SMTL

2024 Board of Directors Report

SIMTEL TEAM S.A.
Company listed on the Main Segment of the Bucharest Stock Exchange (symbol SMTL)
Standard Category

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Disclaimer: The financial figures presented in the descriptive part of the report that are expressed in million RON are rounded off to the nearest integer and may result in small reconciliation differences.

ISSUER INFORMATION

INFORMATION ABOUT THIS FINANCIAL REPORT	
Type of report	2024 Board of Directors Report
According to	Annex 15 of the FSA Regulation no. 5/2018
For financial period	01.01.2024 – 31.12.2024
Date of publication of the report	24.03.2024
ISSUER INFORMATION	
Name	Simtel Team S.A.
Fiscal Code	RO 26414626
Trade registry number	J2010000564406
Registered office	Splaiul Independenței 319L, Bruxelles, Building A, District 6, Bucharest
INFORMATION ABOUT THE FINANCIAL INSTRUMENTS	
Subscribed and paid-up share capital	1,583,730 lei
The market on which the financial instruments are traded	Main Segment, Standard Category
Total number of shares	7,918,650 shares
Symbol	SMTL
CONTACT DETAILS FOR INVESTORS	
Phone number	+40 754 908 742
Email	investors@simtel.ro
Website	www.simtel.ro

The financial statements as of December 31, 2024, presented on the following pages, are on both individual and consolidated levels and have been **audited**.

2024 FINANCIAL RESULTS

RON 360.2 million
Operating revenue
+20% vs. 2023

RON 53 million
EBITDA
+40% vs. 2023

RON 36.8 million
Net profit
+36% vs. 2023

MESSAGE FROM THE CEO

Dear shareholders,

The year 2024 was full of challenges, but also of adaptation and consolidation, during which we demonstrated our resilience and ability to make effective strategic decisions.

It was the year in which we placed an ever-greater emphasis on sustainability and the complexity of projects, consolidating our position as an essential player in Romania's renewable energy market.

One of the factors we managed was the steady decline in photovoltaic equipment prices, a phenomenon whose magnitude was not fully anticipated when the 2024 budget was finalized. Panel prices dropped by up to 50%, and inverter prices for field projects by over 35%, which generated significant pressure on the budget, especially in terms of estimated revenues.

The electoral rounds in Romania influenced the dynamics of the business environment and we observed a slowdown in the decision-making process regarding investments in the renewable energy sector and delays in implementing projects co-financed through the National Recovery and Resilience Plan (PNRR) and other European funding channels. In addition, we faced extra fiscal pressures as well as increased volatility in the renewable energy market, influenced by the geopolitical context.

The international context and external overlapping crises have generated volatility in supply chains and energy markets. For Simtel, these challenges have underscored the importance of our renewable energy projects, which address the growing need for energy independence and stability.

To address all these challenges, we carried out sustained efforts to optimize our operations and focused on increasing operational efficiency so as to improve our profitability and achieve our financial objectives. This was reflected in:

- Increasing the gross margin from the 12% budgeted value to 14.7%, thereby partially offsetting the impact of the slight decrease in revenues compared to the targeted budget;
- Increasing sales and the total capacity in implementation from 110 MWp to 145 MWp, to balance the impact of falling selling prices through a larger volume of projects;
- Optimizing the team structure and internal processes, ensuring more efficient execution and better adaptability to new market conditions.

Solid Financial Performance in 2024

On a consolidated financial level, we closed 2024 with a **turnover of 354.3** million lei—an **increase of 19%** compared to the previous year—and a **net profit of 36.8 million lei**, **marking a 36% increase** compared to 2023.

We consider these results to be consistent, reflecting a solid performance, with a focus on the area of operational efficiency, where we achieved excellent results, with both EBITDA and net profit exceeding budgeted levels. Thus, although we managed to reach 91% of the estimated operating revenues, we achieved 108% of the budgeted EBIDTA and 105% compared to the forecasted net profit, which confirms our ability to adapt and the efficiency of the decisions made during 2024.

Regarding the turnover recorded by the group's entities in 2024, Simtel Team S.A. generated 273,9 million lei, GES Furnizare SRL 64.7 million lei, Simtel Moldova SRL 8.2 million lei, and ANT Power Energy SRL 9.1 million lei. For the other entities—which mainly represent photovoltaic parks under development, as well as Agora Robotics SRL and Custom Software Solutions SRL—no significant revenues were recorded. A total of 21 companies were included in the consolidation for 2024.

On the operational front, one of our greatest achievements was the transition to large-scale projects, as the company now possesses the knowledge and structure necessary to design and build such projects, irrespective of their capacity and complexity. This expertise will allow us to continue expanding in Romania and accelerate our presence in other European countries.

In 2024, we continued to develop our own photovoltaic park division by acquiring two projects that were ready for construction—Salonta and Iacobeni—both of which were completed by year's end. Currently, we own eight photovoltaic park projects which, once completed, will have a total installed capacity of over 83 MWp and will generate an annual production of over 111 GWh.

In parallel with the development of our own photovoltaic parks, we also began developing a portfolio of energy storage parks in 2024. These facilities are essential to the transition toward a sustainable and efficient energy system, and they will help consolidate our position in the renewable energy sector. By the end of 2024, Simtel owned five such parks with a total storage capacity of approximately 200 MWh. We estimate that some of these will be implemented in the second half of 2025, with the remainder during 2026.

GES Furnizare SRL, a company in which Simtel Team S.A. holds a 62% stake, secured contracts in 2024 for both energy acquisition and supply, closing the year with a significant turnover—a notable result for its first year of operation. In 2025, GES aims to double the volume of energy supplied compared to 2024.

ANT Energy, in which Simtel holds a 51% stake, provided maintenance, forecasting, and energy production trading for its clients. In 2024, the company offered energy market access solutions and forecasting for renewable energy producers whose capacity exceeded 500 MW.

Agora Robotics, a start-up in which Simtel holds a 51% stake, launched the commercial version of the first industrial autonomous robot developed and manufactured in Romania, called Sweep, in 2024. The robot is designed for cleaning hard floors and is applicable in warehouses, factories, hotels, commercial spaces, train stations, airports, hospitals, and more. In Romania, the estimated area of these spaces exceeds 16 million square meters.

At the end of 2024, the company signed its first commercial contract for the local market. Agora Robotics' management plans for the Sweep robot to be sold internationally starting this year.

2025 Perspectives

Looking ahead to our activities in 2025, we will continue to diversify our portfolio of products and services—expanding large-scale projects and implementing increasingly complex projects that involve integrating energy storage solutions—in order to ensure network stability and meet growing sustainability demands. We also aim to internationalize our operations by exploring opportunities for expansion in global markets and leveraging our integrated ecosystem. Additionally, we will continue to work on consolidating our position as a national leader in engineering and technology by further developing our teams of experts and strengthening our innovation-oriented organizational culture.

Regarding the internationalization of our operations, we are pleased with the inauguration of our subsidiary in Germany in January of this year. The opening of this subsidiary is a significant strategic step for Simtel, as it gives us direct access to one of the most advanced and competitive renewable energy markets in Europe. Considering the experience our team has accumulated managing complex projects in Romania and across Europe, we expect it to perform well from its first year of operation. Initially, we will focus on providing preventive and corrective maintenance services for photovoltaic systems and energy storage solutions, and in the medium term, we plan to expand our activities with EPC-type projects and other solutions from our portfolio.

Our first project in this new phase is a collaboration with McLaren—the company known not only for its automobiles but also for its innovations in photovoltaic inverter technology, with a factory in Italy. We will support McLaren in addressing the issues faced by their clients in Germany, leveraging our expertise to provide efficient and durable solutions.

Regarding the capital market, we are delighted that last year we successfully transferred the company's shares to the Main Market of the Bucharest Stock Exchange—a defining moment for our team, and a result of our sustained efforts and commitment to excellence, innovation, and sustainability. We thank you for the trust placed in us in 2024 and for being part of our mission to provide sustainable and efficient energy solutions that contribute to a cleaner environment and improve the quality of life for communities in Romania.

Regarding our expectations for this year, there are several points we wish to bring to your attention now. Market liberalization remains a crucial yet unpredictable topic, dependent on both economic developments and geopolitical factors. In Romania, challenges related to price volatility and changing regulations can affect both end consumers and investments in new energy projects. For us, this means adopting a high degree of flexibility and adaptability in project execution.

Romania is at a crucial moment in consolidating its trajectory toward green energy—a strategic direction that brings multiple benefits for the economy, the environment, and society. At SIMTEL, we believe that the transition to renewable energy sources is not only a requirement imposed by international commitments, such as the European Green Deal, but also a major opportunity to build a more sustainable and prosperous future for the generations to come.

The energy transition is absolutely necessary and will continue at a pace adjusted by economic and political factors. The reemergence of Donald Trump in American politics could have implications for climate policies and international trade relations, including the renewable energy market. Should the USA reduce its commitments to the green transition, this could also influence global markets. Access to financing for renewable energy and energy efficiency projects will depend on the clarity of regulations and the support schemes in place. All these developments bring both challenges and many opportunities. On one hand, regulatory and financial market uncertainties may delay some client investment decisions; on the other, the growing demand for integrated solutions in energy efficiency, storage, and network digitalization opens up new business opportunities.

Furthermore, the fiscal changes implemented at the beginning of this year will have a significant impact on our industry, both in terms of competitiveness and business sustainability. For example, the elimination of tax benefits for the construction sector has led to a 14% increase in gross wage costs to maintain the same net salaries. In a sector already affected by rising material costs and labor fluctuations, this measure will put additional pressure on companies, especially those operating with thin margins. Our company will recalibrate its financial and operational strategies to minimize the impact on both our investors and shareholders, as well as our team. At the same time, to mitigate the effects of these measures, we believe it is essential for the authorities to introduce compensatory measures, such as tax benefits for investments and support for companies in the process of digitalization and technological upgrades. Without such measures, we could witness a slowdown in the development of this critical sector.

We invite you to read the full report for more details on the performance of the Simtel team in 2024. Should you have any questions regarding our activities—whether related to business or our company's presence in the capital market—please do not hesitate to contact us at **investors@simtel.ro**.

Thank you for the trust you have placed in us and for being part of this journey with us!

MIHAI TUDOR

CEO

ABOUT SIMTEL TEAM

BRIEF HISTORY

Simtel Team S.A. (“the Company” or “Simtel”) is a Romanian engineering and technology company, founded in 2010 by Iulian Nedea, Sergiu Bazarciuc, and Radu Vilău, who had previously successfully managed another business together for 10 years.

In 2011, the Company signed its first major contract, involving the construction and installation of equipment for the CDMA project developed by Romtelecom on the 450MHz frequency. The Company installed 850 sites within one year, setting a record for Romania. In the same year, the Company became a contractor for Huawei.

Simtel expanded its operations in 2013 by launching a new line of business: renewable energy. In this regard, the Company developed photovoltaic panel projects up to the construction permit stage, on two plots of land totaling approximately 5 hectares.

In 2015, following a successful partnership with ABB established in 2014, the Company began maintenance projects for photovoltaic parks, becoming the only ABB Service Partner in Romania. That same year, the Company also started implementing 4G projects for Vodafone, Telekom, Orange, and RCS-RDS across more than 1,500 sites.

The year 2019 marked a period of accelerated growth for Simtel, as it signed a contract with Mega Image and built over 18 photovoltaic power plants. Additionally, it partnered with Nidec Ansaldo in the verification and commissioning of equipment on a vessel laying fiber optic cables between Japan and South Korea.

The Company built electric vehicle charging stations for REWE – Penny Market. During the same period, it began working with Dedeman to install photovoltaic power plants in 15 of its stores. In this project, Simtel competed with an energy distributor that built another 15 plants. After completing all 30 plants, Dedeman decided to continue exclusively with Simtel. The Company also signed a contract with Telekom Romania for the construction of the RoNet network, targeting areas with no GSM coverage.

In 2020, the Company signed a contract with Altex for the construction of photovoltaic power plants and completed its first photovoltaic project in Germany.

The year 2021 was a turning point, as the founders decided to list the Company on the Bucharest Stock Exchange, aiming to enter a new development stage by raising capital to expand the business. In the same year, Simtel signed contracts with other major retailers, including IKEA Romania, for which it successfully built the company’s first photovoltaic power plant in Romania, located on the Pallady store. This contract was awarded after winning a tender against large energy distributors active in Romania. Simtel also built two plants for Kaufland, renewed its contract with Penny Market (REWE Romania) for another three years, and signed a contract with Fan Courier to build a 2.2 MWp photovoltaic plant.

