Disclosures
This amendment clarifies how subsidiaries of companies using IFRS® Accounting Standards can substantially reduce their disclosures and focus more on users' needs following the release of IFRS 19 Subsidiaries without Public Accountability: Disclosures, from the International Accounting Standards Board (IASB). It is effective for periods beginning on or after 1 January 2027 and is not expected to have impact on the Fund's financial position or performance.

Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency
This amendment clarifies how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. It is expected to improve the usefulness of the resulting information in a cost-effective manner, to reduce diversity in practice and to provide a clearer basis for reporting in a hyperinflationary currency. It is effective for periods beginning on or after 1 January 2027 and is not expected to have impact on the Fund's financial position or performance.

2.4.9 Investment in associates and joint ventures

An associate is an entity over which the Fund has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Judgment

The Fund determines whether it is a parent by assessing whether it controls one or more investees. The Fund considers all relevant facts and circumstances when assessing whether it controls an investee. The Fund controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Fund assesses the substance of a joint arrangement in determining whether it can be classified as a joint venture. This assessment requires the Fund to consider whether it has rights to the joint arrangement's net assets (in which case it is classified as a joint venture), or rights to and obligations for specific assets, liabilities, expenses, and revenues (in which case it is classified as a joint operation). Factors the Fund must consider include structure, legal form, contractual agreement etc. Upon consideration of these factors, the Fund has determined that all of its joint arrangements give it rights to the net assets and are therefore classified as joint ventures.

2.4.10 Application of IFRS 10

The Fund has reviewed the application of IFRS 10, "Consolidated Financial Statements" (the "Standard") and assessed that in respect of its business model, it does not meet the definition of an investment entity.

The Fund has further reviewed, in the light of the control definition set in the Standard, its position over the equity participations (the "Entities") like presented in Note 4 of these financial statements. The Fund has assessed that the conditions set by the Standard are not met. As a consequence, the Fund has significant influence, but no control over the Entities. In accordance with IAS 28, each of the Entities is defined as "associate" and are measured at fair value through profit or loss, thanks to the provision set in IAS 28 paragraph 18 and the fund being a mutual fund.

3. Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

The Fund holds the following structured entities:
-Rennes Biomasse Energie S.A.S.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

3. Structured entities(continued)

IFRS 12 B22 indicates that a structured entity often (i.e. not always) has some or all of the following characteristics, which apply to the Fund:
-the structured entity of the Fund holds restricted activities as well as a narrow and well-defined objective;
-the structured entities held by the Fund have insufficient equity to permit the structured entity to finance its activities without financial support
-the structured entities are supported by financial and operational partners.

Despite a significant shareholding of the Fund over the structured entities, the Fund does not have the control to influence variable returns of the entities. The type of income received by the Fund pertains to interest and cash flows payments.

In consideration of the exemption disclosed above for investments in associate and joint ventures, both entities are accounted for on the basis of fair value through profit or loss.

Rennes Biomasse Energie S.A.S in an investee meeting the definition of "Associate" under IFRS since the Fund has a significant influence over these entities. Furthermore, thy entity also meet the definition of "structured entitiy". The remaining four investees Citta Illuminate S.r.l, Dancer Mobility UAB, The TIPS and Cogeme Nuove Energie are meeting the definition of "Joint Venture" (see Note 2.4.10)

4. Investment in associates and joint ventures

As of 31 December 2025, the Fund has a significant influence over the below investments that are classified as associates or joint arrangements in accordance with IFRS 11. The Fund elected to measure investments in those associates and joint ventures at fair value through profit or loss in accordance with IFRS 9.

Company	Place of business/ country of incorporation	Activity
Associates		
Rennes Biomasse Energie S.A.S.	France	Operations of a biomass plant
Joint ventures		
Città Illuminate S.r.l.	Italy	Implementation of technically advanced solutions and integration of multiple services in the street lighting infrastructure
Cogeme Green S.r.l.	Italy	Small to Medium sized Photovoltaic Parks
Dancer Mobility UAB	Lithuania	Operational lease services of electric buses
The TIPS	Lithuania	Provide financing to improve energy efficiency and renewable energy

Joint arrangements are as follows:
- Citta Illuminate S.r.l., the "Special Purpose Vehicle 1" ("SPV 1") incorporated in Italy with the Fund having 80% equity ownership and Siram the remaining 20%. Objective is to promote a sustainable energy market and climate protection within the EU member states.
- Dancer Mobility UAB , the "Special Purpose Vehicle 2" ("SPV 2") incorporated in Lithuania with the Fund having 80% equity ownership and Vejo UAB the remaining 20%. Objective is to provide operational lease services of electric buses.
- KUB Tvari4j4 istekliu pletros skatinimas ("The TIPS") incorporated in Lithuania as a partnership with UAB Investicij4 ir verslo garantijos (INVEGA)* and the Fund as a limited partner. The partnership focuses on the financing of sustainable investments contributing to the direct effects of climate change mitigation.
- Cogeme Green S.r.l, the "Special Purpose Vehicle 1" ("SPV 3") incorporated in Italy with the Fund having 80% equity ownership and Cogeme Nuove Energie S.r.l. the remaining 20%. Objective is to promote Photovoltaic Parks.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control (IFRS 11.7, Appendix A).
The following criteria are met for these SPVs for the definition of joint arrangement:
-The contractual arrangements give all the parties control of the arrangement collectively.
-The decisions about the relevant activities require the unanimous consent of all the parties that collectively control the arrangement.
There are no significant restrictions on the ability of these joint ventures to make cash distributions or repayment of advances to the Fund.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

4. Investment in associates and joint ventures (continued)

Capital and financial information from the audited financial statements

Company	Holding of capital (%)		Net result (EUR)		Equity (EUR)	
	2025	2024	2025	2024	2025	2024
Associates						
Rennes Biomasse Energie S.A.S.	85.00%	85.00%	1,256,645	922,755	3,089,702	2,193,057
Joint ventures						
Città Illuminate S.r.l.	80.00%	80.00%	(84,661)	(41,253)	864,238	948,889
Dancer Mobility UAB	80.00%	80.00%	(287,681)	(342,405)	(166,611)	121,070
The TIPS	83.33%	83.33%	3,845,848	(4,573,051)	5,504,475	7,616,594
Cogeme Green S.r.l.	80.00%	80.00%	(117,811)	(34,124)	1,035,335	17,347

Fair valuation
The fair values of the equity investments in associates and joint ventures are determined using a discounted cash flow model, where the present value of the investments is equal to the sum of all future cash flows discounted at the applicable discount rate as defined below:
- Cash flows: expected dividend payments are set at the maximum distributable cash amount, respecting the covenants from the financing documentation and assuming that every payment would occur in the time and form forecasted in the most recent cash flow model
- Applicable discount rate: The applicable discount rate is defined as the cost of equity obtained by deriving the beta for associates and joint ventures from a market observed comparable companies, and un-levering it, to adjust for effects of the capital structure. The beta is then re-levered to the appropriate capital structure of the associates and joint ventures and used to calculate the cost of equity with observable market rates through the capital asset pricing model methodology.

(EUR)	Fair value		Cost	
	2025	2024	2025	2024
Associates				
Orleans Biomasse Energie S.A.S.*	-	1,382,804	-	1,354,620
Rennes Biomasse Energie S.A.S.	8,093,467	5,983,942	1,420,010	1,420,010
Joint ventures				
Città Illuminate S.r.l.	733,286	607,430	841,207	841,207
Cogeme Green S.r.l.	963,218	8,000	963,218	8,000
Dancer Mobility UAB	1	1	800,000	800,000
The TIPS	2,840,485	6,513,370	5,035,028	10,000,000
	12,630,457	**14,495,547**	**9,059,463**	**14,423,837**

*Liquidated

Fair value hierarchy of investments in associates and joint ventures at 31 December 2025:

2025 in EUR	Level 1	Level 2	Level 3	Total
Associates				
Rennes Biomasse Energie S.A.S.	-	-	8,093,467	8,093,467
Joint ventures			-	
Città Illuminate S.r.l.	-	-	733,286	733,286
Cogeme Green S.r.l.	963,218	-	-	963,218
Dancer Mobility UAB	-	-	1	1
The TIPS	-	-	2,840,485	2,840,485
	963,218	**-**	**11,667,239**	**12,630,457**

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

4. Investment in associates and joint ventures (continued)

2024 in EUR	Level 1	Level 2	Level 3	Total
Associates				
Orleans Biomasse Energie S.A.S. *	-	-	1,382,804	1,382,804
Rennes Biomasse Energie S.A.S.	-	-	5,983,942	5,983,942
Joint ventures				
Città Illuminate S.r.l.	-	-	607,430	607,430
Cogeme Green S.r.l.	8,000	-	-	8,000
Dancer Mobility UAB	-	-	1	1
The TIPS	-	-	6,513,370	6,513,370
	8,000	**-**	**14,487,547**	**14,495,547**

The following table shows reconciliation from the opening balances to the closing balances for Level 3 fair values:

in EUR	Balance at 1 Jan 2025	Purchases/ Sales	Change in carrying value (unrealised)	Balance at 31 Dec 2025
Associates				
Orleans Biomasse Energie S.A.S.	1,382,804	(1,354,620)	(28,184)	-
Rennes Biomasse Energie S.A.S.	5,983,942	-	2,109,525	8,093,467
Joint ventures				
Città Illuminate S.r.l.	607,430	-	125,856	733,286
Dancer Mobility UAB	1	-	-	1
The TIPS	6,513,370	(4,964,972)	1,292,087	2,840,485
	14,487,547	**(6,319,592)**	**3,499,284**	**11,667,239**

The model inputs of these valuation techniques are not directly observable in the market and correspond to level 3 fair value hierarchy described in IFRS 13.

There was no transfer between Level 3 and Level 2 or 1 during the year.

Sensitivity analysis based on the variation of the discount rate in the valuation models described above provides the following impact:

	2025		2024		Variation	
in EUR	Unfavourable changes	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes	Favourable changes
Associates						
Rennes Biomasse Energie S.A.S.	(314,481)	334,515	(242,656)	257,903	29.60%	29.71%
Joint ventures						
Città Illuminate S.r.l.	(95,663)	111,142	(38,628)	42,768	147.65%	159.87%
Dancer Mobility UAB	-	-	-	-	-	-
The TIPS	(128,600)	135,986	(307,514)	372,763	(58.18%)	(63.52%)
Cogeme Green S.r.l.	-	-	-	-	-	-

The sensitivity analysis was performed taking into account the cost of equity as the key variable adopting +/- 100bps.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

5. Loans and receivables

As of 31 December 2025, the debt instruments portfolio includes the following investments:

	Carrying value (EUR)		Fair value (EUR)	
	2025	2024	2025	2024
Debt instruments at amortised cost	80,439,126	88,568,149	84,344,266	89,790,372
Debt instruments at fair value through profit or loss	7,118,645	5,609,899	7,118,645	5,609,899
Total debt instruments	**87,557,771**	**94,178,048**	**91,462,911**	**95,400,271**

The fair value of loans is calculated by using valuation techniques based on non-observable data and corresponds to level 3 of IFRS 13 fair value hierarchy.

The estimated fair value of loans is based on a discounted cash flow model taking into account the (1) benchmark spread, (2) illiquidity premium and (3) Euribor forward curve.

The following table shows a reconciliation from the opening balance to the closing balance of the debt instruments portfolio:

in EUR	Balance at 1 Jan 2025	Net investment/ (divestment)	Change in ECL allowance	Unrealised gain/ (loss)	Balance at 31 Dec 2025
Debt instruments at amortised cost	88,568,149	(7,620,282)	(429,231)	(79,510)	80,439,126
Debt instruments at fair value through profit or loss	5,609,899	1,514,975	-	(6,229)	7,118,645
Total debt instruments	**94,178,048**	**(6,105,307)**	**(429,231)**	**(85,739)**	**87,557,771**

The Fund opted for FVPL for the shareholder loans as they fail the SPPI test and do not meet the criteria to be presented at amortised cost.