Between December 2021 and the date of this report, March 2025, the Company has made investments in three companies, two of which operate in the same industry as Simtel. In 2022, Simtel acquired a majority stake in ANT Power Energy, a provider of forecasting services for photovoltaic and wind power plants. In 2023, it invested in the start-up Custom Soft Solutions (CSS), a company developing a Virtual Power Plant (VPP) platform for monitoring and controlling energy consumption and production systems.

Additionally, since 2022, the Company has held a majority stake in Agora Robotics, the only Romanian company focused on research, development, and production of autonomous robots.

In September 2023, Simtel established GES Furnizare SRL, a renewable electricity supply company in which it holds a 62% stake.

As a result of these transactions, Simtel now has the capabilities to manage a customer's entire energy ecosystem – from building and installing photovoltaic power plants, to providing maintenance, energy production forecasting and trading, remote monitoring, optimization and control of energy consumption, and electricity supply.

Regarding its international expansion, at the end of 2022, Simtel opened a branch in the Republic of Moldova. The Company's operations in Moldova are focused on building, maintaining, and operating photovoltaic power plants.

In 2025, Simtel also opened a branch in Essen, Germany. The opening of the German office represents a natural step, aligned with the Company's commitment to be closer to its clients and respond quickly to increase the efficiency of photovoltaic plants. Since 2012, the Company has been closely collaborating with one of Europe's largest inverter manufacturers, providing services for photovoltaic parks in Romania and across Europe. The Essen branch is strategically positioned to allow the Company to promptly meet the needs of clients in Germany and neighboring countries – Belgium, the Netherlands, France, Austria, and Switzerland – thus contributing to reduced equipment downtime and improved performance.

Furthermore, in 2024, the Company informed the market about the completion of photovoltaic parks in Pleșoiu, Salonta, and Iacobeni. These projects are part of the Company's new line of business focused on renewable energy production. The three parks have a total installed capacity of 12.50 MWp, generated by 25,832 photovoltaic panels.

DESCRIPTION OF THE ISSUER'S ACTIVITY

Simtel Team S.A. is a Romanian engineering and technology company, established in 2010, headquartered in Bucharest, with regional offices in Bacău, Timișoara, and Cluj. In 2022, the Company opened a separate entity in Chișinău, Republic of Moldova – Simtel Solar – with an EPC profile in renewable energy, and in 2025, it opened a new branch in Essen, Germany.

Simtel Team operates in the fields of renewable energy, telecommunications, and industrial automation, with an R&D component in industrial robotics and energy efficiency. For each of these business lines, the Company delivers projects both in Romania and internationally.

The main services and products offered by Simtel, depending on the business line, include: Engineering, Procurement & Construction (EPC) for telecommunications and energy, operation and maintenance of photovoltaic power plants, renewable energy forecasting and trading, Virtual Power Plant (VPP), energy storage and electric vehicle charging stations, energy production, supply of electricity and natural gas, R&D, and the production of autonomous robots. The Company is one of the key players in Romania in the construction of photovoltaic power plants.

Simtel generally operates under the EPC model – Engineering, Procurement & Construction – in which the contractor delivers a complete facility to the client at a guaranteed price and by a guaranteed date. The collaboration model with clients is mixed, depending on the negotiated commercial terms: either Simtel finances the entire project during the construction phase and generates revenue upon commissioning, or the clients pay certain parts of the project value as it progresses (e.g., upon obtaining the building permit, material delivery, construction completion, commissioning).

Through the EPC model, Simtel engineers design and deliver solutions, manage project processes, financing, procurement, warehousing, client communication, and grid operator integration, while subcontracting as much of the installation and construction work (labor) as possible. However, the Company retains in-house expertise related to equipment commissioning, software development, configuration, or dedicated upgrade solutions.

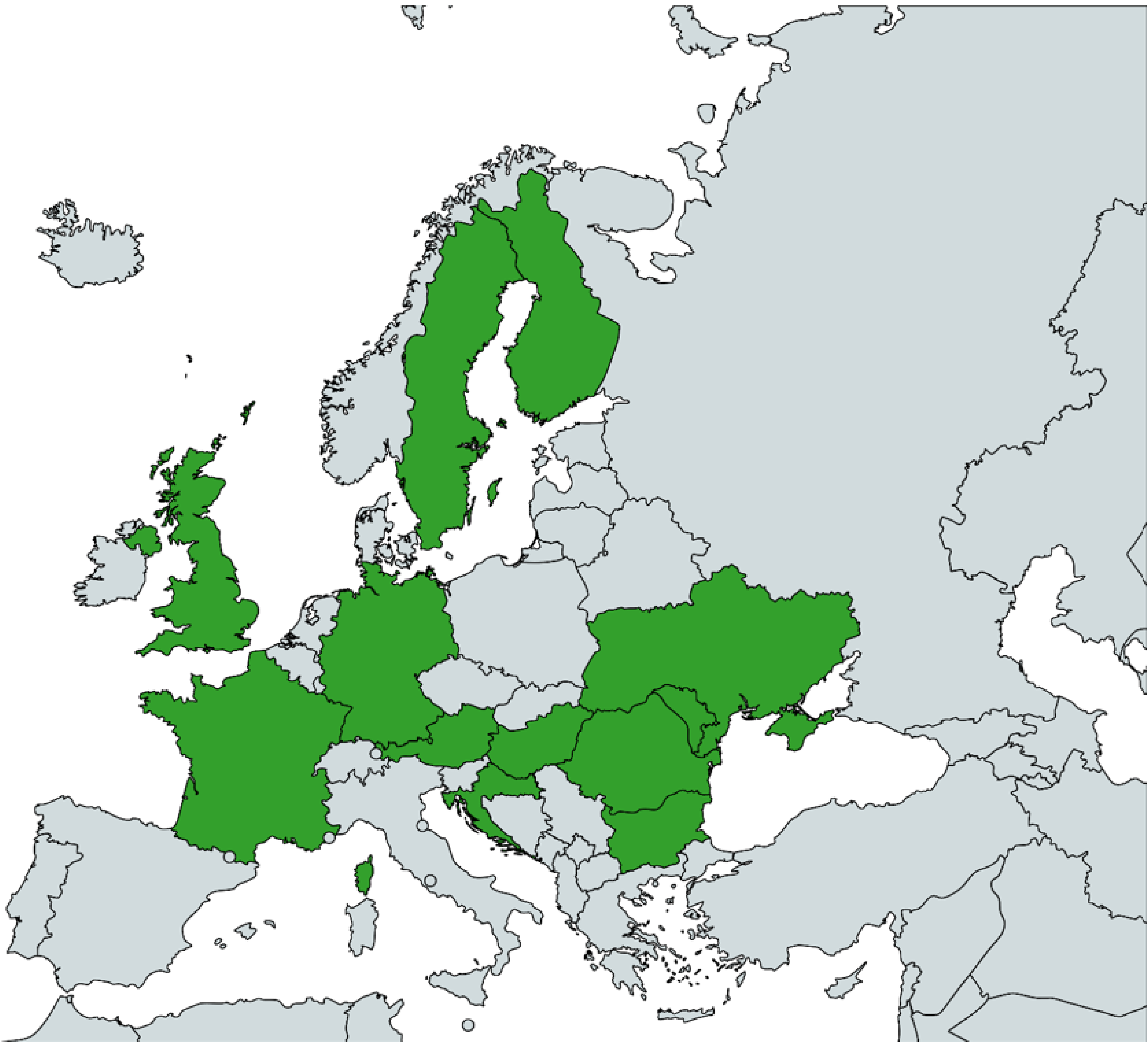
The Company specializes in turn-key project delivery: obtaining permits, design, construction/installation, and commissioning of equipment. Additionally, Simtel provides maintenance during and after the warranty period.

Over the past five years, Simtel Team has designed and commissioned numerous photovoltaic power plants for clients from various industries in countries such as Austria, Germany, the United Kingdom, Sweden, Finland, Hungary, Chile, Ukraine, the Republic of Moldova, and Bulgaria.

The photovoltaic parks for which SIMTEL provides Operation and Maintenance (O&M) services total over 455 MWp of installed capacity, covering 435 photovoltaic power plants and managing over 5,000 interventions annually.

As part of the program conducted by Deloitte Romania in collaboration with Banca Transilvania, the Bucharest Stock Exchange, and the European Bank for Reconstruction and Development, Simtel received the Best Managed Companies certification in Romania in 2024, for the second consecutive year.

This certification is a direct recognition and appreciation of the Company's ongoing efforts to develop sustainable business models, achieve top performance, and foster innovation.



CERTIFICATIONS

The Company's services are delivered in compliance with Health and Safety principles and regulations, as well as environmental protection standards. Simtel holds the following quality certifications: ISO 9001, ISO 14001, and OHSAS 18001:


ISO 9001:2015

ISOTRANS

CERTIFICAT Nr. C 696

ISOTRANS

Certifica organizatia

SIMTEL TEAM S.R.L.

Cu sediul in Bucuresti, Splaiul Independentei, nr. 319, spatiul OB 410, Sector 6

Care a implementat si mentine un Sistem de Management al Calitatii

SR EN ISO 9001 : 2015

Director General


ISO 14001:2015

ISOTRANS

CERTIFICAT Nr. M 351

ISOTRANS

Certifica organizatia

SIMTEL TEAM S.R.L.

Cu sediul in Bucuresti, Splaiul Independentei, nr. 319, spatiul OB 410, Sector 6

Care a implementat si mentine un Sistem de Management de Mediu

SR EN ISO 14001 : 2015

Director General


OHSAS 18001:2015

ISOTRANS

CERTIFICAT Nr. S 220

ISOTRANS

Certifica organizatia

SIMTEL TEAM S.R.L.

Cu sediul in Bucuresti, Splaiul Independentei, nr. 319, spatiul OB 410, Sector 6

Care a implementat si mentine un Sistem de Management al Sanatatii si Securitatii Ocupationale

SR OHSAS 18001 : 2015

Director General

Simtel also holds the ANRE certification for the design and execution of low- and medium-voltage electrical installations, as well as certifications from ABB and SMA, the largest inverter manufacturers:


AUTORITATEA NAȚIONALĂ DE REGLEMENTARE ÎN DOMENIUL ENERGIEI

ATESTAT

nr. 9515/ 18-11-2013

PREȘEDINTE

Based on the partnership established in 2014, Simtel is the only authorized Service Partner of ABB/Fimer for the southeastern region of Romania for inverters (which convert direct current into alternating current, manufactured in their plant in Italy).

EXPERIENCE

Simtel has carried out photovoltaic panel installation projects for some of the largest retail companies in Romania, such as Mega Image, Kaufland, Penny Market, and Dedeman, as well as for companies from other industries, including the agri-food sector, factories, and logistics spaces. Examples of successfully implemented projects by the Simtel team include:

- Construction of photovoltaic parks for 60 Dedeman stores;
- Implementation of 62 photovoltaic power plants for the Mega Image store network (2018–2024);

- Implementation of 106 renewable energy projects for Penny Market (2018–2024);
- Construction of a network of 6 electric vehicle charging stations on the Bucharest – Constanța highway for Penny Market (2019) and 35 stations for Dedeman (2021);
- Construction of solar-powered charging stations for electric scooters, one of which was installed at the Charles de Gaulle roundabout in Bucharest, in partnership with the electric scooter operator Flow;
- Construction of a photovoltaic installation across 11 buildings belonging to CTP Invest, a company active in the logistics and industrial sectors;
- Construction of photovoltaic power plants in 18 locations owned by the Carmistin Group, one of the largest players in Romania's agri-food sector. These plants have a total installed capacity of 4.5 MWp, approximately 10,500 photovoltaic panels (2022–2023);
- Construction of 22 photovoltaic power plants for a food retail company, as part of a framework agreement valid through 2027;
- Construction of 3 photovoltaic power plants composed of approximately 3,000 photovoltaic panels for River Development, the developer of the Sema Parc project (2022–2023);
- Construction of 6 photovoltaic power plants for Grunman Energy, a company part of Pavăl Holding, with a total installed capacity of 28.6 MW (2022–2024);
- Installation of the largest rooftop photovoltaic power plant on a single building in Romania for Grunman Energy, namely the Dedeman Turda logistics center (2023). The photovoltaic plant is installed on the roof of Dedeman's logistics center in Turda and has an installed capacity of approximately 4.1 MWp, generated by about 10,000 photovoltaic panels spread over a surface of 40,000 sqm. The plant is expected to produce over 4,500 MWh of energy annually and reduce CO_2 emissions by more than 2,100 tons per year.

In the field of telecommunications engineering, Simtel has delivered projects such as:

- The first integrator of 5G technology in Romania for Vodafone's test sites;
- Upgrade of Romania's radio frequency spectrum monitoring system for ANCOM;
- Installation, commissioning, and testing of telecommunications equipment for over 5,000 sites for Vodafone, Telekom, Orange, and RCS-RDS.

In other business lines (industrial automation engineering, robotics), the Company has been involved in projects including:

- Commissioning of frequency converters and PLC settings for Nidec Ansaldo on a vessel laying fiber optics between Japan and South Korea;
- Testing, configuring, and commissioning of equipment servicing the cable car (suspended metro) in Istanbul, Turkey;
- Supervision of electrical installations, configuration, and commissioning of the hydraulic unit, ABB drives, AC power (VSD), and PLC automation for Siderimpes, Steel Factory, Matamoros, Mexico in February 2014;

- Commissioning of frequency converters and PLC settings for Nidec Ansaldo in the Netherlands at a warehouse storing hydrogen produced via electrolysis using photovoltaic energy (2020);
- The commercial launch in 2024 of Sweep, the first industrial autonomous robot developed and produced in Romania. The robot is designed for cleaning hard floors in warehouses, factories, hotels, commercial spaces, train stations, airports, hospitals, etc. In Romania, the estimated surface area of such facilities exceeds 16 million square meters. At the end of 2024, the company signed its first commercial contract for the local market. The management of Agora Robotics plans to begin international sales of the Sweep robot starting in 2025.

COMPLETE PORTFOLIO OF SERVICES AND SOLUTIONS

Telecommunications Engineering

The telecommunications business line was the first area of activity the Company's founders began working in back in 2005. Over 19 years of operations on the Romanian market, Simtel has built telecommunications sites using 2G, 3G, 4G, and 5G technologies for all GSM mobile network operators in Romania: Vodafone, Orange, Telekom, and RCS-RDS. The Company's engineers hold various certifications and have attended training programs provided by major equipment manufacturers such as Ericsson, ZTE, Huawei, and Nokia.

Over the years, Simtel has specialized as a turn-key solution provider, offering easy project management by enabling the client to work with a single partner. As technology evolved in recent years, the Company adapted accordingly. When a technology previously installed by Simtel became outdated, the Company would design and install a new, state-of-the-art solution. Additionally, for various other structures, the Company handled the permitting or structural reinforcement processes.

From 2005 through 2024, the Company's engineers have built or installed all types of equipment developed during this period (2G, 3G, 4G, 5G, microwave) across at least 5,000 telecom sites out of the approximately 20,000 mobile base stations in Romania. Over the past 10 years, the Company has carried out between 400 and 1,500 projects per year. Through a contract signed with Telekom Romania, Simtel's team was involved in the RoNet project, which aimed to expand telecommunications networks into GSM signal-deprived areas, known as "white zones."

The Company has also delivered projects in Hungary (2016), where it was contracted by Huawei Hungary, as well as in Finland, where it was contracted by Huawei Finland (2020).

For this business line, the share of total revenue has varied over the years depending on the pace of technology implementation. Thus, between 2005–2008, when Simtel was a contractor for Cosmote, the most intense activity for 2G and data link projects occurred in 2006. Between 2009 and 2013, Simtel focused on implementing 3G and data link projects, with a peak in activity between 2008 and 2010. From 2014 to 2019, the busiest period for 4G and data link project implementation was recorded between 2014 and 2016.

Renewable energy engineering – Photovoltaic power plants

The Company is one of the leading players in Romania's solar energy sector. In 2012, the founders anticipated the rise of green energy, and the Company began delivering projects in the renewable energy industry — including design, equipment and material supply, construction, and maintenance of photovoltaic power plants.

Between 2015 and 2017, very few photovoltaic parks were built in Romania. Most companies in the sector had intense activity between 2011 and 2014, a period marked by the green certificate support scheme, after which many shifted their focus. Throughout this time, Simtel stayed connected to technology and ongoing projects and continued to grow. In 2013, the Company signed a maintenance contract with ABB/Power One for inverters manufactured at their plant in Italy, used in photovoltaic parks built in Romania, thus becoming the leading provider of photovoltaic plant maintenance services in the country.

In addition to building rooftop photovoltaic power plants, Simtel also provides maintenance services for all equipment required in a photovoltaic park — including inverters produced by Fimer/ABB, for which the Company is considered the best and largest Service Partner in Europe. The Company has all the necessary resources and, upon request, provides maintenance services anywhere in Europe or globally, having delivered projects in France, Germany, Chile, Bulgaria, the UK, Sweden, and Ukraine.

Currently, the Company provides full maintenance services in photovoltaic parks in Romania with a total installed capacity of over 455 MWp. Based on this volume, the Company is one of the key players in the Romanian operation and maintenance (O&M) market. It is also the exclusive distributor of Fimer, which owns the Power One factory (formerly owned by ABB until 2020), for inverters used in photovoltaic power plants.

The beneficiaries of photovoltaic parks built by the Company include major retail chains such as Rewe – Penny Market, Dedeman, Mega Image, Cometex (Altex), IKEA Romania, and Kaufland. However, Simtel has also delivered projects to companies across all industries in Romania (e.g., logistics, automotive), as well as international clients (e.g., in Germany). Over the years, demand for the Company's solutions and services has been particularly strong among beneficiaries — as installing their own photovoltaic panels can cover up to 75% of the total energy used during summer months, and on average between 30% and 40% of total energy needs across summer/winter. The solution is viable for stores and factories, logistics parks, and even corporations aiming to reduce energy costs and improve environmental sustainability.

Over time, the Company has increased its involvement by working with clients from the design and construction phase of new locations to ensure that building structures are capable of supporting the weight of solar panels.

The growing demand from beneficiaries has presented Simtel with an opportunity to innovate — developing its own remote inverter management solutions (inverters being the most critical electronic equipment in a photovoltaic park, converting direct current into alternating current), eliminating the need for on-site interventions. Simtel was also the first company in Romania to develop a system for limiting energy injection into the grid, and the first to display real-time production data on screens inside stores, where information is visible to customers — such screens are installed in a significant number of Penny Market, Dedeman, Mega Image, and Altex stores.

In addition, the Company is involved in the design and construction of electric vehicle charging stations, having built high-performance charging networks for clients such as Penny Market, Dedeman, Kaufland, and Mega Image. The Company focuses on cutting-edge solutions based on DC fast charging (direct current), offering an improved user experience by enabling up to 80% battery charging within 15–30 minutes.

Moreover, the Company has also built solar-powered charging stations for electric scooters, one of the most notable projects being the station at the Charles de Gaulle roundabout in Bucharest, developed in partnership with electric scooter operator Flow.

Renewable energy engineering – EPC: Energy Storage Systems

The Company offers comprehensive EPC (Engineering, Procurement, and Construction) solutions for energy storage systems, covering all essential stages for the efficient and reliable implementation of these technologies. These include consulting on selecting the appropriate storage system, design, procurement, construction, installation, battery management, commercial operation, service, and maintenance. Each phase of the project is managed with professionalism and dedication.

With extensive experience in configuring customized and integrated energy storage and backup solutions (BESS) in compact formats, the Company offers a wide range of capacities and applications, ensuring key benefits such as:

- Revenue optimization from energy production through storage and maximizing self-consumption. The use of forecasting algorithms and consideration of hourly energy price variations allow for additional benefits by reducing electricity costs.
- Management of BESS capacity according to the beneficiary's consumption profile, by injecting energy into the grid to reduce potential consumption peaks.
- Participation in the electricity balancing market by regulating voltage and frequency. Due to their fast response capability, these systems are eligible for system services, including secondary reserve balancing.
- Increased grid stability, as BESS systems can compensate for grid interruptions and operate in island mode when needed.

Through a personalized and integrated approach, the Company ensures energy storage solutions that deliver long-term efficiency, reliability, and economic benefits.

Industrial automation engineering

Simtel has implemented industrial automation solutions for companies in Romania such as Alro Slatina, Bekaert Slatina, Takata Sibiu, and Dacia Pitești, as well as commissioning, testing, and commissioning services worldwide for Nidec SPA. In the field of industrial automation (electric motors, converters, PLCs), the Company has had and continues to have projects in countries such as Brazil, Mexico, the United States, South Korea, Turkey, the Netherlands, Sweden, Norway, and Egypt.

Since 2014, the Company has been an official ABB Romania partner for the distribution of robots, motors, converters, and PLCs. Starting in 2020, Simtel has had a contract with ABB Romania for the maintenance of industrial robots, and since 2019, the Company has been certified by ABB for the commissioning and maintenance of electric vehicle charging stations.

Development and operation of own photovoltaic parks

The development and operation of its own solar parks by Simtel is of significant importance in terms of the Company's risk profile, long-term financial stability, and the meaningful impact that operational profit will have on the Company's consolidated financial statements.

The main reasons why the Company considers the operation of its own parks a key step in its development are related to diversifying revenue streams by expanding its portfolio in the renewable energy sector, thereby demonstrating the Company's resilience and adaptability to market changes, while also contributing to environmental sustainability.

Leasing

Simtel leases a 500 sqm commercial space to retailer Mega Image, located in Bucharest, district 6, which was purchased in 2018. This is a secondary line of business for the Company. Simtel does not plan to further develop this activity.

RESEARCH AND PROPRIETARY PRODUCTS

In 2022, the Company acquired 51% of the shares in Agora Robotics (formerly Advanced Robotics SRL), the only Romanian company focused on research, development, and production of autonomous robots, which is developing an ecosystem of complementary modular solutions for the automation of logistics and facility management processes.

In 2023, Simtel also made an investment in the start-up Custom Soft Solutions (CSS), together with ANT Power, a company in which Simtel holds 51% of the shares. CSS is developing a Virtual Power Plant (VPP) platform for monitoring and controlling energy consumption and production systems. Simtel holds a 59% stake in the start-up. Following this acquisition, the Company has expanded its range of services, providing an integrated system for managing a client's entire energy ecosystem.

ENVIRONMENTAL IMPACT

Simtel Team's professional activity has a significant positive impact on the environment. One of the Company's two main lines of business is design in the field of renewable energy. Simtel supports companies in their efforts to protect the environment by delivering solar systems that generate clean and pure energy from the sun. Installing solar panels on the rooftops of company headquarters, shopping malls, or residential buildings helps combat greenhouse gas emissions and reduces collective dependence on fossil fuels conventionally used to produce energy. There are currently no environmental-related disputes, and none are anticipated in the foreseeable future.

COMPETITIVENESS

Regarding market share for each of the Company's business lines, it is difficult to estimate due to the lack of official data on the size of the green energy engineering and telecommunications markets — Simtel's two main lines of business. However, according to the Neomar Study published in May 2024, Simtel Team installed 20% of the solar panels for prosumer legal entities in Romania.

The Romanian industrial automation market includes many integrators specialized in various activities such as robots, PLCs, and converters. These integrators range from companies with a turnover of 1 million euros to multinationals with revenues in the billions, such as Siemens, ABB, or Nidec. Therefore, there is an excellent niche in the market for projects between EUR 100,000 and EUR 1 million, where large companies are often reluctant to get involved — this is the segment Simtel is targeting.

The issuer bases its statements regarding its competitive position on its own estimates, built either through analysis of publicly available data from the Ministry of Finance (regarding the financials of companies considered competitors), or through feedback received by the sales team during interactions with existing and potential clients.

DIFFERENTIATION FROM COMPETITION

Similar to the segmentation of its business activity into the lines described above, the Company's differentiating factors compared to its competitors fall into three categories:

Renewable Energy Engineering – Photovoltaic Power Plants

Simtel differentiates itself from competitors through the following:

- ✓ It is the exclusive partner in Romania for Fimer (which acquired the Power One factory from ABB in 2020), both for maintenance and inverter distribution;
- ✓ It has been a leader in construction and maintenance in Romania over the past 3 years; its services are provided across the entire country as well as in other countries;
- ✓ It uses cutting-edge technologies and customized solutions, setting many of the trends in the market;
- ✓ Its employees are engineers capable of providing solutions across all four areas required for implementation: electrical, civil construction, communications, and automation;
- ✓ It manages the client's entire energy ecosystem – construction and installation of photovoltaic power plants, maintenance, energy production forecasting and trading, remote monitoring, optimization, and control of energy consumption, and electricity supply;
- ✓ It has an international presence, with operational branches in the Republic of Moldova (opened in 2022) and Germany (opened in 2025).

Telecommunications Engineering

Simtel stands out in the telecommunications field due to:

- ✓ A strong, experienced team with expertise in all relevant sectors, including design, site acquisition and permitting, civil construction, radio installation and activation, and the ability to provide turn-key solutions for any telecommunications-related challenge;
- ✓ Diversity – thanks to its multiple areas of expertise, the Company can provide turn-key solutions for energy saving and optimization tailored to telecom operators. In this regard, a project covering over 300 sites has been developed;
- ✓ Flexibility – the Company's infrastructure enables a rapid response regardless of the situation;
- ✓ A focus on long-term partnerships, whether with clients or subcontractors.