Impairment allowance for loans and receivables carried at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk based on S&P's credit rating scale and year-end stage classification. The table presents the total committed debt portfolio (outstanding portfolio plus undrawn loan commitments, gross of impairment allowances):

Internal risk rating	Stage 1	Stage 2	Stage 3	Total debt portfolio
AAA	-	-	-	-
AA+	8,550,939	-	-	8,550,939
AA	-	-	-	-
A	-	-	-	-
A-	4,559,862	-	-	4,559,862
BBB+	22,196,279	-	-	22,196,279
BBB	-	-	-	-
BBB-	-	-	-	-
BB+	3,753,693	-	-	3,753,693
BB	30,322,671	-	-	30,322,671
BB-	11,628,172	-	-	11,628,172
B+	-	-	-	-
	81,011,616	**-**	**-**	**81,011,616**

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

5. Loans and receivables (continued)

An analysis of changes in the total committed debt portfolio and the corresponding ECL allowances is, as follows:

in EUR	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2025	**143,258**	**-**	**-**	**143,258**
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages	-	-	-	-
Other changes in credit risk, not triggering a transfer	231,108	-	-	231,108
New assets originated or purchased and new commitments signed	258,464	-	-	258,464
Assets derecognised or fully repaid (excluding write offs)	(60,341)	-	-	(60,341)
Changes in total committed portfolio of contractual	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Amounts written off	-	-	-	-
ECL allowance as at 31 December 2025	**572,489**	**-**	**-**	**572,489**

In the period between 1 January 2025 and 31 December 2025, there were no material deteriorations of the individual investments that qualified for a change of the IFRS stages and no transfers among the stages occurred. Most changes that occurred in the year 2025 are explained by 'Other changes in credit risk, not triggering a transfer', which feed into the calculation from updates of cash flows of the individual investments, new additions and from changes in interest rates of the respective currencies.

Fair valuation of debt instruments

The fair value is determined using valuation techniques where the model inputs are not directly observable in the market and corresponds to level 3 fair value hierarchy described in IFRS 13.

2025

in EUR	Level 1	Level 2	Level 3	Total
Debt instruments at fair value through profit or loss	-	-	7,118,645	7,118,645
	-	**-**	**7,118,645**	**7,118,645**

2024

in EUR	Level 1	Level 2	Level 3	Total
Debt instruments at fair value through profit or loss	-	-	5,609,899	5,609,899
	-	**-**	**5,609,899**	**5,609,899**

The estimated fair value of the debt investments is based on a discounted cash flow model using interest rates for similar agreements under the market conditions prevailing as at 31 December 2025. The following describes the methodologies and assumptions used to determine the fair value of these assets:
-Cash flows: expected principal and interest payments are set assuming that every payment would occur in the time and form stipulated in the financed project revised cash flows plan. The expected principal and interest payments have been revised to the best knowledge of the Board of Directors
-Discount rates: each discount rate is calculated on basis of a market-based spread. Market-based spreads are derived from market observed comparable transactions and the general pricing level for such type of transactions, taking into account the project country, type of borrower, credit risk of the borrower, date and maturity.

The IFRS 9 impairment model requires impairment allowances for all exposures from the time a loan is originated, based on the deterioration of credit risk since initial recognition.

If the credit risk has not increased significantly (Stage 1), IFRS 9 requires allowances based on 12 month expected losses. If the credit risk has increased significantly (Stage 2) and if the loan is 'credit impaired' (Stage 3), the standard requires allowances based on lifetime expected losses.

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5. Loans and receivables (continued)

Default data from Moody's data and methodologies as well as an internal model for local and regional governments (LRGs) are used to calculate allowances. The output of the data are adjusted for factors to reflect forward-looking default rates.

There was no transfer between Level 3 and Level 2 or 1. The potential effect of using reasonably possible alternative assumptions for valuing the debt portfolio would reduce or increase the fair value of investments as follows:

	2025		2024		Variation	
in EUR	Unfavourable changes	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes	Favourable changes
Debt instruments at amortised cost	(2,633,114)	2,774,195	(60,591)	61,633	(2,572,523)	2,712,562
Debt instruments at fair value through profit or loss	(190,401)	203,504	(1,173,511)	991,660	983,110	(788,156)
	(2,823,515)	**2,977,699**	**(1,234,102)**	**1,053,293**	**(1,589,413)**	**1,924,406**

The sensitivity analysis was performed taking into account the yield-to-maturity (YTM) as the key variable adopting the range of +/- 100bps.

6. Derivative financial instruments

The Fund uses derivative financial instruments to mitigate foreign currency and other risks. As at 31 December 2025, the Fund had positions in an interest rate swap. Swaps are contractual agreements between two parties to exchange streams of payments over time based on specified notional amounts. The interest rate swap relates to contract taken out by the Fund with a major broker in which the Fund receives a floating rate of interest in return for paying a fixed rate of interest. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

2025

Derivatives	Maturity	Nominal (EUR)	Carrying value (EUR)
Interest rate swap	Apr 2029	8,500,000	40,678
	Sep 2031	4,591,931	192,454
		13,091,931	**233,132**

2024

Derivatives	Maturity	Nominal (EUR)	Carrying value (EUR)
Interest rate swap	Apr 2029	8,500,000	(9,689)
	Sep 2031	5,287,747	221,824
		13,787,747	**212,135**

The Fund uses widely recognised valuation models for determining fair values of over-the-counter interest rate swaps. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. For these financial instruments, inputs into models are market observable and are therefore included within Level 2.

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As at 31 December 2025

6. Derivative financial instruments (continued)

2025

(EUR)	Level 1	Level 2	Level 3	Total
Interest rate swap	-	233,132	-	**233,132**

2024

(EUR)	Level 1	Level 2	Level 3	Total
Interest rate swap	-	212,135	-	**212,135**

7. Cash and cash equivalents and restricted cash

As of 31 December 2025, the cash or cash equivalents include the following:

(EUR)	2025	2024
Cash at bank	61,659,859	63,632,183

8. Expenses

8.1 Direct Operating Expenses

For the year ended 31 December 2025, the Direct Operating Expenses ("DOEs") are composed as follows:

(EUR)	2025*	2024
Auditors fees	110,150	104,804
Custodian and Administrative Agent fees	207,103	190,398
Director and officer liability or other insurances	22,000	12,263
VAT	(78,990)	69,991
AIFM/ investment management fees	1,268,450	1,084,597
Legal fees	397,000	266,108
Luxembourg state, local, foreign or other taxes	19,521	28,750
Marketing, placement, structuring and promotion fees	34,567	26,050
Other expenses	60,000	193,800
	2,039,801	**1,976,761**

*Negative amounts relate to reversal of accrued expenses

Custodian and Administrative Agent fees
The Custodian and the Administrative Agent are entitled to receive, pursuant respectively to the Custodian and Paying Agent Services Agreement (CPASA) and the Fund Administration Services Agreement (FASA), out of the assets of the Fund, fees in accordance with the terms and conditions of the CPASA and of the FASA, provided that such fees are in accordance with customary banking practice and at normal commercial rates in Luxembourg.

AIFM fees
The AIFM has been entrusted with the investment management function (within the meaning of the AIFM Law) with respect to the Fund which includes portfolio management and risk management, including responsibility on all the investment/ divestment decisions; and the valuation of the assets of the Fund. The AIFM is also responsible for the other functions as set out in Annex I to the AIFM Law, i.e. administration, marketing and ancillary activities as further set out in the Management Agreement.

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As at 31 December 2025

8. Expenses (continued)

The AIFM receives the AIFM fee calculated on a quarterly basis and payable quarterly in arrears (and if the AIFM agreement is terminated, calculated and payable as at the next valuation date) and calculated on the aggregated NAV per tranches within the quarter at an annual maximum rate of:
- 0.0400% up to a NAV lower than EUR 100,000,0000.
-.0300% up to a NAV lower than EUR 300,000,0000.
- 0.0100% up to a NAV higher than EUR 300,000,0000.

AIFM fees for the year ended 31 December 2025 amounted to EUR 103,166.

Portfolio Management fees
For the year ended 31 December 2025, portfolio management fees amounted to EUR 1,165,286 (2024: EUR 1,084,597).

At 31 December 2024 the aggregated amount of AIFM fees and investment managements fees was EUR 1,084,597.

Structuring Fee
Where applicable, a Structuring Fee of up to a maximum of 1% of the subscription amount is paid to any relevant agent appointed by the Board of Directors having assisted in structuring the Fund or any other vehicle directly beneficial to advancing its mission. For the avoidance of doubt, the Structuring Fee is usually part of the commitment of a Shareholder pursuant to a Commitment Agreement (unless otherwise provided for in the relevant Commitment Agreement), while such Structuring Fee is paid in addition to the subscription amounts payable by a Shareholder pursuant to a Subscription Form. No Structuring Fee has been paid for the year ended 31 December 2025 (2024: nil).

8.2 Performance Fee

Effective 1 April 2025, the Portfolio Manager is not entitled to a performance fee.
For the year ended 31 December 2025, no performance fee was incurred by the Fund (2024: nil).

8.3 EEEF Technical Assistance Facility

A facility (the "EEEF Technical Assistance Facility") may be established upon decision of the Board of Directors to provide technical assistance, including but not limited to, development and research activities, capacity building and advice and support, aimed primarily to assist Partner Institutions in their development and their growth.

Subject to the Board of Directors' discretion, the EEEF Technical Assistance Facility Contribution may every year amount up to twenty basis points (0.20%) per annum calculated on the basis of the Fund's NAV, as outlined in Note 10.

The contribution to the EEEF Technical Assistance Facility is paid quarterly, based on the NAV. The EEEF Technical Assistance Facility contribution may only be allocated if there is sufficient net income of the Fund, based on the effective yield according to IFRS, in accordance with Note 10 Waterfall.

For the year ended 31 December 2025, the EEEF Technical Assistance Facility contribution amounted to EUR 334,668 (2024: EUR 315,300).

9. Redeemable ordinary Shares

The Fund has been incorporated with an initial capital of EUR 50,000 represented by one fully paid-up Class B Share without nominal value. During the initial subscription period starting on 1 July 2011 (the "Initial Closing Date") and ended on 31 March 2012, any Tranche of Shares is subscribed based on the relevant initial offering price.

The Shares are issued under registered form only. No Share certificates are issued. All Shares, including fractional Shares, are fully paid up. They are of no par value and carry no preferential or pre-emption rights. Each Share of any Class and any Tranche of the Fund is entitled to one vote at the general meeting of Shareholders in accordance with the Law of 10 August 1915 and the Articles. Class C Shares, Class A Shares and Notes issued by the Fund may be subscribed to eligible investors through a commitment agreement at any closing date, provided that following a subscription and over the expected duration of the subscribed Shares and Notes, the proportions between the various Classes and the Notes are in accordance with the risk ratios as mentioned in the Issue Document. New investors have to be accepted by the Board of Directors (without quorum and at a simple majority decision.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

9. Redeemable ordinary Shares

Target dividends ("Target Dividend(s)") are aimed to be allocated to the Class C Shares and the Class A Shares at least on a quarterly basis and pay to the Class A Shares and the Class B Shares on a yearly basis. A complementary dividend if permitted by the income flows generated and based on the waterfall process described in Note 10 may also be allocated to the Class A Shares and the Class C Shares.

The Fund redeem the Class A Shares, the Class B Shares and the Class C Shares upon maturity of the relevant Tranches and repay the outstanding principal under any Tranches of Notes in one or several installments at the dates specified in the Commitment Agreements or in the Subscription Forms of the relevant Tranches, whereby in each case the repayment/redemption entitlements will be fulfilled as and when the Fund has sufficient cash available in the order and priority set below in Note 10.2.

As at 31 December 2025, the number of shares issued and outstanding, the target dividends and maturity dates were as follows:

	As at 31 Dec 2024	Shares issued during the year	Shares redeemed during the year	As at 31 Dec 2025
Class A Shares Tranche 2	51.0000	-	-	**51.0000**
Class A Shares Tranche 3	49.0000	-	-	**49.0000**
Class A Shares Tranche 4	317.2413		-	**317.2413**
Class A Shares Tranche 5	67.5862		(67.5862)	**-**
Class A Shares Tranche 6	55.1724		(55.1724)	**-**
Class C Shares Tranche 1	1,569,960.9156	-	-	**1,569,960.9156**

	Target dividend	Maturity date
Class A Shares Tranche 2 Class A Shares Tranche 3 Class A Shares Tranche 4 Class A Shares Tranche 5 Class A Shares Tranche 6	6 Months EURIBOR + 1.25%	Subject to subscription agreements
Class C Shares Tranche 1	0.00%	31 Mar 2034

(EUR)	Net asset value as at 31 Dec 2024	Amount called/ (redeemed)	Allocation of operating profit	Distribution to holders of redeemable ordinary shares	Net asset value as at 31 Dec 2025	Amount called (in %)
Class A Shares Tranche 2	5,100,000	-	192,957	(192,957)	5,100,000	100.00%
Class A Shares Tranche 3	4,900,000	-	185,390	(185,390)	4,900,000	100.00%
Class A Shares Tranche 4	39,655,172	-	1,500,339	(1,500,339)	39,655,172	100.00%
Class A Shares Tranche 5	8,448,276	(8,448,276)	151,562	(151,562)	-	100.00%
Class A Shares Tranche 6	6,896,552	(6,896,552)	123,724	(123,724)	-	100.00%
Class C Shares Tranche 1	102,335,319	-	6,046,949	-	108,382,268	100.00%
	167,335,319	**(15,344,828)**	**8,200,921**	**(2,153,972)**	**158,037,440**	

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

10. Waterfall

10.1 Income waterfall

For each Valuation Date, after accruing the Direct Operating Expenses, the interest on Borrowings, if applicable, and the interest on the Notes and without taking into account the losses and/or the gains attributable to the Shares as described in the Issue Document and without taking into account any effects from a potential consolidation of Investments, the year-to-date net income of the Fund, based on the effective yield according to IFRS, is allocated in the following order of priority:

(a) allocation of the year-to-date Target Dividends to the Class A Shares, pro rata to the Target Dividends for each Tranche of Class A Shares;
(b) allocation of the Target Dividend Deficiency Amounts for all Tranches of Class A Shares, if any, pro rata to the Target Dividend Deficiency Amounts for the respective Tranches of Class A Shares;
(c) allocation to the Tranches of Class A Shares showing a NAV Deficiency Amount as of the relevant Net Asset Value calculation date of the amount to balance the NAV Deficiency Amounts of such Tranches, pro rata to the NAV Deficiency Amounts for the respective Tranches of Class A Shares. Any amounts so allocated are capitalised;
(d) allocation to the Tranches of Class C Shares showing a NAV Deficiency Amount as of the relevant Net Asset Value calculation date of the amount to balance the NAV Deficiency Amounts of such Tranches, pro rata to the NAV Deficiency Amounts for the respective Tranches of Class C Shares. Any amounts so allocated are capitalised;
(e) allocation of the Target Dividends to the Class C Shares, pro rata to the Target Dividends for each Tranche of Class C Shares, such amounts being capitalised;(f)allocation of the Supplemental Class A Shares Dividend;(g)allocation of funding of the EEEF Technical Assistance with an amount up to zero point twenty percent (0.20%) per annum calculated on the basis of the Fund's Net Asset Value, at the discretion of the Portfolio Manager, with the approval of the Board of Directors; and;(h)allocation of the remaining year-to-date net income of the Fund, based on the effective yield according to IFRS, as Complementary dividends for the Class A Shares and Class C Shares, pro rata to each respective Tranche issued multiplied by a weighting factor (Class A Shares factor = 1; Class C Shares factor = 1.5).

In case the year-to-date net income of the Fund, based on the effective yield according to IFRS, is negative, such negative income will be allocated in the following order of priority:
(a)allocation of the negative income to the Class C Shares, pro rata to the Net AssetValue of each Tranche of Class C Shares up to the total NAV of the Class C Shares;
(b)allocation of the remaining negative income to the Class A Shares, pro rata to the Net Asset Value of each Tranche of Class A Shares up to the total NAV of the Class A Shares.

The losses and/or the gains attributable to the Shares as described in the Issue Document are allocated after the above income waterfall.

10.2 Cash waterfall

For each Valuation Date (unless stated it shall be as of 31 December of each calendar year) after paying the Direct Operating Expenses, amounts due (principal and interest) under Borrowings, if applicable, and the interest on the Notes and the redemption amounts of the Notes matured, if applicable, the available cash of the Fund will be paid in the following order of priority:

(a)payment of redemption amounts for Notes that are compulsorily redeemed by the Fund, if applicable;
(b)payment of redemption amounts for Class A Shares that are compulsorily redeemed by the Fund and for Class A Shares that are redeemed at the request of the Shareholders in accordance with the Issue Document;
(c) payment of annual Target Dividends for the Class A Shares as of 31 December of each calendar year;
(d) payment of the Target Dividend Deficiency Amounts for the Class A Shares allocated to such Class A Shares as of 31 December of each calendar year;
(e) payment of redemption amounts for the Notes of the Noteholders having exercised their Early Redemption Right in accordance with the Issue Document.
(f) payment of redemption amounts for the Class A Shares, on a "first matured, first redeemed" basis and for redemption amounts maturing on the same date, pro rata to the redemption amounts; at maturity, the redemption amount shall include any Target Dividend Deficiency Amounts not allocated and paid to the respective Tranches of Shares;
(g) payment of redemption amounts for the Class A Shares of the Shareholders having exercised their Early Redemption Right in accordance with the Issue Document (except in case of an Early Redemption Right exercised in accordance with the Issue Document;
(h) payment of the Supplemental Class A Shares Dividend for the Class A Shares to the Class A Shareholders, as of 31 December of each calendar year, if applicable, as per the income waterfall described in the Issue Document;
(i) payment of redemption amounts for Class C Shares that are compulsorily redeemed by the Fund and for Class C Shares that are redeemed at the request of the Shareholders in accordance with the Issue Document;
(j) payment of redemption amounts for the Class C Shares, on a "first matured, first redeemed" basis and for redemption amounts maturing on the same date, pro rata to the redemption amounts;

NOTES TO THE FINANCIAL STATEMENTS
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10. Waterfall (continued)

(k) funding of the EEEF Technical Assistance, as per the income waterfall described in the Issue Document, upon resolution of the Portfolio Manager with the approval of the Board of Directors; and
(l) payment of complementary dividends for Class A Shares as of 31 December of each calendar year, as per the income waterfall described in the Issue Document.

If payments under the cash waterfall hereabove are not met, the Fund shall add any such payments to the respective points of the next period to which the cash waterfall described in the Issue Document is applied.

The payment of the annual Supplemental Class A Shares Dividends, Target Dividends, Target Dividend Deficiency Amounts and complementary dividends as of 31 December of each calendar year is to be effected upon decision of the Board of Directors in accordance with the cash waterfall described herein. Target Dividends will continue to accrue on matured Class A Shares and Class C Shares that have not been redeemed yet due to the lack of available cash.

11. Financial Risk management objectives and policies

The Fund established a Risk Management Policy and a conflict-of-Interest Policy.

11.1 Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Fund is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

As of 31 December 2025, the Fund may be subject to security provisions (such as Debt Service Reserve Account) in the agreements with borrowers. In this respect, the Fund limits the credit risk on some of the counterparties by means of these provisions. The definition and type of security provisions are agreed on a deal-by-deal basis and are elaborated in the respective financing contracts.

The fund writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the fund's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

11.1.1 Credit Quality

Operating activities

The Fund runs the risk of any one or more of the Partner Institutions defaulting on their borrowings from the Fund. Such Partner Institutions may default on their interest and/or on their principal repayment. The Fund will mitigate this risk by carefully selecting the Partner Institutions and then by monitoring them.

The default or insolvency risk of any one or more Partner Institutions is further mitigated by the diversification, which the Fund will seek.

The Board of Directors determines financial and technical eligibility criteria for FIs and other companies to be able to be selected as Partner Institutions of the Fund. The AIFM monitors each of the eligibility criteria, as set out in the Investment Guidelines, throughout the relationship with the Partner Institutions.

If, during its contractual relationship with the Fund, a Partner Institution does not comply with any of the eligibility criteria, the AIFM, with the approval of the Board of Directors, may require in accordance with the respective contractual arrangements, an accelerated repayment of the credit instrument, additional collateral or any other protective measure or sanction.

Once an investment is made, the relevant Partner Institution is required to provide regular management reports, which may include information on the success of the Partner Institution in accomplishing its goals, such as reaching the Beneficiaries or reaching environmental goals, and in the case of private companies' quarterly un- audited financial statements.
In the case of FIs, the Partner Institutions also provide once a year annual reports and annual audited financial statements prepared in accordance with IFRS. In the case of non-FIs, annual audited financial statements are provided wherever feasible in accordance with IFRS.

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As at 31 December 2025

11. Financial Risk management objectives and policies (continued)

The Fund also runs the risk of the counterparty and seller's defaulting on the remuneration of forfaiting agreements. The default may relate to interest and/ or on its principal repayment.

The rating assigns a letter-grade to each investment, from AAA for investments with best credit quality to D for defaulted investments, thus following the S&P / Fitch rating nomenclature. The Moody's equivalent scale is displayed for guidance.

Internal rating / S&P / Fitch equivalent	Moody's equivalent rating	Credit worthiness	Rating description	Investment category
AAA	Aaa	An obligor that has extremely strong capacity to meet its financial commitments.	Prime	Investment grade
AA+ AA AA-	Aa1 Aa2 Aa3	An obligor that has very strong capacity to meet its financial commitments. It differs from the highest-rated obligors only to a small degree.	High grade	
A+ A A-	A1 A2 A3	An obligor that has strong capacity to meet its financial commitments but is somew hat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.	Upper medium grade	
BBB+ BBB BBB-	Baa1 Baa2 Baa3	An obligor that has adequate capacity to meet its financial commitments. How ever, adverse economic conditions or changing circumstances are more likely to lead to a w eakened capacity of the obligor to meet its financial commitments.	Low er medium grade	
BB+ BB BB-	Ba1 Ba2 Ba3	An obligor that is less vulnerable in the near term than other low er-rated obligors. How ever, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions, w hich could lead to the obligor's inadequate capacity to meet its financial commitments.	Non-investment grade speculative	Non-investment grade
B+ **B** **B-**	**B1** **B2** **B3**	An obligor is more vulnerable than the obligors rated 'BB', but the obligor currently has the capacity to meet its financial commitments. Adverse business, financial, or economic conditions w ill likely impair the obligor's capacity or w illingness to meet its financial commitments.	Highly speculative	
CCC+	**Caa1**	An obligor is currently vulnerable, and is dependent upon favourable business, financial, and economic conditions to meet its financial commitments.	Substantial risks	
CCC	**Caa2**		Extremely speculative	
CCC-	**Caa3**		Default imminent w ith little prospect for recovery	
CC	**Ca**	An obligor is currently highly vulnerable		
C	**C**	An obligor is currently highly vulnerable to nonpayment. May be used w here a bankruptcy petition has been filed.		
D	**D**	An obligor has failed to pay one or more of its financial obligations (rated or unrated) w hen it became due.	In default	

The final rating takes into account the financial strength of the borrower as well as additional guarantors. Each investment is rated in the due diligence phase and then re-rated annually.

The table below summaries the credit risk exposure:

Internal risk rating	2025	2024
AAA	-	9.60%
AA+	10.63%	0.19%
A-	5.66%	-
BBB+	27.55%	-
BBB	-	27.63%
BBB-	-	19.13%
BB+	4.66%	21.69%
BB	37.27%	-
BB-	14.23%	5.64%
B+	-	16.12%
	100.00%	**100.00%**

Percentages of assets for which no credit rating is assigned are calculated on basis of the credit quality and the maximum exposure to credit risk information as disclosed in Note 5.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

11. Financial Risk management objectives and policies (continued)

Some of the investments are structured as project bonds which run the risk of the issuer's defaulting to fulfill its payment obligations. The default may relate to interest and/or on its principal repayment.

Subordinated loan

In some cases, the Fund has provided debt which is subordinated to other liabilities of the Partner Institutions. In case of insolvency and a respective work-out or bankruptcy scenario, the Fund is likely to bear a higher loss compared to other senior ranking creditors.

Risk concentration

The Fund only invest in Europe (Italy, France, Lithuania, Spain, Germany, Netherlands, Scotland, Estonia and Latvia), which limits the geographic risk.

The tables below show the concentration of risks of the Fund's investments:

Counterparty	2025		2024	
	EUR	%	EUR	%
Debt instruments, associates and joint ventures				
Top 1	15,871,625	15.84%	17,670,930	16.26%
Top 3	45,848,066	45.76%	49,610,174	45.65%
Top 5	65,795,934	65.67%	72,388,487	66.61%
Top 10	93,021,132	92.85%	101,354,828	93.27%
Derivatives				
Top 1	233,132	100.00%	212,135	100.00%

Financing activities

As at 31 December 2025, the Fund holds cash for EUR 61,659,859 (2024: EUR 38,632,183) with Citibank Europe plc, Luxembourg Branch a wholly owned indirect subsidiary of Citigroup Inc. As at 31 December 2024, the Fund also held EUR 25,000,000 with Deutsche Bank as a long-term deposit agreement.