Industrial Automation Engineering

- ✓ The most important differentiator for Simtel in the field of industrial automation is the national and international experience of its automation team, which has the capability to deliver unique and customized solutions. The partnership with ABB also contributes to identifying new clients and providing solutions at competitive prices.

GROUP STRUCTURE

As of December 31, 2024, the Simtel Group consisted of Simtel Team S.A. (Simtel) and 21 subsidiaries:

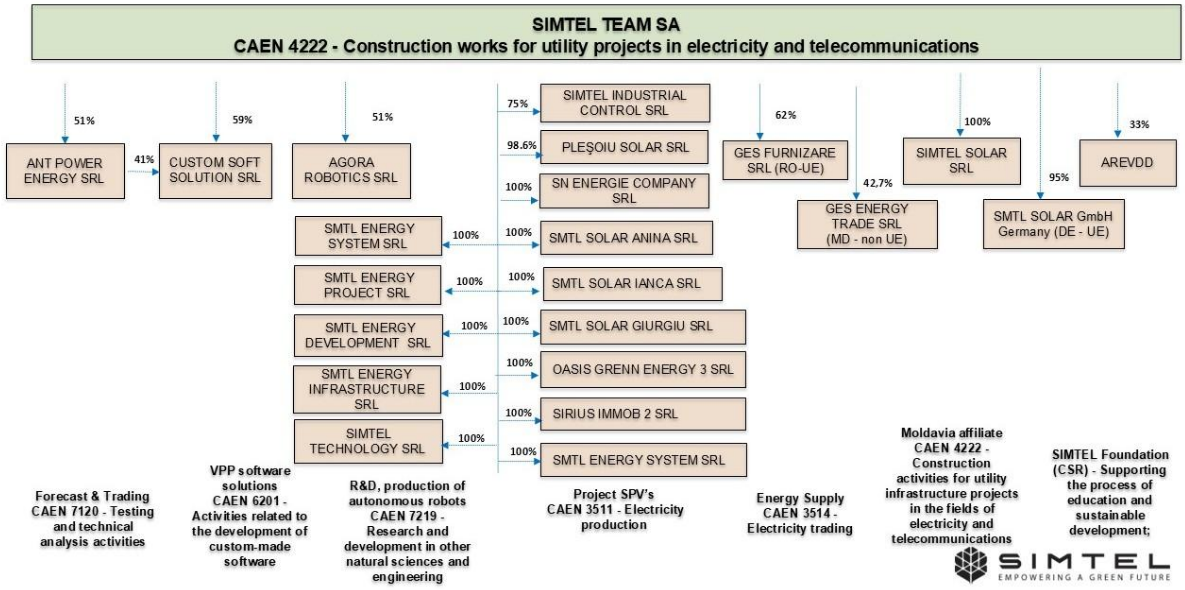
No.	Company	Simtel ownership
1	ANT Power Energy SRL	51%
2	Simtel Solar SRL Moldova	100%
3	Agora Robotics SRL	51%
4	Custom Soft Solutions SRL	59%
5	GES Furnizare SRL	62%
6	Plesoiu Solar SRL	98.60%
7	Simtel Industrial Control SRL	75%
8	SMTL Solar Ianca SRL	100%
9	SMTL Solar Anina SRL	100%
10	SMTL Solar Giurgiu SRL	100%
11	Oasis Green Energy 3 SRL	100%
12	Sirius Immob 2 SRL	100%
13	SN Energie Company SRL	100%
14	SMTL Energy Infrastructure SRL	100%
15	SMTL Energy Project SRL	100%
16	SMTL Energy System SRL	100%
17	SMTL Energy Development SRL	100%
18	SIMTEL Technology SRL	100%
19	SMTL SOLAR GmbH Germany	95%
20	GES Trade SRL Moldova	42.70%
21	Asociația Română pentru Energie Verde și Dezvoltare Durabilă	33%

EMPLOYEES

At the end of 2024, Simtel had an average of 131 employees on an individual basis, compared to 119 at the end of 2023. As an engineering-focused company, it is important to note that approximately 62% of employees have a technical background, i.e., are engineers, and around 75% of employees hold higher education degrees, while 25% have completed secondary education but are well-trained technicians. The Company's employees are not unionized. They regularly participate in specialized training courses provided by the Company to support their personal and professional development.

On a consolidated basis, as of December 31, 2024, Simtel had a total of 173 employees, compared to 149 at the end of 2023.

The organizational chart of the Simtel Team Group is presented below:



BOARD OF DIRECTORS AND EXECUTIVE TEAM

The Company is managed by a Board of Directors composed of five members appointed by the Ordinary General Meeting of Shareholders for a four-year term, starting on April 25, 2023. The executive leadership is ensured by Mihai Tudor (CEO).

Iulian Nedea, Chairman of the Board of Directors, Non-Executive Member / Co-Founder

Iulian Nedea, Co-Founder and Chairman of the Board of Directors, graduated from the Faculty of Electronics, Telecommunications and Information Technology at the Politehnica University of Bucharest, holding a degree in Electronics and Telecommunications Engineering. Immediately after graduation in 2000, Iulian founded Simtel Center SRL together with Sergiu Bazarciuc and Radu Vilău, and served as General Manager until 2005, when they sold the business — a mobile phone service company that, over five years of operation, served more than 6,000 individual clients and companies such as Media Com 95 (60 stores in Romania), DHL, Orange, and Pepsi.

After selling Simtel Center, Iulian served as General Manager at Eurocom Center, a telecommunications company also founded by the three partners, a position he held until April 2010. From 2010 to 2023, Iulian was the CEO of Simtel Team S.A., responsible for managing the company, defining its vision and strategy, and achieving the organization's short, medium, and long-term objectives.

Shareholding: Iulian Nedea holds 21.3286% of Simtel Team S.A.'s share capital.

Remuneration in 2024:

- Gross monthly remuneration: 43.125 lei.
- Other benefits: Company car.

Additional information, in accordance with legal regulations:

- Currently, Iulian is an active partner/shareholder in: Simtel Team S.A., Eurocom Center S.R.L.
- In the last 5 years, Iulian has not been prohibited by any court from serving as a board member or supervisor of a company.

- In the last 5 years, there have been no insolvency, liquidation, bankruptcy, or special administration cases involving companies where Iulian served as board member or supervisor.
- Iulian has no professional activity that competes with the issuer and is not part of any agreement, arrangement, or family relationship due to which he would have been appointed as a director.

Mihai Tudor, Executive Member and CEO

Mihai Tudor has been CEO of Simtel since June 2023. He is an executive with 20 years of experience in management, team leadership and growth, resource planning, career development, recruitment, and key personnel selection. Mihai's career is closely tied to Orange Romania, where he joined the organization after graduating from Politehnica University of Bucharest. At Orange Romania, he held various roles, his last position before joining Simtel being Director of Strategy, Business Development & Program Management. As CEO of Simtel Team, Mihai is responsible for company management and the achievement of the organization's medium- and long-term objectives.

Shareholding: Mihai Tudor holds 0.1260% of Simtel Team S.A.'s share capital.

Remuneration in 2024:

- Gross monthly remuneration: 16.675 lei.
- Other benefits: Company car.

Additional information, in accordance with legal regulations:

- Currently, Mihai is an active partner/shareholder in: GES Furnizare SRL and GES Trade Energy S.R.L.
- In the last 5 years, Mihai has not been prohibited by any court from serving as a board member or supervisor of a company.
- In the last 5 years, there have been no insolvency, liquidation, bankruptcy, or special administration cases involving companies where Mihai served as board member or supervisor.
- Mihai has no professional activity that competes with the issuer and is not part of any agreement, arrangement, or family relationship due to which he would have been appointed as a director.

Sergiu Bazarciuc, Non-Executive Member / Co-Founder

Sergiu Bazarciuc, Co-Founder, graduated from the Faculty of Electronics, Telecommunications and Information Technology at the Politehnica University of Bucharest, holding a degree in Electronics and Telecommunications Engineering. He began his career in 2000 as a Telecom Engineer – Project Manager at Simtel Center SRL. Between 2010 and 2023, Sergiu served as Chief Operating Officer (COO) of Simtel Team S.A., overseeing the coordination, organization, guidance, and control of the company's day-to-day operations.

Shareholding: Sergiu Bazarciuc holds 21.1068% of Simtel Team S.A.'s share capital.

Remuneration in 2024:

- Gross monthly remuneration: 43.125 lei.
- Other benefits: Company car.

Additional information, in accordance with legal regulations:

- Currently, Sergiu is an active partner/shareholder in: SIMTEL TEAM S.A., SMTL Solar Bughea S.R.L.
- In the last 5 years, Sergiu has not been prohibited by any court from serving as a board member or supervisor of a company.
- In the last 5 years, there have been no insolvency, liquidation, bankruptcy, or special administration cases involving companies where Sergiu served as board member or supervisor.
- Sergiu has no professional activity that competes with the issuer and is not part of any agreement, arrangement, or family relationship due to which he would have been appointed as a director.

Radu Vilau, Non-Executive Member / Co-Founder

Radu Vilău, Co-Founder, graduated from the Faculty of Electronics, Telecommunications and Information Technology at the Politehnica University of Bucharest, holding a degree in Electronics and Telecommunications Engineering. Radu began his professional career in 1997 as a Technician at Euronet SRL. In 2000, together with Iulian and Sergiu, he founded Simtel Center SRL, where he worked as Telecom Engineer and Project Manager. Between 2010 and 2023, Radu served as Chief Technology Officer (CTO) of Simtel Team, being responsible for the organization of the technical department and the development of technological modernization programs.

Shareholding: Radu Vilău holds 21.0816% of Simtel Team S.A.'s share capital.

Remuneration in 2024:

- Gross monthly remuneration: 43.125 lei.
- Other benefits: Company car.

Additional information, in accordance with legal regulations:

- Currently, Radu is an active partner/shareholder in: Simtel Team S.A., Pleşoiu Solar S.R.L., Ravilate S.R.L.
- In the last 5 years, Radu has not been prohibited by any court from serving as a board member or supervisor of a company.
- In the last 5 years, there have been no insolvency, liquidation, bankruptcy, or special administration cases involving companies where Radu served as board member or supervisor.
- Radu has no professional activity that competes with the issuer and is not part of any agreement, arrangement, or family relationship due to which he would have been appointed as a director.

Adrian Netea, Non-Executive and Independent Member

Adrian Netea is an investment professional with 13 years of experience in corporate finance, private equity, company valuation, expansion strategy development, and business planning. He is currently Investment Director at Morphosis Capital, a private equity fund with subscribed capital of over EUR 100 million.

Shareholding: Adrian Netea holds **0.0545%** of Simtel Team S.A.'s share capital.

Remuneration in 2024:

- Gross monthly remuneration: 16.675 lei.
- Other benefits: N/A.

Additional information, in accordance with legal regulations:

- In the last 5 years, Adrian has not been prohibited by any court from serving as a board member or supervisor of a company.
- In the last 5 years, there have been no insolvency, liquidation, bankruptcy, or special administration cases involving companies where Adrian served as board member or supervisor.
- Adrian has no professional activity that competes with the issuer and is not part of any agreement, arrangement, or family relationship due to which he would have been appointed as a director.

In 2024, the Board of Directors was evaluated by its Chairman. The conclusion of the evaluation was that all members fulfilled their duties in accordance with the provisions of the Company's Articles of Association and applicable legal regulations.

Over the past year, the Board of Directors held 24 meetings.

SMTL SHARES ON THE BUCHAREST STOCK EXCHANGE

Simtel Team (SMTL) shares were admitted to trading on the SMT segment of the Bucharest Stock Exchange on July 1, 2021.

Prior to the listing, during the private placement concluded on May 27, 2021, a total of 1,055,000 shares, representing 15% of the Company's share capital, were sold to investors at a price of 13 lei per share. The placement attracted 154 individual and professional investors. The offering closed early on the first day due to an oversubscription of 3.15 times, with total orders amounting to 43.15 million lei.

Following the completion of the private placement, Pavăl Holding SRL acquired 352,750 existing shares in Simtel Team from the three founders — Iulian Nedea, Sergiu Bazarciuc, and Radu Vilău — at the same price as the private placement.

As of August 12, 2024, Simtel Team S.A. shares are traded on the Main Market of the Bucharest Stock Exchange.

Between January 1, 2024 and December 31, 2024, investors traded SMTL shares totaling approximately 100.3 million lei, with an average daily trading value of around 0.4 million lei. SMTL shares were the most traded shares on the AeRO market in 2024, a remarkable performance considering that they were listed on this market for only eight months (January–August 2024).