The Fund's credit risk exposure to this counterparty is rated as follows.

	Long-term rating		Short-term rating	
	Moody's	Standard & Poor's	Moody's	Standard & Poor's
Citibank Europe plc, Luxembourg Branch	Aa3	A+	P-1	A-1

11.1.2 Impairment assessment

Significant increase in credit risk

The Fund continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Fund assesses whether there has been a significant increase in credit risk since initial recognition. The Fund considers an exposure to have significantly increased in credit risk when according to the migration matrix the probability of a rating migration from the initial to the current credit rating for the respective maturity falls below a certain threshold.

The Fund also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a facility to the watch list.
Regardless of the change in credit grades, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

11. Financial Risk management objectives and policies (continued)

Definition of default

The Fund considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments or fails to meet its legal obligation under a financing agreement.

For the days past due, a "grace period" can be granted but this should not exceed 90 days unless a material adverse change event occurs (i.e. during the Covid crisis).

The days past due counting should be modified or suspended:
- If the credit arrangements allow the client to change the schedule, suspend or postpone the payments under certain conditions and the client acts within the rights granted in the contract.
- Where repayments were suspended by force of law. As the client would not legally be obliged to make payments in the suspension period, the counting of days past due should also be suspended.
- If there was a dispute between the obligor and the institution over the credit obligation so that it was not certain whether the obligation exists.

The 'D' obligor rating or score will also be used upon the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating / score on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.
Since there could be partial or subsequent payments, for the purpose of counting the 90 days period, all payments received will be applied first with priority to the oldest receivable(s) outstanding following a waterfall scheme thereafter.

Probabilities of default

The Fund uses different models mostly based on Moody's platform to project future expected default rates, reflecting the current and expected point in the credit/economic cycle to predict the so-called point-in-time (PiT) Probability of Default for obligors.

PDs are then adjusted for IFRS 9 ECL calculations to incorporate forward-looking information and the IFRS 9 Stage classification of the exposure.

On the borrower's credit assessment process, priority is given to existing publicly available credit ratings from ESMA validated leading credit rating agencies. Alternatively, for local & regional governments (LRGs) an internal model is being used while the Moody's family of quantitative models is used for most other entities such corporations, SMEs, Non-Profit Organizations (NPOs), etc.

The credit risk assessment is based on a credit-scoring model that takes into account various historical, current and forward-looking information such as:
- Historical financial information together with forecasts and budgets prepared by the borrower. This financial information includes realised and expected results, solvency ratios, liquidity ratios and any other relevant ratios to measure the borrower's financial performance. Some of these indicators are captured in covenants with the borrower and are, therefore, measured with greater attention.
- Any publicly available information on the borrower from external parties. This includes adverse news, publicly traded bond or CDS prices or press releases and articles.
- Any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the borrower operates.
- Any other objectively supportable information on the quality and abilities of the borrower's management relevant for the company's performance

Loss given default

S&P Global Market Intelligence has built an LGD Scorecard that produces estimates of loss based on a fundamentally driven methodology. This Scorecard is designed to estimate LGD, which is a point-in-time (PiT) estimate reflecting current economic conditions and capturing the fact that default during an economic downturn is typically accompanied by lower recoveries. The LGD Scorecard is expert-driven, since it requires an analyst's opinion on certain key inputs, while the outputs are produced through a transparent, rule-based approach. For 2025's Q4 assessment, LGD levels remain consistent with prior quarters; however, a transition to alternative LGD providers is scheduled.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

11. Financial Risk management objectives and policies (continued)

Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the borrower's ability to increase its exposure while approaching default and potential early repayments too. To calculate the EAD for a Stage 1 loan, the Fund assesses the possible default events within 12 months for the calculation of the 12mECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

11.2 Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its shares earlier than expected. The Fund is exposed to cash redemptions of its redeemable shares on a regular basis. Shares are redeemable at the holder's option based on the Fund's NAV per share at the time of redemption, calculated in accordance with the Fund's constitution.

The Investment Committee review potential PI Investments proposed by the AIFM and submit such PI Investment proposal with its recommendation(s) to the Board of Directors for decision. The Investment Committee also provides recommendations on potential divestments, sales and disposals of PI Investments proposed by the AIFM and to further submit such divestments, sales and disposals of PI Investments to the Board of Directors for decision.
While reviewing and issuing recommendations in respect of PI Investment or divestment proposals, the Investment Committee takes into account elements such as the compatibility of the PI Investment with investment conditions and the liquidity situation of the Fund. The tables hereafter summaries the maturity profile of the Fund's financial assets and liabilities as of 31 December 2025 based on contractual undiscounted cash flows:

2025

(EUR)	0-3 months	3-6 months	6 months - 1 year	1-5 year	>5 year	Unstated maturity	Total
Assets							
Debt instruments at amortised cost	6,048,640	3,288,038	4,682,091	55,574,820	45,770,740	-	115,364,329
Debt instruments at fair value through profit or loss	232,420	-	561,129	2,937,741	10,092,671	-	13,823,961
Investments in associates and joint ventures	-	-	-	-	-	12,630,457	12,630,457
Cash and cash equivalents	61,659,859	-	-	-	-	-	61,659,859
Interest rate swap	-	-	-	-	40,678	192,454	233,132
	67,940,919	**3,288,038**	**5,243,220**	**58,512,561**	**55,904,089**	**12,822,911**	**203,478,606**
Liabilities							
Commitments not disbursed	12,135,343	5,864,485	3,156,788	-	-		21,156,616
Account payable and accrued expenses	1,252,589	-	-	-	-	-	1,252,589
Other liabilities	-	1,931,576	2,153,969	-	-	-	4,085,545
Redeemable ordinary shares	-	-	-	-	158,037,440	-	158,037,440
	13,387,932	**7,796,061**	**5,310,757**	**-**	**158,037,440**	**-**	**184,532,190**

2024

(EUR)	0-3 months	3-6 months	6 months - 1 year	1-5 year	>5 year	Unstated maturity	Total
Assets							
Debt instruments at amortised cost	5,709,359	4,395,530	4,364,987	76,408,626	25,267,393	-	116,145,895
Debt instruments at fair value through profit or loss	153,889	56,573	535,988	3,701,963	2,310,655	-	6,759,068
Investments in associates and joint ventures						14,495,547	14,495,547
Cash and cash equivalents	63,632,183	-	-	-	-	-	63,632,183
Restricted cash	276,776	-	-	-	-	-	276,776
Interest rate swap	-	-	-	(9,689)	221,824	-	212,135
	69,772,207	**4,452,103**	**4,900,975**	**80,100,900**	**27,799,872**	**14,495,547**	**201,521,604**
Liabilities							
Commitments not disbursed	5,500,000	-	-	1,499,828	-	-	6,999,828
Account payable and accrued expenses	2,489,751	-	-	-	-	-	2,489,751
Other liabilities	-	1,996,184	2,644,600	-	-	-	4,640,784
Redeemable ordinary shares	-	-	-	-	167,335,319	-	167,335,319
	7,989,751	**1,996,184**	**2,644,600**	**1,499,828**	**167,335,319**	**-**	**181,465,682**

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

11. Financial Risk management objectives and policies (continued)

11.3 Market risks

11.3.1 Interest rate risk

The interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. At the statement of financial position date, three loans have variable interest rates loans (Euro Interbank Offered Rate for 6 months plus a fixed margin). The remaining loans have a fixed interest rate.

Two investments that are entered into at a fixed rate are covered by an interest rate swap entered into at the same date for the same amount and maturity (City of Venlo and City of Santander). Therefore, the overall Fund's cash flow model has a limited exposure to market risk for changes in interest rates due to the fact that investments generate a variable income for the Fund and offset the liabilities vis-à-vis investors.

(EUR)		Downside scenario*		Upside scenario*	
	Fair value	Change in fair value	Change in fair value (%)	Change in fair value	Change in fair value (%)
Debt instruments at amortised cost	84,344,266	(2,633,114)	(3.12%)	2,774,195	3.29%
Debt instruments at fair value through profit or loss	7,118,645	(190,401)	(2.67%)	203,504	2.86%
	91,462,911	**(2,823,515)**		**2,977,699**	

*The upside and downside values of the investment are high and low points of valuation estimation performed by the valuation advisor.

The sensitivity analysis was performed taking into account the yield-to-maturity (YTM) as the key variable adopting the range of +/- 100bps, higher or lower, depending on the level of spreads and risk-free rates.

11.3.2 Currency risk

Currency risk is the risk that the value of financial instruments fluctuates due to changes in foreign exchange rates.

The Fund is exposed to currency risk from its financial instruments denominated in currencies other than the functional currency of the Fund.

At the reporting date, the Fund has executed most of its investing activities in its functional currencies. The GBP exposure to Cardenden Heat and Power Limited will be hedged dependent on cost/benefit considerations from the Board of Directors at the end of the construction phase. The Fund was not exposed to other significant risks from foreign-currency transactions.

This Fund level currency exposure is the basis for the sensitivity analysis of currency risk. Assuming GBP to appreciate or depreciate 10 percent against EUR, the impact on cash flows would be as follows:

Currency	2025		2024	
	+10%	-10%	+10%	-10%
EUR	(108,795)	153,957	(211,589)	97,730

11.4 Other risks

Legal risk on forfaiting agreements is defined as the risk that the Fund may encounter in getting receivables from the seller due to exceptions and or objections related to the content of the forfaiting contract.

The Seller may also fail to complete the works and not obtain acceptance of these works from the counterparty in accordance with the terms and conditions of the commercial contract which could result in the impairment of the remuneration due to the Fund.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

12. Interest Income and expense

For the year ended 31 December 2025, the amount of interest income and expense is as follows:

(EUR	2025		2024	
	Interest income	Interest expense	Interest income	Interest expense
Debt instruments and deposits	6,623,566	-	7,500,278	-
Derivative financial instruments	-	330,676	-	338,046

13. Capital Management

At each payment date and over the expected duration of each Class of Shares and Notes, the Fund is required to adhere to the following risk ratios between the different Classes of Shares and Notes:
-The nominal value of all Notes issued by the Fund will not exceed the sum of the Net Asset Value of the Class A Shares.
-The sum of the net asset value of all Class A Shares and the nominal value of all Notes issued by the Fund will not exceed three times the sum of the net asset value of all Class C Shares.

Class C Shares, Class A Shares and Notes may be committed and subscribed at any closing date, provided that following a subscription and over the expected duration of the subscribed Shares and Notes, the proportions between the various Classes and the Notes are in accordance with the above risk ratios. In particular, the maturity dates of each Tranche of Notes, each Tranche of Class A Shares and each Tranche of Class C Shares will be set in accordance with the Class A Shares and the Class C Shares issued to adhere to the risk ratios between these instruments over the expected duration of such Notes, Class A Shares and Class C Shares.

For the year ended 31 December 2025 and 31 December 2024, the Fund has complied with the above risk ratios.

Except the minimum capital requirement of EUR 1.25 million applicable as per the law of 13 February 2007 on Specialised Investment Funds (SIF), the Fund is not subject to externally imposed capital requirements and has no restrictions on the issue, repurchase and resale of shares.

The Fund's objectives for managing capital are:
- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its prospectus.
- To achieve consistent returns while safeguarding capital by investing in diversified portfolio, by participating in derivative and other advanced capital markets and by using various investment strategies and hedging techniques.
- To maintain sufficient liquidity to meet the expenses of the Fund and fulfill all financial obligations.
- To maintain sufficient size to make the operation of the Fund cost efficient.

14. Contingent assets and guarantee

Contingent assets arising from legal proceedings or guarantees delivered by third parties are only disclosed when they become probable. Under some outstanding forfaiting agreements, the sellers have agreed to make payments to the Fund if the obligations set in the contracts are not met.

For the year ended 31 December 2025, no inflow of economic benefit from a past event is probable and or, no amount involved is material. As a result, the Fund discloses no contingent asset at year-end (2024: nil).

15. Contingent liabilities

15.1 Target Dividend Deficiency

The Fund aims to allocate target dividends to the Class A Shares at least on a quarterly basis and pay target dividends to this Class of Shares on a yearly basis.

In the event the Target Dividend for a Tranche of Class A Shares is not allocated in full due to insufficient net income of the Fund, based on the effective yield according to IFRS, the difference between the Target Dividend, including interest accrued on such Target Dividend, and the dividend actually allocated will be considered as a Target Dividend Deficiency Amount. If in a subsequent year pursuant to the waterfall described in Note 10, sufficient net income of the Fund, based on the effective yield according to IFRS, is generated, such Target Dividend Deficiency Amount will be allocated to such Tranche of Class A Shares.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

15. Contingent liabilities (continued)

As of 31 December 2025, the Fund is not exposed to contingent liabilities regarding the Target Dividend Deficiency.

15.2 NAV Deficiency

NAV Deficiency amount equal to the positive difference if any, between the respective issue price of each Tranche of Class A Shares and Class C Shares and the Net Asset Value of such Tranche from time to time.

As of 31 December 2025, the Fund is not exposed to contingent liabilities in regard to the NAV Deficiency amounts.

(EUR)	2025	2024
Operating profit attributable to Class C Shares - Tranche 1	6,046,949	(10,314,442)
NAV deficiency - Total exposure at year end	-	-

15.3 Disbursement commitments

As at 31 December 2025, the undisbursed commitments amounted to EUR 21,156,616.

16. Distributions and profit attributable to holders of redeemable ordinary shares

During the year ended 31 December 2025, the distributions to holders of redeemable ordinary shares amounted to EUR 2,153,972 (2024: EUR 2,644,598). The distribution to holders of redeemable ordinary shares per class of shares are set out hereafter.

(EUR)

	Distribution				Capitalisation			
	Dividend distributed*	Complementary dividend distributed	Target dividend deficiency distributed	Total dividend distributed	Income allocation capitalised	Complementary dividend capitalised	Total amount capitalised	Total distribution and capitalisation
2025								
Class A Shares - Tranche 2	96,349	96,608	-	192,957	-	-	-	192,957
Class A Shares - Tranche 3	92,571	92,819	-	185,390	-	-	-	185,390
Class A Shares - Tranche 4	749,165	751,174	-	1,500,339	-	-	-	1,500,339
Class A Shares - Tranche 5	58,793	92,769	-	151,562	-	-	-	151,562
Class A Shares - Tranche 6	47,994	75,730	-	123,724	-	-	-	123,724
Class C Shares - Tranche 1	-	-	-	-	6,046,949	-	6,046,949	6,046,949
	1,044,872	**1,109,100**	**-**	**2,153,972**	**6,046,949**	**-**	**6,046,949**	**8,200,921**

* Include Target Dividend, Supplemental Dividends and A Shares Returns

Dividend per share:

(EUR)	2025	2024
Class A Shares - Tranche 2	3,783.47	4,368.24
Class A Shares - Tranche 3	3,783.47	4,368.24
Class A Shares - Tranche 4	4,729.33	5,094.01
Class A Shares - Tranche 5	-	5,072.86
Class A Shares - Tranche 6	-	4,511.08

As of 31 December 2025, no Target Dividend Deficiency was recorded (see Note 15.1) (2024: nil).

As of 31 December 2025, the amount attributable to holders of redeemable ordinary C Shares was EUR 6,046,949 (2024: EUR (10,314,442).

17. Related party transactions

The Board of Directors is considered as the ultimate controlling party of the Fund.

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2025

17. Related party transactions (continued)

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

AIFM, Portfolio Manager and Board of Directors

As at 31 December 2025, Alter Domus Management Company S.A., Gresham House Europe AG and the members of the Board of Directors are considered related parties to the Fund and have transacted with the Fund only based on contractual agreements.

		Expenses during the year		Payable at year-end	
Related party	**Expenses during the year**	**2025**	**2024**	**2025**	**2024**
Alter Domus Management Company S.A.	AIFM fees	103,165	-	26,840	-
Gresham House Europe AG	Porfolio management fees	741,085	-	242,900	-
DWS Investment S.A.	AIFM/ Portfolio management fees	320,163	1,084,598	320,163	(1,200,816)
Directors	Directors out of pocket fees	30,000	20,000	-	-
		1,194,413	**1,104,598**	**589,903**	**(1,200,816)**

Key management personnel

Directors' fees paid for the year ended 31 December 2025 were EUR 30,000 (2024: 20,000). At 31 December 2025, no amounts were payable to the Directors (2024: nil) and no other compensation was recorded (2024: nil). The listing of members of the Board of Directors is shown on page 1 of this report.

The relationships are based on contractual agreements and the outstanding amounts payable by the Fund are presented in the statement of financial position.

18. Approval of the financial statements

The Board of Directors reviewed the Financial Statements on 8 June 2026 and decided to submit them to the Annual General Meeting of Shareholders for approval to be held on 24 June 2026.

19. Significant events

Alter Domus Management Company SA and Gresham House Europe AG have been appointed as new AIFM and Portfolio manager of the Fund as from 1 April 2025.

20. Subsequent events

On 18 May 2026, the Fund completed the sale of its entire investment in UAB Dancer Mobility for consideration of EUR 360,000. Under the transaction documents, the Fund remains exposed to a contingent reimbursement obligation of up to EUR 130,000 in relation to an ongoing tax dispute.

SUPPLEMENTARY INFORMATION

Number of Shares outstanding	**31-Dec-25**	**31-Dec-24**	**31-Dec-23**
Class A Shares - Tranche 2	51.0000	51.0000	51.0000
Class A Shares - Tranche 3	49.0000	49.0000	49.0000
Class A Shares - Tranche 4	317.2413	317.2413	212.4137
Class A Shares - Tranche 5	-	67.5862	49.1954
Class A Shares - Tranche 6	-	55.1724	18.3908
Class C Shares - Tranche 1	1,569,960.9156	1,569,960.9156	1,569,960.9156

Net asset value per share class (EUR)	**31-Dec-25**	**31-Dec-24**	**31-Dec-23**
Class A Shares - Tranche 2	5,100,000	5,100,000	5,100,000
Class A Shares - Tranche 3	4,900,000	4,900,000	4,900,000
Class A Shares - Tranche 4	39,655,172	39,655,172	26,551,724
Class A Shares - Tranche 5	-	8,448,276	6,149,425
Class A Shares - Tranche 6	-	6,896,552	2,298,851
Class C Shares - Tranche 1	108,382,268	102,335,319	112,649,761

Net asset value per share (EUR)	**31-Dec-25**	**31-Dec-24**	**31-Dec-23**
Class A Shares - Tranche 2	100,000.00	100,000.00	100,000.00
Class A Shares - Tranche 3	100,000.00	100,000.00	100,000.00
Class A Shares - Tranche 4	125,000.00	125,000.00	125,000.00
Class A Shares - Tranche 5	-	125,000.00	125,000.00
Class A Shares - Tranche 6	-	125,000.00	125,000.00
Class C Shares - Tranche 1	69.04	65.18	71.75

The accompanying notes form an integral part of these financial statements.

AIFM DISCLOSURES (UNAUDITED)
As at 31 December 2025

AIFM STATUS

The Fund has designated Alter Domus Management Company S.A. to act as its AIFM.

The AIFM has its registered office in Luxembourg, at 15 Boulevard F.W. Raiffeisen, L-2411 Luxembourg, G.D. of Luxembourg. The AIFM is subject to the provisions of chapter 15 of the Law of 17 December 2010 as amended and is authorised as alternative investment manager in accordance with Chapter 2 of the Law of 12 July 2013. In addition to the Fund, the AIFM also manages other undertakings for collective investment including alternative investment funds.

LEVERAGE

In accordance with the Commission Delegated Regulation (EU) No 231/13 (the "AIFM Regulation") and the Luxembourg Law of 12 July 2013, "leverage" shall be defined as any method by which an AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The AIFM Regulation requires leverage to be monitored by an AIFM based on two calculation methodologies: the "gross method", as set out in Article 7 of the AIFM Regulation, and the "commitment method", as set out in Article 8 of the AIFM Regulation.

In both methodologies, leverage is calculated as the sum of the absolute market values of the Fund's positions and expressed as the ratio between the exposure of the AIF and its net asset value. The market value of the individual financial derivative instruments shall be replaced by their individual respective market value (expressed in absolute terms) of holding the equivalent number of underlying positions. The financial derivative instruments conversion rules are based on pre-defined formulas set out in Annex II of the AIFM Regulation.

As part of the commitment methodology, hedging arrangements shall be taken into account when calculating the exposure of an AIF only if they comply with all the following conditions:

- the positions involved within the hedging relationship do not aim to generate a return and general and specific risks are offset;
- there is a verifiable reduction of market risk at the level of the AIF;
- the risks linked to derivative instruments, general and specific, if any, are offset;
- the hedging arrangements relate to the same asset class;
- they are efficient in stressed market conditions.

Within the meaning of the AIFM Regulation, the Fund is considered to be not substantially leveraged and as such the maximum expected level of leverage which the AIFM shall be entitled to employ on behalf of the Fund shall not exceed 200% of the Net Asset Value using the "commitment" method and 250% of the Net Asset Value using the "gross" method, as per the AIFM internal risk limits, under normal market conditions, and except to the extent as may be required due to Units' issues and repurchases.

The Gross method highlights the overall exposure of the Fund's assets compared to the Fund's Net Asset Value (NAV) whereas the Commitment method provides insights into the hedging and netting techniques used. Unitholders shall not consider leverage as the unique risk indicator to the Fund. High leverage shall not always mean high risk, and inversely, low leverage shall not always mean low risk.

In accordance with the Law of 12 July 2013, the level of leverage for year ended 31 December 2025 is as follows:

The European Energy Efficiency Fund S.A., SICAV-SIF

- 102.41% of the Net Asset Value using the "commitment" method and;
- 71.68% of the Net Asset Value using the "gross" method.

AIFM DISCLOSURES (UNAUDITED)
As at 31 December 2025

RISK PROFILE AND RISK MANAGEMENT SYSTEMS

The Fund's risk profile is updated at least on a yearly basis, aligned with the Alternative Investment Fund Managers Directive (the "AIFMD") requirements. The AIFM upgraded the risk management system in line with AIFMD requirements.

The AIFM has been appointed as the external AIFM within the meaning of article 4 of the AIFM Law. The AIFM, subject to the overall supervision, approval and direction of the General Partner of the Fund, provides certain portfolio management, liquidity management, risk management and compliance management services, in accordance with the terms of the AIFMD, subject to the investment policies and objectives set out in the Prospectus and the prevailing Regulations.

AIFM/GENERAL PARTNER AND CONFLICTS OF INTEREST

The AIFM or the General Partner may have conflicts of interest in relation to their duties to the Fund. The AIFM or the General Partner will, however, ensure that all such potential conflicts of interest are resolved fairly and in the best interests of the Unitholders insofar as it is possible to do so. The AIFM or the General Partner may make investment decisions, undertake transactions and maintain investment positions for one or more clients that may impact the interests of other clients and that may pose a conflict of interest for the AIFM or the General Partner, particularly if the AIFM or the General Partner and/or their staff earn higher compensation from one mandate, product or client than for another. Such conflicts, for instance, are present when the AIFM or the General Partner buys and sells the same security at the same time for different clients or maintains market positions in the same instruments with market exposure in opposite directions at the same time for different clients.

The Conflict of Interest policy has been approved by the AIFM, and it is subject to ongoing compliance review and monitoring.

ASSETS SUBJECT TO SPECIAL ARRANGEMENTS ARISING FROM THEIR ILLIQUID NATURE

As at 31 December 2025, the AIF, under the supervision of the AIFM, did not hold any assets subject to special arrangements arising from their illiquid nature, such side pockets, gates or similar arrangements. No new arrangements were made to manage any specific liquidity risk at the AIF level.

RISK TYPES

Investment in the Fund involves a significant degree of risk.

There can be no assurance that the Fund's investment objective will be achieved, any appreciation in the value of investments will occur or there will be a return of capital. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest in the Fund.

The main categories of risk to which the Fund is or might reasonably be expected to be exposed include:

a) **Market risk:** the risk of loss resulting from fluctuation in the market value of positions in the Fund attributable to changes in market variables such as interest rates, foreign exchange rates, equity and commodity prices or an issuer's creditworthiness; and as regards derivatives, through movements in markets for derivatives or the underlying asset, currency, reference rate or index to which a derivative relates. This includes imperfect correlation between movements in the securities or currency on which a derivatives contract is based and movements in the related securities or currency in the Fund;

b) **Credit / counterparty risk**: the risk of loss resulting from the possibility that a counterparty to a transaction may default on its obligations prior to the final settlement of the transaction's cash flow. For derivative instruments which are transacted over the counter on a bilateral basis there is a direct exposure to the counterparty;

c) **Liquidity risk:** the risk that a position in the Fund's portfolio cannot be sold, liquidated or closed at limited cost in an appropriate time frame and that the ability of the Fund to meet its settlement obligations is thereby compromised;

d) **Operational risk:** the risk of loss resulting from inadequate internal controls and failures in relation to people and systems or from external events; this includes risk resulting from the trading, settlement, safe-keeping and valuation procedures operated on behalf of the Fund.