As of December 31, 2024, the Company's shareholding structure was as follows:

Shareholder	No. of shares	Percentage
Iulian Nedea	1,688,941	21.3286%
Sergiu Eugen Bazarciuc	1,671,375	21.1068%
Radu Laurențiu Vilău	1,669,375	21.0816%
Individual	1,626,661	25.2894 %
Legal persons	886,379	11.1936 %

TOTAL	**7,918,650**	**100%**

In 2024, Simtel Team S.A. did not carry out any share buyback operations. None of the affiliated companies or subsidiaries of Simtel Team S.A. hold any shares issued by Simtel Team S.A. The issuer has not issued bonds or any other debt securities.

DIVIDEND POLICY

The Company's Board of Directors outlines the following key principles regarding its dividend policy:

- The issuer acknowledges shareholders' rights to be remunerated through dividends, as a form of participation in the net profits generated from operations and as recognition of the capital invested in the Company.
- As a growth company with significant development potential, the issuer's management aims to reinvest capital increases and profits into investments, including M&A and operational support for organic growth. This approach considers both the high growth potential, which requires careful cash flow management, and the substantial financing costs.
- Depending on the investment needs in a given year and the financial results generated by the issuer, the Board of Directors reserves the right to propose the distribution of cash dividends to shareholders.
- In the event of dividend distribution—whether in the form of bonus shares or cash—the decision, including the distribution rate, will be communicated by the Board of Directors through financial statements or official releases to investors.

The final decision regarding the approval of dividend distribution lies with the General Meeting of Shareholders, adopted in accordance with legal provisions.

Any change to the Company's dividend policy will be communicated to investors in a timely manner. This policy will be reviewed by the issuer's Board of Directors whenever new relevant information arises regarding dividend distribution. The policy is available on the Company's official website, in the investors section: https://www.simtel.ro/investitori

In the past 3 years, the Company has distributed dividends to its shareholders. Details regarding the profit distribution methods are presented below:

- **2022**: No dividends were distributed.
- **2023**: Cash dividends totaling 2 million lei (gross) were distributed for the 2022 financial year, representing a gross dividend per share of 0.26 lei.
- **2024**: No dividends were distributed.

Proposed profit distribution

According to the convening notice published by the Company, it proposes to the shareholders the approval of the allocation of the net profit for the 2024 financial year, in the amount of 32,277,125.64 lei, as follows:

- Legal reserves – 1,231 lei
- Undistributed retained earnings – 32,275,894.64 lei

The proposed allocation of the net profit for the 2024 financial year will be submitted for approval by the shareholders during the Annual General Meeting of Shareholders scheduled for April 24, 2025.

2024 KEY EVENTS

OBTAINING LICENSE FROM ANRE

On **January 11, 2024**, the Company informed investors about the fact that on January 10, GES Furnizare SRL, an entity in which the Company holds a 62% stake, obtained from the National Energy Regulatory Authority (ANRE) the energy supply license, valid until January 10, 2029. Following the granting of the license by ANRE, GES Furnizare SRL will be able to conclude the first contracts with the beneficiaries, the existence of an energy supply license being a prerequisite for signing such of contracts. By obtaining the energy supplier license, the Company consolidates its position as a market leader, offering its clients a complete package of integrated products and services.

More information **HERE.**

On **March 12, 2024**, the Company informed investors about the conclusion of the first three contracts for the supply of energy to customers in various fields, such as the production of plastics, retail and operation of logistics spaces. The contracts were concluded for a standard period of 12 months, during which GES will supply its customers with energy in the amount of approximately 30 GWh.

More information **HERE**.

APPOINTMENTS OF MANAGERS

On **January 18, 2024**, the Company informed the shareholders about the consolidation of its operational, sales and marketing departments. In addition, the Company promoted Ana Nedea to Strategy and Business Development Director and PMO, while Alina Vilau took over the Innovation and Digitalization Director position.

More information **HERE.**

CONVENING AND DECISIONS OF THE ORDINARY (OGMS) AND EXTRAORDINARY (EGMS) GENERAL MEETINGS OF SHAREHOLDERS DATED 29.02.2024

On **January 23, 2024**, the Company informed the market about the Decision of the Company's Board of Directors to Convene the Ordinary General Meeting of Shareholders (OGMS) and the Extraordinary General Meeting of Shareholders (EGMS) of the Company, which took place on **February 29, 2024**. Among the approved items on the agenda are the following:

- Approval of the appointment of a new external financial auditor of the Company (Baker Tilly Klitou and Partners SRL) for the audits of the financial statements related to the fiscal years 2023 and 2024;
- Approval of the amendment of the Company's Remuneration Policy in the sense of the amendments to the remuneration limits of the members of the Board of Directors for the financial year related to the year 2024 as follows:
    - The remuneration of each member of the Board of Directors - executive director - at the level of 16,675 lei (gross) per month;
    - The remuneration of each member of the Board of Directors - non-executive director and founder of the Company - at the level of 43,125 lei (gross) per month; and
    - The remuneration of each member of the Board of Directors - non-executive director who is not the founder of the Company - at the level of 16,675 lei (gross) per month;

- Approval of the multi-year incentive plan for key employees within the Company, for the period 2024-2025, by offering options to receive free of charge a number of shares issued by the Company, representing maximum 2% of the total number of applicable Company shares at the beginning of each plan year – Stock Option Plan – (the "Plan"), subject to the fulfillment of individual performance conditions and a general condition of a concrete increase in the annual turnover, in the form presented in the EGMS.

More information **HERE**, **HERE** and **HERE**.

ACQUISITION OF A PROJECT COMPANY

On **March 4, 2024**, the Company informed the shareholders about the entire acquisition of OASIS GREEN ENERGY 3 S.R.L., a company developing a photovoltaic project with an installed capacity of 5.35 MWp DC.

Through the transaction, the Company acquired a "ready to build" project, with a planned installed capacity of 5.35 MWp DC, on a 69,800 sq m plot of land located in Salonta, Bihor County.

More information **HERE**.

CONVENING AND DECISIONS OF THE ORDINARY (OGMS) AND EXTRAORDINARY (EGMS) GENERAL MEETINGS OF THE SHAREHOLDERS DATED 25.04.2024

On **March 21, 2024**, the Company informed the market about the Decision of the Company's Board of Directors to convene the Ordinary General Meeting of Shareholders (OGMS) and the Extraordinary General Meeting of Shareholders (EGMS) of the Company, which took place on **April 25, 2024**. Among the items approved on the agenda are the follwing:

- Approval of the financial statements for the financial year ending on December 31, 2023 and establishing the method of distribution of the net profit for the year 2023;
- Approval of the Regulation on the organization and operation of the General Meetings of the Company's Shareholders;
- Approval of the admission to trading of the Company's shares on the regulated market administered by Bursa de Valori București S.A., Standard category;
- Approval of the amendment of the Company's articles of incorporation in view of its compliance with the legal provisions applicable to entities listed on the regulated market of the Bucharest Stock Exchange.

More information **HERE**, **HERE** and **HERE**.

OBTAINING A NON-REFUNDABLE FINANCING UNDER THE NATIONAL RECOVERY AND RESILIENCE PLAN

On **March 25, 2024**, the Company informed the shareholders about obtaining a non-refundable financing, within the National Recovery and Resilience Plan, in the amount of approximately 60.6 million lei (approximately 12 million euros; without VAT) for the construction of the photovoltaic power plant from Giurgiu. The rest of the necessary financing is provided by the Company from its own funds and bank financing.

More information **HERE**.

REVENUE AND EXPENDITURE BUDGET 2024

On **March 26, 2024**, the Company informed the shareholders about the availability of the Revenue and Expenditure Budget for the fiscal year 2024, at the consolidated level. The Budget was approved by the Ordinary General Meeting of Shareholders on April 25, 2024.

More information **HERE**.

SIGNING OF A SIGNIFICANT CONTRACT

On **April 11, 2024**, the Company informed the shareholders about the signing of a significant contract with an electricity producer, with the object of design, engineering, purchase, execution, commissioning, technical operation and maintenance, of a photovoltaic power plant located in Satu Mare, with an estimated capacity of approximately 27 MWp. The contract will involve all aspects of the plant's design and construction, as well as ensuring its optimal long-term operation.

The total value of the contract is 19,263,330 euros (without VAT).

More information **HERE**.

PUBLICATION OF THE AUDITED FINANCIAL RESULTS FOR THE YEARS 2021-2023 ACCORDING TO IFRS

On **May 14, 2024**, the Company informed shareholders about the availability of the Company's audited financial results, prepared in accordance with International Financial Reporting Standards (IFRS), for the years 2021, 2022 and 2023. The complete set of financial statements, which contains the audited financial results republished together with the audit report issued by Baker Tilly Klitou and Partners S.R.L, can be downloaded from the Company's website, Investors section, Main Market subsection.

The preparation of audited financial results, for the last three years, in accordance with IFRS, represented one of the main stages to be achieved, before the formal start of the transfer process to the Main Market.

More information **HERE**.

SIMTEL INVESTOR'S DAY

On **June 13, 2024**, the Company organized the first edition of the SIMTEL Investor Day event. During the event, the Company's management presented the business evolution and future plans and answered the investors' questions. The recording of the event is available **HERE** .

INDUSTRIAL ROBOT LAUNCH BY AGORA ROBOTICS

On **June 21, 2024** , the Company informed the market that on June 19, 2024, Agora Robotics SRL, an entity in which the Company owns 51% of the share capital, launched the commercial version of Sweep, the first industrial autonomous robot developed and produced in Romania. Sweep is an industrial robot intended for cleaning hard floors with applicability in warehouses, factories, hotels, commercial spaces, railway stations, airports, hospitals, etc. In Romania, the estimated area of these spaces exceeds 16 million square meters.

More information **HERE**.

PROSPECTUS FOR ADMISSION TO TRADING ON THE REGULATED MARKET

On **July 10, 2024**, the Company informed the shareholders that in the meeting of July 10, 2024, the Council of the Financial Supervisory Authority ("ASF") approved the Company's Prospectus for admission to trading on the Regulated Market administered by the Bucharest Stock Exchange. Later, on July 12, 2024, the Company published the Prospectus, as it was approved by the ASF.

The Company's shares are traded on the Main Market of the Bucharest Stock Exchange as of August 12, 2024.

More information **HERE** and **HERE** .

SIGNING OF A SIGNIFICANT CONTRACT

On **July 23, 2024**, the Company informed the market about the signing of a significant contract, in the total amount of 66,540,264.33 lei (without VAT) with a company active in the metallurgical industry, with the object of design, engineering, procurement , execution, commissioning of a photovoltaic power plant located in Călărași county.

More information **HERE.**

DECISION TO INCREASE THE SHARE CAPITAL

On **July 29, 2024**, the Company informed the market that, following the meeting on July 26, 2024, the Board of Directors decided to increase the Company's share capital, in accordance with the decisions of the Extraordinary General Meetings of the Company's Shareholders dated of 28.12.2021 and 25.04.2023. The increase of the share capital by the amount of 6,155.4 lei, by issuing 30,777 new shares, with a nominal value of 0.2 lei per share and a total nominal value of 6,155.4 lei is carried out in order to compensate certain, liquid and payable claims held against the Company by the beneficiaries of share allocation plans approved at the level of the Company.

More information **HERE** .

SIGNING OF A PPA (POWER PURCHASE AGREEMENT) CONTRACT

On **August 5, 2024**, the Company informed the market that, following the completion of the Salonta photovoltaic plant, the Company signed a PPA (Power Purchase Agreement) contract with GES Furnizare SRL ("GES"). GES is part of the Simtel group, the Company holding a 62% stake in it, and its activity is the supply of electricity.

More information **HERE** .

CONVENING OF OGMS AND EGMS ON 26/27 SEPTEMBER 2024

On **August 21, 2024**, the Company informed the market that, on August 21, 2024, the Company's Board of Directors decided to convene the Ordinary General Meeting of Shareholders (OGMS) and the Extraordinary General Meeting of Shareholders (EGMS) of the Company for September 26, 2024 (first convocation), respectively September 27, 2024 (second convocation), if the attendance quorum for the first meeting is not met. Items on the agenda include:

- Approval of the consolidated annual financial statements for the financial year ended December 31, 2023
- Approval of the delegation and authorization of the Board of Directors to decide, for one or more operations to increase the share capital with a number of shares issued by the Company whose nominal value does not exceed for each increase operation 2% of the share capital of the Company valid at the beginning of each calendar year, carried out for the implementation of multi-year employee incentive plans within the Company (SOP).

More information **HERE** .

REGISTRATION OF THE SHARE CAPITAL INCREASE OPERATION AT ONRC

On **August 22, 2024**, the Company informed the market about the registration, on August 21, 2024, of the capital increase at the National Trade Registry Office (ONRC). The share capital increase was carried out in accordance with the Decision of the Board of Directors no. 29/26.07.2024. Following the registration with ONRC, the new subscribed and paid-up share capital of the Company is 1,583,730 lei, divided into 7,918,650 ordinary shares with a nominal value of 0.2 lei each.