AIFM DISCLOSURES (UNAUDITED)
As at 31 December 2025

e) **Leverage:** the Fund may apply leverage to its portfolio by utilising financial gearing, such as bank borrowings and overdrafts; and synthetic gearing through derivatives and/or other non-fully funded instruments or techniques for efficient portfolio management purposes such as stock-lending. Typically leverage will arise through the use of index futures, forward foreign exchange contracts or contracts for difference, where cash is paid to the counterparty as margin against the current mark to market value of the derivative contract; as a result and depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may even result in a loss exceeding any margin deposited. The use of leverage therefore creates additional risks and may significantly increase the market and counterparty risk of the Fund through non-fully funded exposure to underlying markets or securities.

f) **Concentration risk:** Funds which invest in a narrow range of stocks or collective investment schemes or in specialised sectors may be more volatile than more broadly diversified funds.

g) **Sustainability risk:** Sustainability risks refer to the set of environmental, social and governance issues, that could potentially and materially undermine the return on investments, the value of the assets and the reputation of the Fund.

TRANSPARENCY OF FINANCIAL PRODUCTS IN PRE-CONTRACTUAL DISCLOSURES AND IN PERIODIC REPORTS

The financial product is referred to in Article 9(1), (2) or (3) or referred to in Article 8(1) of Regulation (EU) 2019/2088. Consequently, the periodic report has been duly completed (see appendix for more detail).

INVESTOR INFORMATION

There has been no material change during the year ended 31 December 2025 in the information to be provided to investors prior to investing as detailed under article 21 of the Luxembourg law dated 10 July 2013.

In the context of AIFM obligation linked to the EU Disclosure Regulation 2019/2088 (SFDR), ADMC has published its Sustainability Risk Policy and reviewed its Remuneration Policy, respectively the article 3 and 5 of the related regulation. The related documents are available on https://alterdomus.com/aifm-disclosures. It shall be noted that all PPMs have been updated accordingly and in line with the article 6 of the EU Disclosure Regulation.

Pursuant to Article 10(1) of the EU Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector ("SFDR") the Partnership's website disclosure outlining the environmental characteristics promoted by the Partnership and the methodologies that are used to assess, measure and monitor the characteristic can be accessed at https://alterdomus.com/2885-2/

REMUNERATION POLICY

The Board of Directors of the AIFM has established an AIFM Remuneration Policy to ensure that the requirements of the AIFMD are fully adhered to by the AIFM. This policy applies to the AIFM and the Alternative Investment Funds (AIFs) it manages.

For the year ended 31 December 2025, disclosures on fixed and variable remuneration have been duly assessed at the AIFM level. Remuneration Policy is available to investors on request.

REMUNERATION PHILOSOPHY AND ALIGNMENT WITH RISK MANAGEMENT

Our remuneration philosophy is focused on pay for performance, tempered by an emphasis on ensuring that performance is not achieved by taking risks which fall outside the Board's risk appetite or that of the AIFs we manage.

Remuneration is comprised of fixed pay, variable pay (cash bonus), non-contributory defined contribution pension and benefits in kind.

The Board of Directors of the AIFM monitors the compensation process and ensures that proposals do not reward senior staff for excessive risk-taking.

The relative moderate size of the variable pay and risk controls incorporated in the AIFM's team-based investment process, promote sound risk management and discourage risk taking that exceeds the firm's level of tolerated risk or that of our client's funds. Employee interests are closely aligned to the long-term interests of shareholders and investors.

AIFM DISCLOSURES (UNAUDITED)
As at 31 December 2025

FINANCIAL AND NON-FINANCIAL CRITERIA

Variable remuneration is based on a rounded assessment of the overall AIFM and individual performance. When assessing individual performance, financial as well as non-financial criteria are taken into account.

Individual performance is based on the individual's appraisal, which includes an employee's compliance with controls and applicable company standards including the AIFM's Code of Ethics, including Treating Customers Fairly and Conduct Risk.

CONFLICTS OF INTEREST

The AIFM's remuneration policies and processes contain a number of measures to avoid conflicts of interest.

- Compensation proposals are made by "Compensation Managers" who are usually Department Heads. No employee may determine their own remuneration. The Compensation Managers make proposals in accordance with guidelines which are set out in annual Board of Directors compensation evaluation.
- Employees engaged in control functions (e.g. Risk) have functional line management structures outside of the business units they oversee, thus ensuring independence. Variable remuneration for control function employees is determined on the achievement of meeting their own functional objectives as set in their appraisal. The AIFM Board of Directors signs off the remuneration of senior staff, including those in the risk in control functions.
- Personal hedging strategies which may undermine the risk alignment of variable remuneration are not permissible (e.g. entering into an arrangement with a third party under which payments will be linked to the person's remuneration or deferred consideration). The AIFM has very strict Personal Account dealing policies.

EMPLOYEE REMUNERATION DISCLOSURE

The table below provides an overview of the following:

- aggregate total remuneration paid by the AIFM to its entire staff; and
- aggregate total remuneration paid by the AIFM to its 'Identified Staff'

The 'Identified Staff' of AIFM are those employees who are considered could have a material impact on the risk profile of the AIFM or the AIFs it manages (including the Fund). This broadly includes senior management, risk takers and control functions. For the purposes of this disclosure, 'Identified Staff' does not include employees of entities to which activities have been delegated.

Amounts shown reflect payments made during the financial reporting period in question.

	Headcount	Total remuneration EUR
Alter Domus Management Company S.A.		
of which		
Fixed remuneration	56	4,772,551
Variable remuneration	N/A	0
Alter Domus Management Company S.A. 'Identified Staff'[1]		
of which		
Senior Management[2]	0.02	1,503.77
Other 'Identified Staff'	0.12	10,526.4

[1] The Identified Staff disclosure represents total compensation of those staff of the AIFM who are fully or partly involved in the activities of the AIFM, apportioned to the estimated time relevant to the AIFM.

[2] Senior management are defined in this table as members of the AIFM Senior Management.

ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: The European Energy Efficiency Fund SA, SICAV-SIF

Legal entity identifier: 549300U7KDLXF8EDIG36

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
[x] It made **sustainable investments with an environmental objective: 100%**[1]	[ ] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
[x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[ ] with a social objective
[ ] It made **sustainable investments with a social objective:** ___%	[ ] It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

Sustainable investment objective pursued by the European Energy Efficiency Fund

The European Energy Efficiency Fund SA, SICAV-SIF (the "Fund" or the "eeef") is an innovative public partnership dedicated to mitigating climate change through energy efficiency measures and the use of renewable energy in the Member States of the European Union. The Fund's sustainable objectives are:

- Contributing to the mitigation of climate change
- Contributing to resilient, energy-efficient and green infrastructure in the European Union
- Achieving economic sustainability of the Fund
- Building public-private partnerships for climate financing

[1] Calculation excludes cash and hedging instruments.

In general, all the investment project(s) must support the goal of avoidance of CO_2e emissions and/or primary energy consumption (PES) by at least 30% (on an annual basis), compared to the baseline of the relevant investment project.

The energy consumption, CO_2e emissions and PES of each project were tracked quarterly and monitored in line with the International Performance Measurement and Verification Protocol (IPMVP) for energy accounting and ISO 14064 for carbon accounting.

As of the end of December 2025, the Fund reported the following periodic aggregated results based on the latest available data.

Project name[2]	**CO_2 and PES overview**[3]			
	Annual Primary Energy Savings (MWh)	**Annual Primary Energy Savings (%)**	**Annual CO_2e savings (tCO_2e)**	**Annual CO_2e savings (%)**
Jewish Museum Berlin	11,779	72	2,667	75
University Hospital S. Orsola Malpighi	66,198	30	15,090	32
City of Rennes[4]	-22,709	-20	11,911	50
City of Venlo	4,868	60	654	60
Ore Valley Housing Association	4,903	99	447	96
City of Santander	39,795	80	2,579	80
Illuminated Cities	22,380	56	2,766	56
Vila do Conde	2,857	69	204	69
VIPA	42,942	100	2,819	100
City of Gijon	37,005	48	2,446	48
Coop Pank	0	0	12,333	100
Total (all)	**210,018**	**54**	**53,917**	**70**
Total (excl. biomass plants for PES)	**232,727**	**61**		

For the investment projects closed before 2023, the Fund kept on monitoring the active investments so that they were in line with the Fund's Social and Environmental Management System ("eeef's SEMS" or the "Fund's SEMS") to ensure that the eeef's investment projects did not cause any harm to any environmental or social objectives. The Fund's SEMS, which was amended in 2023 in light of the SFDR and EU Taxonomy, is guided by the EU Directives on Environmental Impact Assessment, the IFC Performance Standards and the European Investment Bank ("EIB") Statement on Environmental and Social Principles and Standards.

[2] The following investments are excluded from the above table as the underlying projects were not yet operational as at 31 December 2025 and therefore had not generated reportable savings: Livland Biomethane, Cogeme Green and Signet Bank. Dancer Mobility has not generated any savings as the project did not reach operational stage.

[3] Savings calculations include only fully operational projects. Carbon savings are calculated using the energy baseline and post-project data. Most up-to-date carbon factors are applied to all emission drivers unless project-specific factors are available. The difference between baseline and post-project emissions is reported as savings. Primary energy savings (PES) are calculated using baseline and post-project energy consumption data following the project-appropriate IPMVP methodology to establish an accurate baseline. Renewable electricity generation projects may generate CO2 savings without corresponding primary energy savings under the applied methodology.

[4] Biomass plants in the city of Rennes contribute positively to carbon savings, but negatively to primary energy savings (PES). This is due to the higher primary energy demand of such technologies. In the case of biomass plants, the amount of heat released during the combustion of one unit of biomass is substantially lower than any fossil fuel. For illustrative purpose, the Lower Calorific Value (MJ/Kg) of biomass (17) lags behind that of diesel (43) and methane (50). Such thermal energy is needed for the combustion engine to produce electricity (and heat for cogeneration) and therefore leads to lower efficiency for biomass plants in terms of primary energy consumption.

For the investment projects closed in 2025, the Fund followed the eeef's pre-due diligence guidelines and eligibility criteria. The new investment projects were compliant with the IFC Exclusion List and the internal environmental/social due diligence questionnaire that was aligned with the IFC Performance Standards.

In 2025, the eeef continued to contribute to its sustainable investment objectives through its existing portfolio of investment projects[5] including new investment projects made during the reference period by:

- Contributing to the mitigation of climate change (100%)
- Contributing to resilient, energy-efficient and green infrastructure in the European Union (100%)
- Achieving economic sustainability of the Fund (100%)
- Building public-private partnerships for climate financing as well as the contribution to the SDGs 7, 11 and 13.

The progress of the Fund's sustainable investment objectives was monitored and measured through sustainability indicators that the Fund reported in its quarterly reports and SFDR periodic disclosure.

The performance of the related sustainability indicators for the reference period 2025 included herewith is based on the latest available data at the reporting date.

New investment projects made by the Fund during the reporting period from 01/01/2025 till 31/12/2025 show the Fund's contribution to achieving sustainable goals as per above. In 2025, the eeef signed one agreement with a total volume of EUR 5 million in relation to sustainable projects in Estonia.

For Project Energetica, the Fund received only partial data from the portfolio company for the reporting period. The project's EU Taxonomy alignment was assessed by an independent third party, with the most recent confirmation provided in September 2025.

In order to address the remaining data gap, the Fund used previously reported data to estimate the missing information for the last quarter of 2025. The assessment performed by Arcadis, as well as the applicable DNSH test, have been taken into account, as further disclosed in this report. In addition, the Fund's sustainable investment objectives are also in line with 3 out of the 17 Sustainable Development Goals (SDGs): Goal 7 – Ensure access to affordable, reliable, sustainable and modern energy for all; Goal 11 – Make cities and human settlements inclusive, safe, resilient and sustainable; and Goal 13 – Take urgent action to combat climate change and its impacts. The Fund is registered on the UN SDGs partnership platform since 2019.[6] The sustainable progress of each goal is measured with eeef defined indicators which are closely aligned to SDGs framework. Goal 7 is mapped against the amount of eeef's renewable energy & energy efficiency projects contributing to doubling the global rate of improvement in energy efficiency. Goal 11 is mapped against the annual number of people impacted through all eeef's projects. Goal 13 is mapped against the number of countries and public authorities in which eeef has been engaged via its projects since inception (all eligible due to public link).

During the reference period, the Fund complied with the relevant provisions of the ESMA Guidelines applicable to funds using environmental-related terms in their names. In particular, the Fund maintained at least 80% of its investments in investments used to attain the sustainable investment objective of the Fund, in accordance with the binding elements of its investment strategy.

In addition, throughout the reference period, the Fund applied the exclusions applicable to EU Paris-aligned Benchmarks under Article 12(1)(a) to (g) of Commission Delegated Regulation (EU) 2020/1818. Accordingly, the Fund did not invest in companies falling within the relevant PAB

exclusion categories, including companies involved in controversial weapons, tobacco production, violations of the UN Global Compact principles or OECD Guidelines for Multinational Enterprises, and companies exceeding the applicable revenue thresholds from hard coal and lignite, oil fuels, gaseous fuels, or high-GHG-intensity electricity generation. No active breach of the above ESMA fund-name requirements was identified during the reference period.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?[7]

See below the table summarising GHG emissions avoided, and primary energy saved through all eeef investment projects during the reference period 2025 (based on the latest available data), as compared to the baseline of the relevant investment project:

Metric	Units	2025
Annual carbon savings (all investment projects)	tCO_2e	53,917
Annual primary energy savings (all investment projects)	MWh	210,018
Annual primary energy savings (all investment projects excl. biomass plants, for primary energy savings)	MWh	232,727

[5] For the sake of clarity, the terms "investment project(s)" and "project(s)" mean the sustainable investments of the Fund and, therefore, do not include hedging instruments or cash.
[6] https://sdgs.un.org/partnerships/european-energy-efficiency-fund-eeef-investing-sustainable-energy-projects-europe#description
[7] The indicators are not subject to an assurance provided by an auditor or a review by a third party for the current and previous years.

There are two primary energy savings (PES) metrics:

1. PES metric that includes all investment projects in the portfolio.
2. PES metric that excludes biomass plants investment projects which are considered under Renewable Energy (RE) projects in the portfolio. RE projects contribute positively to carbon savings but may show negatively to primary energy savings (PES) because of how primary energy demand is defined. Hence, PES metric for "all investment projects" is lower than PES metric for "all investment projects excluding biomass plants".

To ensure the standards of the impact assessment were met, the energy consumption, CO_2e emissions and PES of each project were tracked quarterly and monitored in line with the International Performance Measurement and Verification Protocol (IPMVP) for energy accounting and ISO 14064 for carbon accounting.

…and compared to previous periods?

Below is the table summarising historic development of GHG emissions avoided and primary energy saved in the past years.

Historic development of CO_2 emissions reduction and energy savings:

	2022	2023	2024
Cumulative CO_2e savings (tCO_2e)	619,514	740,460	795,972
Cumulative PES (MWh, all investment projects)	988,700	1,318,029	1,535,333
Cumulative PES (MWh, all investment projects excl. biomass plants)	1,750,492	2,132,499	2,394,988

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

To ensure that eeef's sustainable investments did not cause significant harm to any sustainable investment objectives, the Fund carried out specific reviews on the current active investment projects on an annual basis and followed a strict pre-due diligence process on new investment projects.

For the investment projects closed before 2023, the Fund kept on monitoring the active investments so that they were in line with the Fund's Social and Environmental Management System ("eeef's SEMS" or the "Fund's SEMS") to ensure that the eeef's investment projects did not cause any harm to any environmental or social objectives. The Fund's SEMS, which was amended in 2023 in light of the SFDR and EU Taxonomy, is guided by the EU Directives on Environmental Impact Assessment, the IFC Performance Standards and the European Investment Bank ("EIB") Statement on Environmental and Social Principles and Standards.

For the investment projects closed in 2025, the Fund followed the eeef's pre-due diligence guidelines and eligibility criteria. The new investment projects were compliant with the IFC Exclusion List and the internal environmental/social due diligence questionnaire that was aligned with the IFC Performance Standards.

How were the indicators for adverse impacts on sustainability factors taken into account?

The due diligence process as detailed in the eeef's SEMS considered all aspects of the investment projects including any potential adverse impacts on sustainability factors associated with each investment project.

As such, as part of the Fund's active management of adverse impacts, the Fund assessed new investment projects during on-site due diligence visits through its pre-adapted due-diligence tools, e.g., due diligence questionnaires to prepare an assessment for the investment committee, which was discussed with all project stakeholders with respect to the relevant project. During the lifetime of each new investment project, the project sponsor has contractual reporting obligations on key performance indicators.

For the purpose of the do no significant harm (DNSH) test pursuant to Art. 2 Number 17 SFDR, principal adverse impacts ("PAI") indicators included applicable mandatory indicators outlined in Table 1 of Annex I of the Commission Delegated Regulation (EU) 2022/1288.

For the year 2025, the PAI indicators on the Fund-level below are on the best effort basis[8]:

Categories	Indicators	Value	Comments
PAI 1 - Scope 1 GHG emissions (weighted)	Tons of CO_2 equivalent	21,483.58	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 1 - Scope 2 GHG emissions (weighted)	Tons of CO_2 equivalent	8,380.49	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 1 - Scope 3 GHG emissions (weighted)	Tons of CO_2 equivalent	9.74	
PAI 1 - Total GHG emissions (weighted)	Tons of CO_2 equivalent	29,873.81	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 2 - Carbon footprint	Tons of CO_2 equivalent per Million euros	202.67	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.

PAI 3 - GHG Intensity of investee companies	Tons of CO_2 equivalent per Million euros	Not applicable	Not applicable - The Fund does not invest in companies at corporate level, but in project finance transactions.
PAI 4 - Exposure to companies active in the fossil fuel sector	Percentage	0.00	
PAI 4 - Exposure to companies active in the coal sector	Percentage	0.00	
PAI 5 - Share of non-renewable energy consumption	Percentage	Not applicable	Not applicable - The Fund does not invest in companies. The Fund invests in project finance transactions. Hence, we do not have investee companies but invested projects. As of end of 2025, a substantial number of invested projects consume energy from the national grid. As the separate tracking of renewable and non-renewable source of national grid for each individual project is not reliably available, on the prudent basis we cannot provide the share of non-renewable energy to renewable energy.
PAI 5 - Share of non-renewable energy production	Percentage	31.96	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 6 - Energy consumption intensity per high impact climate sector	GigaWatthour per Million euros	0.00	The high impact sectors are currently not relevant (0%) as the Fund is not investing in those.
PAI 7 - Activities negatively affecting biodiversity sensitive areas	Percentage	Not applicable	Not applicable - The underlying portfolio is not affecting biodiversity sensitive areas.
PAI 8 - Emissions to water	T/M€	Not applicable	Not applicable - The underlying portfolio does not produce any emissions to water.
PAI 9 – Hazardous waste and radioactive waste ratio	T/M€	Not applicable	Not applicable - The underlying portfolio does not produce any radioactive waste.
PAI 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Percentage	0.00	
PAI 11 - Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Percentage	0.00	
PAI 12 - Unadjusted gender pay gap	Percentage	Not applicable	Not applicable - The Fund does not invest in companies. The Fund invests in project finance transactions. Hence, there are no investee companies but

			invested projects
PAI 13 - Board gender diversity	Percentage	Not applicable	Not applicable - The Fund does not invest in companies. The Fund invests in project finance transactions. Hence, there are no investee companies but invested projects
PAI 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Percentage	Not applicable	Not applicable - The Fund has a clear exclusion on controversial weapons.

[8] The 2025 final energy figures were not yet fully available as at May 2026. The calculations are therefore based on the latest available 2025 data, including certain estimates and assumptions where required.

For the year 2024, the PAI indicators presented on the Fund-level for comparison

Categories	Indicators	Value
PAI 1 - Scope 1 GHG emissions (weighted)	Tons of CO_2 equivalent	23,669.99
PAI 1 - Scope 2 GHG emissions (weighted)	Tons of CO_2 equivalent	10,469.75
PAI 1 - Scope 3 GHG emissions (weighted)	Tons of CO_2 equivalent	Not available
PAI 1 - Total GHG emissions (weighted)	Tons of CO_2 equivalent	34,139.74
PAI 2 - Carbon footprint	Tons of CO_2 equivalent per Million euros	212.74
PAI 3 - GHG Intensity of investee companies	Tons of CO_2 equivalent per Million euros	Not applicable
PAI 4 - Exposure to companies active in the fossil fuel sector	Percentage	0.00
PAI 4 - Exposure to companies active in the coal sector	Percentage	0.00
PAI 5 - Share of non-renewable energy consumption	Percentage	Not applicable
PAI 5 - Share of non-renewable energy production	Percentage	27.06
PAI 6 - Energy consumption intensity per high impact climate sector	GigaWatthour per Million euros	0.00
PAI 7 - Activities negatively affecting biodiversity sensitive areas	Percentage	Not applicable
PAI 8 - Emissions to water	T/M€	Not applicable
PAI 9 - Hazardous waste and radioactive waste ratio	T/M€	Not applicable
PAI 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Percentage	0.00
PAI 11 - Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Percentage	0.00
PAI 12 - Unadjusted gender pay gap	Percentage	Not applicable
PAI 13 - Board gender diversity	Percentage	Not applicable
PAI 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Percentage	Not applicable

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

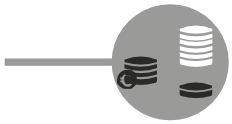
Yes, the eeef's sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Through the Fund's SEMS questionnaire, the Fund has put practices in place to promote responsible business conduct through its investment activities, supporting that its investment projects do not contribute to adverse impacts, but promote a positive development impact. The Fund evaluated new investments in 2025 against employment and industrial relations, human rights, environmental performance, stakeholder management and grievance mechanisms using the IFC performance standards as guidance.

How did this financial product consider principal adverse impacts on sustainability factors?

Principal Adverse Impacts (PAI) were considered for the new investment projects. A detailed description of eeef's PAIs on sustainability factors is included in Annex IX of the eeef's SEMS.

The eeef considered PAIs as part of the DNSH Test and as part of the overall investment process established by the alternative investment fund manager of the eeef as further set out under the questions "How were the indicators for adverse impacts on sustainability factors been taken into account?".



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of outstanding investments[9] of the financial product during the reference period which is: 1st January 2025 to 31st December 2025:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2025 to 31 December 2025

Largest investments	Sector	% Total Assets	Country
Gijon	Energy efficiency	15.2%	Spain
University Hospital S. Orsola Malpighi (ISOM)	Energy efficiency	14.0%	Italy
Coop Pank	Mix of Energy efficiency and Renewable Energy	13.8%	Estonia
Energetica	Energy efficiency	8.8%	Italy
City of Venlo	Energy efficiency	7.8%	The Netherlands
Livland	Energy efficiency	7.7%	Latvia
TIPS (ILTE)	Mix of Energy efficiency and Renewable Energy	7.7%	Lithuania
Citta Illuminate	Energy efficiency	5.6%	Italy

[9] Quarterly average outstanding amount, including interest roll-up.

What was the proportion of sustainability-related investments?

In 2025, of the total assets of the Fund (excluding cash and hedging instruments), 100% consisted of sustainable investments. For one investment, all the underlying data were not fully available. However, the Fund had a 3rd party review to confirm that the investment is EU Taxonomy aligned (until September 2025 - estimation for the last quarter) and the DNSH test is confirmed for FY2025.