More information **HERE** .

OGMS & EGMS CONVOCATION FROM SEPTEMBER 26, 2024

On **September 26, 2024**, the Ordinary General Meeting of Shareholders (OGMS) and the Extraordinary General Meeting of Shareholders (EGMS) of the Company took place. Among the approved items on the agenda were:

- Approval of the consolidated annual financial statements for the financial year ended December 31, 2023
- Approval of the delegation and authorization of the BoD to decide, for one or more operations to increase the share capital with a number of shares issued by the Company whose nominal value does not exceed for each increase operation 2% of the share capital of the Company valid at the beginning of each calendar year, carried out for the implementation of the multi-annual employee incentive plans within the Company (SOP).

More information **HERE** .

SIGNING A STRATEGIC PARTNERSHIP WITH PRIME BATTERIES TECHNOLOGY

On **September 17, 2024**, the Company announced the signing of a strategic partnership with PRIME Batteries Technology, one of the most important producers of energy storage solutions in the European Union and the only producer of batteries in Romania, for the development of advanced technologies in the field of energy renewable. The partnership aims to increase energy efficiency, reduce costs and accelerate the implementation of sustainable projects, both in Romania and in Europe. The first innovative project carried out jointly and from own sources by the two Romanian companies is an energy storage system powered by energy from photovoltaic panels at the Prodromu Romanian Skete, located on Mount Athos, Greece.

More information **HERE** .

SIGNING OF STRATEGIC PARTNERSHIP WITH MONSSON

On **September 26, 2024**, the Company announced the signing of a strategic partnership with Monsson, the largest developer of renewable energy projects in Romania and South-East Europe, aimed at the development, construction and sale of photovoltaic and/or mixed projects with a total installed capacity of approximately 150 MWp. In addition, the partnership also aims to develop electricity storage solutions with a capacity of up to 120 MWh.

More information **HERE**

REPORT ON LEGAL ACTS AND TRANSACTIONS CARRIED OUT BY THE COMPANIES FROM THE GROUP WITH RELATED PARTIES DURING THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

On **October 30, 2024**, the Company informed all interested parties about the publishing of the report on legal acts and transactions carried out with related parties by the companies from the group during the nine-month period ended September 30, 2024.

More information **HERE** .

ISSUANCE OF CIIF BY ASF

On **November 20, 2024**, the Company informed investors about the issuance of the Financial Instruments Registration Certificate (CIIF) by the Financial Supervisory Authority. The CIIF certifies the registration of the capital increase operation with 30,777 new shares issued in accordance with the Company's Board of Directors Decision No. 29/26.07.2024.

More information **HERE** and **HERE**.

LAUNCH OF A NEW BUSINESS LINE

On **November 27, 2024**, the Company informed all interested parties about the launch of a new business line dedicated to energy storage systems, offering complete solutions for consulting, EPC (Engineering, Procurement and Construction), commercial operation, service, and maintenance.

The BESS (Battery Energy Storage Systems) that underpin these solutions use rechargeable batteries to store energy produced from renewable sources and to use it according to consumers' requirements.

More information **HERE**.

OBTAINING A LICENSE FROM ANRE

On **December 5, 2024**, the Company informed investors that GES Furnizare SRL, an entity in which the Company holds a 62% stake, obtained a natural gas supply license from the National Energy Regulatory Authority (ANRE), valid for a period of 5 years.

More information **HERE**.

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ON 27.12.2024

On **December 27, 2024**, the Company's Extraordinary General Meeting of Shareholders was held, during which the following were approved:

(i) The arrangement of one or more investment loans, with an aggregate value of up to 20 million euros, along with the associated guarantees required for the Giurgiu Photovoltaic Park;

(ii) The implementation of a share buyback program, representing up to 5% of the Company's share capital as of the date of the EGM, aimed at executing the SOP programs at the Company level, as well as a potential reduction of its share capital.

More information **HERE**.

FINANCIAL RESULTS ANALYSIS

CONSOLIDATED P&L ANALYSIS

The consolidated financial results of Simtel Team for 2024 include the performance recorded by Simtel Team S.A. and the group companies, namely: ANT Power Energy SRL (51%), Simtel Solar SRL Moldova (100%), Agora Robotics SRL (51%), Custom Soft Solutions SRL (59% – with ANT Power Energy SRL holding the remaining 41%), GES Furnizare SRL (62%), Pleșoiu Solar SRL (98.60%), Simtel Industrial Control SRL (75%), SMTL Solar Ianca SRL (100%), SMTL Solar Anina SRL (100%), SMTL Solar Giurgiu SRL (100%), Oasis Green Energy 3 SRL (100%), Sirius Immob 2 SRL (100%), SN Energie Company SRL (100%), SMTL Energy Infrastructure SRL (100%), SMTL Energy Project SRL (100%), SMTL Energy System SRL (100%), SMTL Energy Development SRL (100%), SIMTEL Technology SRL (100%), SMTL SOLAR GmbH Germany (95%), and Ges Trade SRL Moldova (42.7%).

In 2024, Simtel Team recorded consolidated operating revenues of 360,2 million lei, an increase of 20% compared to 2023. Of these revenues, the consolidated turnover for 2024 amounted to 354,3 million lei, reflecting an increase of 19% compared to the previous year.

Regarding the operating revenues generated by the group companies in 2024, Simtel Team S.A. generated operating revenues of 275,2 million lei, GES Furnizare SRL – 64.7 million lei (a remarkable performance, considering that this is the company's first year of operation), Simtel Moldova SRL – 8.2 million lei, and ANT Power Energy SRL – 9.1 million lei. For the other entities, which mainly represent photovoltaic parks under development as well as Agora Robotics SRL and Custom Software Solutions SRL, no significant revenues were recorded.

The other operating revenues category at the consolidated level recorded an increase of 181%, reaching 1.4 million lei; these were largely generated by revenues from auto insurance compensations, a subsidy obtained for the purchase of logistic equipment, and recognized in correlation with the depreciation cost of such equipment.

Consolidated operating expenses reached 312 million lei in 2024, an increase of 18% compared to the previous year. The main component was the expenses for raw materials, consumables, and merchandise, which amounted to 180,2 million lei—reflecting a 2% decrease compared to 2023. This category includes the cost of materials put into operation in the sold photovoltaic projects (138.9 million lei), the cost of energy sold by GES Furnizare SRL (38.9 million lei), and the cost of other auxiliary materials and inventory items (2.2 million lei).

The "other operating expenses" category reached 91.6 million lei, an increase of 59% compared to 2023. These represent operational costs related to the need for a larger workspace, an increased requirement for collaborators (covering both the operational and administrative aspects of the business, such as legal and accounting services), transportation, travel, and insurance.

Personnel expenses increased by 63%, reaching 33 million lei in 2024. This growth was driven by several factors, including the increase in the number of employees—Simtel Team S.A.'s effective headcount rose from 119 in 2023 to 131 in 2024, while on a consolidated basis, the number of employees increased from 149 in 2023 to 173 by the end of 2024—as well as legislative changes that partially eliminated incentives for the construction sector, necessitating an increase in gross salaries to maintain the same net salary levels for affected employees, alongside wage increases in line with inflation and socio-economic developments.

The employee benefits expenses, which increased by 115% compared to the previous year to reach 1.6 million lei, represent the costs associated with the SOP program approved at the Company level.

Depreciation expenses and impairment adjustments increased by 77%, reaching 4.8 million lei, as a result of increased investments in fixed assets and software programs necessary for business development, as well as the expansion of the vehicle fleet in correlation with the increase in the number of operational staff.

The Company concluded 2024 with an operating result of 48,2 million lei at the consolidated level, an increase of 38% compared to 2023. Financial revenues increased by 39% to 2,2 million lei, while financial expenses increased by 15%, reaching 5.7 million lei.

The increase in financial expenses was driven by higher interest expenses compared to 2023, in correlation with the increased need for financing for the company's large projects—which include higher-value acquisitions and varying billing and collection durations for implementation stages. As a result, the financial outcome was negative, with a financial loss of 3,5 million lei in 2024 compared to a loss of 3.4 million lei recorded in 2023. The financial result reflects the impact of rising interest expenses, correlated with the increased financing obtained (the interest related to projects under implementation being capitalized). Dividends are also excluded from the financial result.

Therefore, at the consolidated level, Simtel Team concluded 2024 with a gross result of 44,7 million lei, an increase of 41% compared to the previous year. The profit tax amounted to 7.9 million lei in 2024. Consequently, the Company closed 2024 with a consolidated net profit of 36,8 million lei, an increase of 36% compared to 2023.

CONSOLIDATED PROFIT AND LOSS ACCOUNT INDICATORS (LEI)	2024	2023	Δ %
Operating revenue	360.215.907	300.582.206	20%
Operating expenses	(312.009.668)	(265.523.900)	18%
Operating result	48.206.239	35.058.306	38%
Financial result	(3.494.179)	(3.381.965)	3%
Gross result	44.712.060	31.676.341	41%
Net result	**36.824.538**	**27.106.685**	**36%**

INDIVIDUAL P&L ANALYSIS

In 2024, Simtel Team S.A. recorded operating revenues at the individual level of 275.2 million lei, representing a 5% decrease compared to 2023, and a turnover of 273.9 million lei, down 6% year-over-year. Operating expenses amounted to 236 million lei, marking an 8% decrease from 2023. The individual operating result reached 39.2 million lei, reflecting a 16% increase, while the gross result was 38.9 million lei, up 23% compared to the previous year.

As a result, at the individual level, Simtel Team S.A. closed 2024 with a net profit of 32.3 million lei, an 18% increase compared to 2023.

INDIVIDUAL PROFIT AND LOSS ACCOUNT INDICATORS (LEI)	2024	2023	Δ %
Operating revenue	275.181.911	291.061.600	-5%
Operating expenses	(235.983.774)	(257.208.097)	-8%
Operating result	39.198.137	33.853.503	16%
Financial result	(325.939)	(2.179.352)	-85%
Gross result	38.872.198	31.674.152	23%
Net result	**32.277.126**	**27.444.718**	**18%**

KEY CLIENTS

Simtel has a diversified client portfolio, as it operates across three different but interconnected business lines. Over the past three years, the Company has worked with an average of approximately 247 clients; in 2024, Simtel had 79 clients, in 2023 – 352 clients, and in 2022 – 310 clients. In recent years, the top 10 clients have varied; however, historically, Simtel has experienced a certain degree of revenue concentration from key clients. This concentration became more visible starting in 2019, when the share of revenue from green energy projects increased due to partnerships with major Romanian retailers such as Dedeman and REWE (Penny Market). In 2024, the top 5 clients generated approximately 48% of the Company's total revenues

Client	% of turnover	Business line
Client 1	18%	Energy
Client 2	10%	Energy
Client 3	8%	Energy
Client 4	7%	Energy
Client 5	5%	Energy

KEY OPERATING INDICATORS

Telecommunications Engineering

Below are the telecommunications projects delivered by Simtel in 2024, categorized by project type:

Project type	2022	2023	2024
Permitting	51	65	11
New site installations	67	42	6
Site reconfigurations	45	94	99
Design	94	45	71
Data links – microwave	10	31	13
Fiber optics (km)	530	925	0
Other types of works (routers, switches, civil and electrical works)	121	115	47

Renewable Energy Engineering – Photovoltaic Power Plants

The key performance indicators tracked by the Company for this business line include the number of new photovoltaic power plants commissioned, total maintenance (in MWp), and maintenance services for international photovoltaic projects.

Project type	2022	2023	2024
New photovoltaic power plants MWp (Capacities Under Implementation)	44	86	145
Total maintenance (MWp)	220	355	455
Maintenance for international photovoltaic projects (projects/year)	35	55	35

CONSOLIDATED BALANCE SHEET ANALYSIS

Fixed assets increased by 224% in 2024, reaching 129,3 million lei compared to December 31, 2023. This position is mainly composed of tangible fixed assets, which increased by 342% to 95 million lei. The growth was primarily driven by the development of photovoltaic power plants at the subsidiary level: Pleșoiu – an expansion of 0.7 MWp, Salonta – implementation of 5.35 MWp, and Iacobeni – implementation of 5.38 MWp. The Salonta and Iacobeni plants have been completed, and the invoicing tranches are reflected at the subsidiary level as work in progress investments. Additionally, at the consolidated level, project margins were excluded. The category of fixed assets also includes the development costs for the in-house Giurgiu project, recorded under tangible fixed assets under construction.

The company's main tangible fixed assets, besides those mentioned above, include: the lands in Giurgiu, Ianca, and Anina (acquired for the development of photovoltaic projects); the 1 MW photovoltaic power plant in Pleșoiu; the commercial space purchased in 2018 and used for leasing; as well as transport vehicles, and office furniture and equipment, in line with the growth of the operational team.

Intangible assets increased by 118% compared to the end of 2023, reaching 8 million lei. The main component driving this growth comes from the development expenses recorded by Agora Robotics SRL.

Other non-current assets increased by 128% compared to the end of the previous year, reaching 16.4 million lei. This growth is attributable to additional guarantees provided by the Company for the photovoltaic projects that are either installed or under installation, or guarantees issued for the issuance of ATRs for photovoltaic projects. These guarantees take the form of bank guarantee letters, collateral deposits, or amounts paid as deposits.

Current assets increased by 34% compared to December 31, 2023, reaching 213.5 million lei, driven by a 46% increase in trade receivables, up to 79.8 million lei, which represent amounts owed by customers.

Inventories increased by 20% compared to the end of the previous year, reaching 95.1 million lei. This growth is in line with implementation capacities, with 53% of the inventory value located at construction sites or in the process of being supplied for ongoing projects. A significant portion of the large projects will be completed in Q1 2025, at which point inventory unloading will occur. Additionally, the materials purchased for constructing the Giurgiu photovoltaic power plant are reflected in the inventories on site; these costs will be converted into work in progress investments upon commissioning.

Cash and cash equivalents increased by 91% compared to the end of 2023, reaching 30.3 million lei. This balance sheet position is influenced by the varying timings at which the company procures supplies or collects invoiced tranches from projects in progress, as well as by different collection/payment terms.

Total liabilities increased by 89%, reaching 225.3 million lei.

Within this category, current liabilities increased by 68% compared to December 31, 2023, reaching 178.9 million lei. This category is composed of trade payables, which increased by 215% compared to the end of 2023, reaching 125.8 million lei. This increase is consistent with the need for materials for ongoing projects, and the balance reflects the value of materials that are in the process of being supplied or have been supplied and are due for payment at maturity.

Short-term bank liabilities, comprising short-term bank loans and overdrafts, decreased by 35%, reaching 29.2 million lei. This decrease is due to the coverage of current financing line utilizations in Q4 2024 from cash inflows related to completed projects.

Short-term bank financing for inventories was utilized at 44% at the end of 2024 compared to 78% at the end of 2023, as a result of the expenses incurred by the company for the development of photovoltaic projects until bank financing was obtained—particularly expenses for the purchase of materials. Furthermore, until dedicated financing for the projects developed by the company is secured, the company uses internal resources to initiate their implementation. Thus, the Salonta (Oasis Energy 3 SRL), Iacobeni (Sirius Immob 2 SRL), and Pleșoiu (Pleșoiu Solar SRL) projects were partially financed from own sources, with the company subsequently obtaining bank financing/refinancing for these projects. This category also includes the working capital loan obtained by GES Furnizare SRL.

The short-term financial leasing category increased by 68%, reaching 2.5 million lei, due to an increase in the number of vehicles acquired through financial leasing compared to the previous period. Other short-term liabilities increased by 6%, reaching 20.4 million lei, representing salaries and taxes due at the end of 2024.

Long-term liabilities increased by 263% compared to December 31, 2023, reaching 46.4 million lei, of which 42.2 million lei are bank liabilities. The increase in long-term bank liabilities is driven by the investment loans obtained by project companies for the partial financing of Simtel's own developed photovoltaic power plants.

Equity increased by 48%, reaching 117.5 million lei. This growth is mainly attributable to retained earnings.

BALANCE SHEET INDICATORS AT CONSOLIDATED LEVEL (LEI)	31.12.2024	31.12.2023	Δ %
Fixed assets	129.265.782	39.891.159	224%
Current assets	213.478.770	159.056.544	34%
Total assets	**342.744.551**	**198.947.703**	**72%**
Current liabilities	178.858.973	106.514.965	68%
Non-current liabilities	46.395.387	12.795.464	263%
Equity	117.490.191	79.637.274	48%
Total equity and liabilities	**342.744.551**	**198.947.703**	**72%**

INDIVIDUAL BALANCE SHEET ANALYSIS

At the individual level, as of December 31, 2024, fixed assets amounted to 72.1 million lei, representing a 127% increase compared to the beginning of the year, while current assets reached 213.5 million lei, up 36%.

Current liabilities totaled 155.4 million lei, a 57% increase, and non-current liabilities stood at 17.4 million lei, up 65% compared to the beginning of the year. Total equity amounted to 112.5 million lei, reflecting a 43% increase.

INDIVIDUAL BALANCE SHEET INDICATORS (LEI)	31.12.2024	31.12.2023	Δ %
Fixed assets	72.136.167	31.770.383	127%
Current assets	213.511.771	156.676.962	36%
Total assets	**285.647.938**	**188.447.345**	**52%**
Current liabilities	155.401.390	99.001.096	57%
Non-current liabilities	17.749.844	10.728.069	65%
Equity	112.496.705	78.718.179	43%
Total equity and liabilities	**285.647.938**	**188.447.345**	**52%**

CORPORATE ASSETS OF THE ISSUER

At the end of 2024, the Company's main tangible fixed assets included: land plots in Giurgiu, Ianca, and Anina, a logistics facility in Băicoi, a commercial space purchased in 2018 and used for leasing, vehicles, and office furniture and equipment. Due to the nature of its business model, Simtel does not own any production facilities.

For the purpose of conducting daily operations, Simtel also owns assets such as cars, laptops, computers, mobile phones, multifunctional printers, and furniture items. All these are located at the Company's headquarters at 319L Splaiul Independenței, Brussels Office Building (Building A), Sector 6, Bucharest. The wear level of the Company's owned properties does not raise any significant concerns regarding business continuity. The Company's IT equipment shows a typical level of physical wear specific to office activity – minimal.

There are no issues related to ownership rights over the tangible assets held at the Bucharest headquarters, as all assets are fully owned by the Company and not leased. For certain vehicles, the Company has leasing contracts with local banks, with an average duration of 4 years.

OUTLOOK ON THE ISSUER'S ACTIVITY

2025 REVENUE AND EXPENSE BUDGET

In 2025, the Company aims to consolidate sustainable growth by pursuing several strategic directions. These include the continued diversification of its product and service portfolio – by expanding large-scale projects and implementing increasingly complex ones that also involve the integration of energy storage solutions, ensuring grid stability and meeting the growing demands for sustainability. The Company also aims to monetize the energy produced in its own photovoltaic parks and to increase the volumes of energy supplied through GES Furnizare.

Furthermore, the Company is focused on the internationalization of its operations by leveraging its integrated ecosystem and increasing the number of projects on external markets – particularly in Germany, where the subsidiary opened in January 2025 is expected to generate results as early as its first year of operation.

Simtel seeks to remain agile in adapting to market dynamics, as access to financing for renewable energy projects will depend on the clarity of regulations and the actual pace of implementation for support schemes, including those funded through the National Recovery and Resilience Plan (PNRR). Legislative developments, supply chain tensions, and margin pressure in EPC-type projects are factors that may significantly impact operations. In parallel, the Company identifies development opportunities arising from the growing demand for integrated solutions that combine energy efficiency, digitalization, and storage.

In this context, throughout 2025, the Company's management will continue to recalibrate its financial and operational strategies based on market dynamics, regulatory developments, and the investment appetite of its clients, with the goal of effectively managing challenges while ensuring business continuity and stability, to the benefit of its clients, investors, and team.

ESTIMATED CONSOLIDATED 2025 REVENUE AND EXPENSE BUDGET (LEI)	AMOUNT (LEI)
Revenues from services rendered	502.651.529
Total operating revenues	**502.651.529**
Expenses for materials/energy/production	306.819.603
Salary expenses	46.955.935
Other direct expenses	85.167.164
OPEX	**438.942.702**
EBITDA	**63.708.827**
Margin	**12.7%**
Depreciation expenses	4.471.280
Financial result	**(4.971.387)**
EBT	**54.266.159**
Income tax	8.645.418
Net result	**45.620.741**

KEY DEVELOPMENT DIRECTIONS OF THE COMPANY

The main business development direction is focused on intensifying activities based on the integrated one-stop-shop ecosystem, which provides the full range of services required by a client operating in the renewable energy sector, telecommunications, or industrial automation. This includes the implementation of the following actions:

- **Continuation of scaling up the design, installation, implementation, construction, maintenance division for PV projects and energy storage** through activities related to obtaining permits and approvals, designing and implementing electricity storage solutions, facilitating the financing of clients' projects through partnerships with players active in this area (banks, non-financial institutions, etc.), as well as through the possibility of offering EAAS (Energy As A Service) or PPA (Power Purchase Agreement – long-term bilateral agreement for the sale of electricity) physical local solutions - which involves offering a complete package of services to clients, including arranging project financing;
- **Development and construction of photovoltaic projects on the ground, together with electricity production.** Through this development line, the company will benefit from full development (land acquisition, project development, construction, commissioning, etc.), turnkey photovoltaic projects, and monetizing electricity production or their subsequent sale.
- **Continue to develop the sub-division of electric car charging stations** with the development of this market. In this direction, both the growth of the team and the accumulation of knowledge are considered, as well as the development of a platform for monitoring and operating charging stations for electric cars that will complete the range of services for this subdivision.
- **Completing the range of services offered with photovoltaic park operation services**, energy production/consumption prediction, energy sale for customers owning photovoltaic parks, remote measurement and control solutions, VPP (Virtual Power Plant) solutions, etc.
- **Providing electricity supply services complements** the ecosystem developed by the Company and allows existing and future customers to benefit from the best and most competitive offers in the market.

These development directions can be achieved both organically and through acquisitions, with the Company's management's strategy being the analysis of both options and timely decision-making according to the opportunities available in the market.

Regarding renewable energy market trends, renewable energy sources, including those from photovoltaic systems, are alternatives to fossil fuels that contribute to reducing greenhouse gas emissions, diversifying the energy supply, and reducing dependence on volatile markets and uncertainties of fossil fuels, especially oil and gas.

EU legislation on promoting renewable sources has evolved significantly over the last 15 years. In 2009, EU leaders set a target for 20% of the EU's energy consumption to come from renewable energy sources by 2020. In 2018, the objective was set that by 2030, 32% of the EU's energy consumption should come from renewable energy sources. In July 2021, given the EU's new climate ambitions, the co-liaisers received the proposal to revise the target to 40% by 2030. Debates are currently taking place on the future policy framework for the post-2030 period.

Therefore, the trend at the European level is to implement solutions for producing and storing renewable energy; this policy significantly influences the company's business line, which develops and builds photovoltaic systems.

In view of the above, on 14 July 2021, the Commission published a new energy legislative package entitled "Getting Ready for 55: meeting the EU's 2030 Climate Target on the Way to Climate Neutrality" as part of the European Green Pact.

Also, the Directive on energy from renewable sources proposes raising the mandatory objective regarding the share of energy from renewable sources in the EU's energy mix to 40% by 2030 (there being a proposal to increase this proportion to 45%) and new objectives at the national level, such as:

- a new benchmark to set 49% use of energy from renewable sources by 2030 for buildings;
- a new benchmark to set the annual increase in the use of energy from renewable sources for the industry at 1.1 percentage points;
- a mandatory annual increase of 1.1 percentage points in the use of renewable energy sources for heating and cooling by Member States;
- an indicative annual increase of 2.1 percentage points in using renewable energy and waste heat and cold for district heating and cooling.

Also, through the National Recovery and Resilience Plan, the Romanian Government has undertaken 6 reforms and 6 main types of investments, the total budget being 1.620 billion euros. Among these reforms, we mention: the reform of the electricity market by replacing coal in the energy mix and supporting a stimulating legislative and regulatory framework for private investments in the production of electricity from renewable sources and reducing the energy intensity of the economy by developing a sustainable mechanism to stimulate energy efficiency in industry and increasing resilience

In addition, Law no. 101/2020 amending and completing Law no. 372/2005 regarding the energy performance of buildings establishes the obligation to create an infrastructure/ensure the possibility of installing an infrastructure that allows the construction of recharging points for electric vehicles.

Also, the telecommunications and industrial automation divisions will be further developed so that they are in favorable positions to take advantage of opportunities in their markets. For example, in the telecommunications industry, it is expected that, with the allocation of 5G frequencies to mobile operators, a number of projects for the development of 5G technology will appear in the period 2022-2025.

EPC ACTIVITY STATUS

Regarding the activity of providing EPC type solutions to customers, the year 2024 reflects an evolution of the business model through the transition to large capacity projects with a different mix between solutions installed on the ground, compared to those installed on the roofs of buildings.