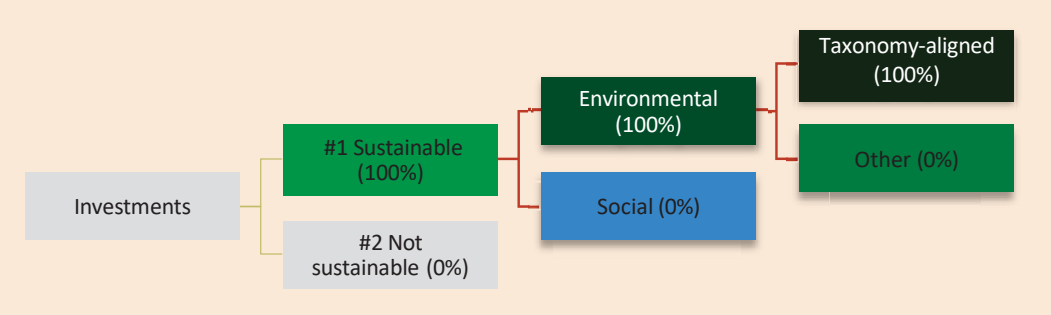
What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The asset allocation of the Fund during the reference period is outlined in the figure below. In 2025, of the total assets of the Fund (excluding cash and hedging instruments), 100% were "#1 Sustainable" consisting of the projects of the Fund. For one investment, all the underlying data were not fully available. However, the Fund had a 3rd party review to confirm that the investment is EU Taxonomy aligned (until September 2025 - estimation for the last quarter) and the DNSH test is confirmed for FY2025.

Cash and hedging instruments are excluded from the calculation of sustainable investments in line with the Fund's SFDR pre-contractual disclosure. Excluding cash and hedging instruments, the Fund did not hold investments classified as '#2 Not sustainable' within the meaning of the updated SFDR pre-contractual disclosure during the reference period. Out of the Fund's sustainable investments (excluding cash and hedging instruments), 100% thereof had an environmental objective and were taxonomy-aligned.

#1 Sustainable covers sustainable investments with environmental or social objectives. #2 Not sustainable includes investments which do not qualify as sustainable investments.



Cash and hedging instruments are excluded from the calculation of sustainable investments.

Historical comparison of previous years is demonstrated below:

	FY 2022 (%)	*FY 2023 (%)*	*FY 2024 (%)*	FY 2025 (%)
#1 Sustainable	*77*	*65*	*62*	100
#2 Not sustainable	*23*	*35*	*38*	0
Environmental	*77*	*65*	*62*	100
Social	*0*	*0*	*0*	0
Taxonomy-aligned	*0*	*65*	*62*	100
Other	*77*	*0*	*0*	0

Please note that the FY 2025 figures are presented excluding cash and hedging instruments, in line with the updated SFDR pre-contractual disclosure. Previous years were prepared based on the methodology applicable at the time.

In which economic sectors were the investments made?

In 2025, eeef entered into one new sustainable transaction: an intermediated investment in Estonia, structured as subordinated debt to an Estonian bank with a mandate to finance eeef-eligible projects, including energy efficiency, renewable energy and clean urban transport projects.

As at 31 December 2025, eeef had 74.2% in energy efficiency, 21.3% in renewable energy and 4.5% in clean urban transport projects.

Eeef had no exposure to the sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels[10] as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective **Transitional activities are economic activities** for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

100% of the Fund's sustainable investments with an environmental objective (climate change mitigation) were aligned with the EU Taxonomy. The Taxonomy alignment analysis is based on the so-called EU Taxonomy Compass. Following this tool each project is examined for 5 steps:

1. Identification of eligibility by activity

   NACE (Statistical Classification of Economic Activities in the European Community) codes describing the economic activities related to the project have been identified. Furthermore, the correct alignment path for indications provided by the EU Taxonomy Compass, with identification of the sector and the economic activity, has been defined. Activities can be categorised into three different types: transitional, enabling and eligible activities.
   - Eligible activities: Activities that in and of themselves contribute substantially to one of the six environmental objectives as described in step 2.
   - Transition activities: Activities for which there are no technologically and economically feasible low-carbon alternatives but that support the transition to a climate-neutral economy.
   - Enabling activities: Activities that enable other activities to make a substantial contribution to one or more of the environmental objectives.

2. Threshold criteria for substantial contribution
   The alignment with the requirements of the Substantial Contribution Criteria, which are specific for each economic activity as defined by the EU Taxonomy Compass, has been confirmed. The contribution is categorised into six environmental objectives:
   i. climate change mitigation
   ii. climate change adaptation
   iii. sustainable use & protection of water and marine resources
   iv. transition to a circular economy
   v. pollution prevention and control
   vi. protection and restoration of biodiversity and ecosystems

[10] The Fund aims to finance only those energy efficiency and renewable energy projects which are anticipated to deliver on average at least 30% savings in primary energy consumption and/or CO2e emissions annually compared to the relevant baseline. Certain projects financed by the Fund include high-efficiency heating, cooling and cogeneration systems as part of broader energy efficiency upgrade programmes. Where relevant, such activities were assessed as transitional activities under the EU Taxonomy by Arcadis, an independent third-party service provider, and confirmed as taxonomy-aligned.

3. Do No Significant Harm (DNSH) test
   The alignment with the requirements of all DNSH criteria, which are specific for each economic activity as defined by the EU Taxonomy Compass must be confirmed. This analysis should confirm that the assets' targets and way of operating do not cause any significant harm to the other environmental objectives defined by the Taxonomy.

4. Minimum Social Safeguards
   The alignment with the requirements of the Minimum Social Safeguards must be confirmed.

5. Calculation of percentage alignment
   The proportion of taxonomy-aligned investments is assessed based on the financed project activities and the applicable EU Taxonomy methodology.

The data/information for assessment under this methodology was obtained directly from the investee companies. Whereas the taxonomy-alignment of 15 investments of the Fund had already been confirmed in 2023 by Arcadis Italia S.à r.l., a third party service provider, on the basis of the above-described methodology.[11] The taxonomy-alignment assessment of the 4 latest investments of the Fund was updated by Arcadis in 2025.[12]

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[13]?***

	Yes:		
		In fossil gas	In nuclear energy
X	No		

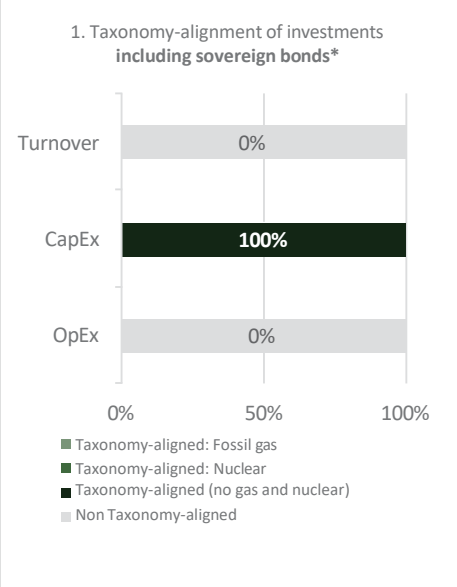
[11] Arcadis is a global Design & Consultancy firm for natural and built assets since 1888, which is active in design, engineering, project, and management services consultancy among others

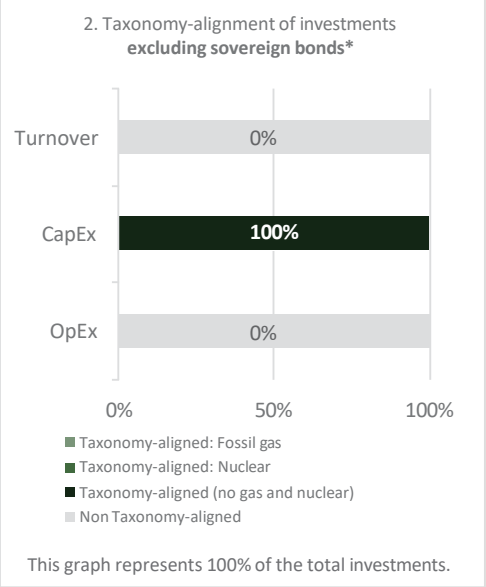
[12] Coop Pank, Signet Bank, Cogeme and Livland

[13] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





What was the share of investments made in transitional and enabling activities?

Invested Projects	***Transitional activities***	***Enabling activities***	***Eligible activities[14]***
1.Jewish Museum Berlin	*0*	*1*	*0*
2.University Hospital S. Orsola Malpighi (ISOM)	*1*	*0*	*0*
3.City of Rennes	*0*	*0*	*1*
4.City of Venlo	*0*	*1*	*0*
5.Ore Valley Housing Association	*0*	*1*	*1*
6.City of Santander	*0*	*1*	*0*
7.Illuminated Cities	*0*	*1*	*0*
8.Vila do Conde	*0*	*1*	*0*
9.VIPA	*0*	*1*	*1*
10.Gijon	*0*	*1*	*0*
11.Energetica	*1*	*0*	*0*
12.Livland Biomethane	*0*	*1*	*1*
13. Cogeme	*0*	*0*	*1*
14.Coop Pank	*0*	*1*	*1*
15.Signet Bank	*0*	*1*	*1*
TOTAL	***2***	***11***	***7***

[14] For Livland Biomethane and Cogeme, project drawdowns started during 2025, although committed undrawn amounts remained outstanding as at 31 December 2025. For intermediary financing structures such as Coop Pank and Signet Bank, the classification between enabling and eligible activities is based on the underlying projects financed as at the reporting date and may evolve as additional sub-projects are deployed.

For the year 2024, the classification of investments by taxonomy activity type was as follows:

Invested Projects	***Transitional activities***	***Enabling activities***	***Eligible activities[15]***
1.Jewish Museum Berlin	*0*	*1*	*0*
2.City of Orléans	*0*	*0*	*1*
3. University Hospital S. Orsola Malpighi (ISOM)	*1*	*0*	*0*
4.City of Rennes	*0*	*0*	*1*
5.City of Venlo	*0*	*1*	*0*
6.Universidad Politécnica de Madrid	*0*	*1*	*0*
7.Ore Valley Housing Association	*0*	*1*	*1*
8.City of Santander	*0*	*1*	*0*
9.Illuminated Cities	*0*	*1*	*0*
10.CIMAC	*0*	*1*	*0*
11.Dancer Mobility	*1*	*0*	*0*
12.Vila do Conde	*0*	*1*	*0*
13.VIPA	*0*	*1*	*1*
14.Gijon	*0*	*1*	*0*
TOTAL	***2***	***10***	***4***

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

In 2025, 100% of the Fund's sustainable investments with an environmental objective were aligned with the EU Taxonomy. Previous reference periods were prepared based on the methodology applicable at the time, which included cash and hedging instruments within the asset allocation calculation.

	FY 2022 (%)	***FY 2023 (%)***	***FY 2024 (%)***	**FY 2025 (%)**
Taxonomy-aligned	*0*	*65*	*62*	100

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

0%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of socially sustainable investments?

In 2025, the share of socially sustainable investments was 0%.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

No investments were included under '#2 Not sustainable' during the reference period, as cash and hedging instruments are excluded from the calculation of sustainable investments in line with the Fund's SFDR pre-contractual disclosure.

[15] Eligible activities include investments in energy efficiency measures in public buildings; high-efficiency combined heat and power (CHP), including micro-cogeneration and district heating/cooling networks; decentralized renewable energy sources, including micro-generation; modernization of infrastructure such as street lighting and smart grids; and renewable energy projects assessed as taxonomy-eligible under the EU Taxonomy Compass.

What actions have been taken to attain the sustainable investment objective during the reference period?

eeef's objective to substantially contribute to climate change mitigation was achieved by avoiding carbon emissions into the air. In accordance with the Operating Principles for Impact Management ("OPIM"), environmental performances of eeef's investment projects were tracked, measured and reported through actual primary energy and carbon emissions data collection. This approach ensured continued progress towards the Fund's climate change mitigation goal.

Apart from that, eeef's investment agreements outlined a number of social and environmental clauses and impact-reporting obligations. As an integral part of the general eligibility criteria of the Fund, each investment project had to comply with the Fund's social and environmental management system (as outlined in its SEMS). Social and environmental standards compliance was monitored throughout the reference period.

During the due diligence process for the new investment project, it was ensured that the project met all SEMS criteria as outlined in eeef's SEMS and fulfilled the Fund's sustainability objectives from the initial point.

In addition, the new investment project committed by the Fund during 2025 and the Fund's commitment to continuously invest and increase the investment volume of existing investment projects contributed to attaining the Fund's sustainable investment objective during the reference period.

In 2025, no investment project was deemed to be in breach of the Fund's SEMS .

How did this financial product perform compared to the reference sustainable benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did the reference benchmark differ from a broad market index?***
  Not applicable. There is no data comparison with any broad market index.
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***
  Not applicable. There is no data comparison with any reference benchmark.
- ***How did this financial product perform compared with the reference benchmark?***
  Not applicable. There is no data comparison with any reference benchmark.
- ***How did this financial product perform compared with the broad market index?***
  Not applicable. There is no data comparison with any broad market index.