Thus, the average size of the projects that are in progress in 2024 is 5 times larger than that of the projects implemented during 2023, a trend that the Company also observes for the new projects that will be added to the implementation portfolio in the next period. The total capacity of projects already under implementation in 2024 is over 50% higher than the total capacity of projects that were in the process of being implemented throughout 2023.

The evolution of the business model was taken into account in the 2024 budget projection, including a phased breakdown of how revenues and expenses were reflected in the budget, assuming an increase in the second half of the year (in line with the execution charts for the new large-scale projects), which is reflected in the financial results for 2024.

STATUS OF SIMTEL PHOTOVOLTAIC PARK PROJECTS

Project	MWp	County	Estimated annual production (GWh)	Land	Technical documentation	ATR (Connection Technical Approval)	Estimated construction permit date	Construction start date	Construction progress	Estimated construction completion date
Pleșoiu Phase 1	1	Olt	2.3	Owned	Completed	Obtained	Obtained	Completed	100%	Completed
Pleșoiu Phase 2	0.7					Obtained	Obtained	Completed	100%	Completed
Anina	7	Caras-Severin	9	Owned	Completed	Obtained	**Obtained**	Q1 2025	**0% ↗ 10%**	**Q3 2025**
Ianca	7	Braila	10	Owned	Completed	Obtained	**Q1 2025**	Q1 2025	**0% ↗ 10%**	**Q3 2025**
Giurgiu	52	Giurgiu	69	Owned	Completed	Obtained	Obtained	Q2 2024	**25% ↗ 65%**	**Q2 2025**
Mangalia	2.5	Constanta	3.5	Owned	Completed	Obtained	**Q2 2025**	**Q3 2025**	0%	**Q3 2025 - Q4 2025**
Salonta	5.35	Oradea	6.42	Owned	Completed	Obtained	Obtained	Completed	100%	Completed
Iacobeni	5.38	Sibiu	7.45	Owned	Completed	Obtained	Obtained	**Completed**	**100%**	**Completed**
Movilita	**2.5**	**Vrancea**	**3.5**	**Owned**	**Completed**	**Obtained**	**Obtained**	**Q2 2025**	**0**	**Q4 2025**
Total	**83**		**111**							

In 2024, two new projects that were ready for construction, Salonta and Iacobeni, were acquired, and they were completed by the end of 2024. With the completion of the three projects—Pleșoiu, Salonta, and Iacobeni—the Company estimates that these parks will generate revenues of over 7 million lei per year.

In parallel, the Company began developing a portfolio of energy storage parks. By developing such a portfolio, Simtel consolidates its position in the renewable energy sector, with these parks representing an essential element in the transition to a sustainable and efficient energy system. Energy storage enables the balancing of the inevitable fluctuations in energy production from renewable sources, ensuring a constant and stable supply to the grid. This contributes to increased reliability of energy delivery as well as long-term cost optimization, by allowing the use of energy during periods of extremely high demand. Moreover, in the context of growing demand for energy storage solutions, this strategic step taken by Simtel opens up new development opportunities for the Group and enables the provision of a complete portfolio of integrated services, both within the Group and for its clients.

STATUS OF SIMTEL STORAGE PARK PROJECTS

Project	MWh	County	Land	Technical documentation	ATR (Connection Technical Approval)	Estimated construction permit date	Construction start date	Construction progress	Estimated construction completion date
Ianca	10	Braila	Owned	Completed	**Q2 2025**	**Q2 2025**	Q2 2025	0%	**Q4 2025**
Băicoi	6	Prahova	Owned	Completed	**Q2 2025**	**Q2 2025**	**Q2 2025**	0%	**Q4 2025**
Anina	10	Caras-Severin	Owned	Completed	Q2 2025	Q2 2025	Q2 2025	0%	**Q4 2025**
Giurgiu	100	Giurgiu	Owned	In progress	**Q3 2025**	**Q3 2025**	**Q4 2025**	0%	**Q3 2026 - Q4 2026**
Brazi	64	Prahova	Owned	In progress	**Q3 2025**	**Q3 2025**	**Q4 2025**	0%	**Q2 2026 - Q3 2026**
Total	**190**								

In the summary tables above, the changes and/or new developments compared to the last report are highlighted in green.

At the same time, the Company continues to identify new opportunities and projects that will be added to the existing portfolio..

RISKS

The most significant risks related to Simtel Team's activity are presented below.

Risk factors refer to those internal or external elements, situations, or conditions that, by their nature, may affect the expected outcomes associated with entrepreneurial or investment activity.

Any of the factors described below could have a greater or lesser negative impact on the operations, financial position, or results of the Issuer, as well as on the trading price and liquidity of its shares, potentially leading to a partial or total loss of investment for prospective investors.

This section outlines the most relevant risks specific to the Issuer's activity, which the Company considers most important for investors when making an investment decision. The list of risk factors in this section is presented, from the Issuer's perspective, in order of importance, based on the likelihood of occurrence and the potential negative impact on the Company's operations and performance.

However, this list is not exhaustive, and it is possible that other factors—either unknown to those responsible for the information in this section or considered irrelevant at this time—may also have an impact on an investment in the Company's shares.

An investment in shares involves complex financial risks and is suitable only for investors who (either independently or with the help of a specialized financial or other advisor) are capable of assessing the risks of such an investment and who have sufficient financial resources to bear any losses that may result. Investors should conduct their own due diligence in assessing the suitability of the investment, taking into account the information in this document in relation to their own needs, expectations, financial availability, and investment objectives.

Risk related to the dynamics of the renewable energy market

Considering that SIMTEL predominantly operates in the solar energy sector and the broader renewable energy industry, its activity may be influenced by various factors affecting the feasibility of solar technology and demand for associated products and services, including, but not limited to: the cost-efficiency-benefit ratio of solar energy compared to conventional energy sources (coal, gas, oil, etc.), the existence of incentive programs for this sector (at both national and European levels), and how potential clients/beneficiaries of renewable energy adopt solar energy as an alternative to conventional energy sources.

Additionally, considering the post-pandemic period, the renewable energy sector may be significantly affected by fluctuations in economic and market conditions that influence the viability of both conventional and alternative renewable energy sources, such as fluctuations in oil, gas, and other fossil fuel prices.

The impact of these fluctuations may be mitigated/eliminated, and the renewable energy sector could be supported by favorable regulations adopted at the national and European levels. However, the impact could be significant in the absence of such favorable legislation, especially considering the size of established economic players in conventional energy production.

Competition in the electricity generation sector extends beyond solar energy to include other renewable energy sources, and in the future, competition from wind, biomass, and geothermal energy generation may intensify.

At regular intervals, the solar energy market and industry may experience oversaturation, which could impact a significant number of stakeholders, including solar project developers, system installers, and product distributors. Such circumstances could have adverse consequences for SIMTEL's business, financial performance, and future outlook.

Risk related to competitive aspects

The company may face increased competition in relevant industries:

i. Competition in the photovoltaic equipment installation sector is robust, with numerous competitors of varying sizes and profiles. Factors such as government policies and the availability of raw materials could intensify competition. While the market for photovoltaic equipment installation is expected to reach saturation, this could simultaneously stimulate growth in related services for photovoltaic equipment, systems, and parks.

ii. In terms of photovoltaic project and park development, numerous competitors, from small to large developers, compete for opportunities in renewable energy project development, intensifying competition for attractive projects as the number of market participants increases.

iii. Following the issuance in January 2024 of an energy supply license by the National Energy Regulatory Authority (ANRE) through GES Furnizare S.R.L., SIMTEL faces significant competition from established market operators (e.g., E.ON Energie Romania, Hidroelectrica, Electrica Furnizare) and similar independent suppliers, especially in the context of the liberalization of the electricity market. This competition could put pressure on prices and reduce profitability, negatively impacting SIMTEL's financial performance. SIMTEL's success in the electricity supply market depends on effective marketing strategies and its ability to respond to competitive dynamics, including pricing strategies, evolving consumer preferences, and broader economic and political factors.

iv. As SIMTEL expands its renewable electricity generation portfolio to meet ambitious national and European renewable energy targets, it is likely to face intense competition from other producers.

In conclusion, increased competition presents a risk for SIMTEL, potentially leading to price pressures, sales reductions, lower revenues and margins, and loss of market share. Failure to address these challenges effectively could significantly affect the Group's business performance and results.

SIMTEL may encounter difficulties or may fail to implement its strategy regarding the development/construction/operation of new renewable energy projects, exposing itself to specific risks, including increased associated costs.

Considering the existing regulatory framework, government practices, market competitiveness, business prospects, and other factors, it is likely that SIMTEL's planned projects (particularly concerning the development of its energy production portfolio through photovoltaic parks) will require long preparation and construction periods before becoming operational. During this time, the Issuer may face numerous execution, operational, legal, and other risks, such as:

(a) Difficulties or delays in obtaining or renewing the necessary licenses and permits (e.g., construction permits, environmental permits, grid connection approvals, etc.);

(b) If SIMTEL uses contractors/subcontractors for the design, construction, and operation of the projects, potential risks include: (i) difficulty in finding suitable contractors/subcontractors; (ii) contractors/subcontractors failing to meet project deadlines, specifications, or estimated costs; (iii) reliance on a limited number of contractors/subcontractors; (iv) disputes with contractors or subcontractors; (v) insufficient qualifications of selected subcontractors.

(c) Work interruptions or labor disputes, lack of construction materials/equipment, or increased costs;

(d) Construction-related risks, especially regarding project timelines, which may lead to cost overruns or production delays;

(e) Performance assessments for renewable energy projects may not align with actual results, and the inability to keep up with technological advances in the constantly evolving renewable energy sector could impact projected profit margins;

(f) Increasing competition in the renewable energy market, driven by the regulatory framework and market dynamics in Romania and the European Union.

All these challenges in effectively managing the Group's projects could expose the Group to significant difficulties, such as increased management time requirements and higher execution costs. Moreover, there is no guarantee that future projects will provide sufficient benefits to justify the costs incurred by the Group.

Additionally, regarding SIMTEL's strategy for the land on which it develops new photovoltaic projects, this is based on a selective approach for projects considered to have potential. Land acquisition is the preferred option, and if this is not possible, a recurring fee is agreed upon in the form of a surface rights contract for a long period. Potential difficulties SIMTEL may encounter in identifying suitable land for developing photovoltaic projects, any potential disputes, or any necessary clarifications regarding the title of the land on which SIMTEL develops photovoltaic projects, or the termination or cancellation of such agreements, could significantly delay the start or completion of projects, leading to additional costs or even the loss of the project if no suitable alternative exists. The occurrence of any or all of these factors may result in a decrease in the quality of services, a reduction in the volume of electricity produced or supplied, leading to diminished profitability, which in turn could significantly negatively impact the Group's prospects, business activity, financial position, and operational results.

Risk of price fluctuations and availability of raw materials, components, and services

Price fluctuations and changes in the availability of raw materials, components, and services represent challenges for SIMTEL in its operational activities. The procurement of these materials is essential for the renewable projects in which SIMTEL is engaged. The dynamics of prices and the availability of raw materials and components are influenced by various factors, including local and international market demand, inflationary trends, and costs related to fuel and transportation. Market instability, particularly concerning commodity prices, can be exacerbated by external factors such as geopolitical tensions, exemplified by the ongoing conflict in Ukraine, which leads to increased volatility.

In this context, SIMTEL is vulnerable to supply fluctuations and geopolitical issues due to its dependence on imported raw materials, especially from China. Trade tensions between

China and other countries, as well as the European Union, may lead to tariffs, sanctions, or restrictions on imports. These measures could affect the availability and cost of the raw materials needed for renewable energy projects. Additionally, there is a risk that imported materials or components may not always meet the required quality standards or may have technical compatibility issues, which could lead to malfunctions, additional costs for repairs or replacements, and project interruptions.

SIMTEL carefully monitors global equipment market trends and, when necessary, implements protection strategies to reduce the risks associated with price volatility. In general, the Issuer opts for fixed-price contracts when purchasing components for projects under construction. Additionally, the substantial demand for photovoltaic panels highlights another area of vulnerability. If the implemented protection strategies prove ineffective, price fluctuations in these photovoltaic panels could significantly impact SIMTEL's financial situation. Furthermore, reliance on international transportation, especially from specific sources, exposes SIMTEL to the risks associated with fluctuating transportation costs and potential disruptions in global logistics networks. Such uncertainties, outside SIMTEL's direct control, could significantly affect its business operations and financial performance.

SIMTEL is dependent on the services provided by the transmission system operator, grid operators, and the operators of organized electricity markets where SIMTEL is registered.

For its supply and generation activities, SIMTEL relies on services provided by third parties, including the transmission system operator – CNTEE Transelectrica S.A., distribution network operators, and operators of organized electricity markets where SIMTEL is registered. If any of these entities cease to provide, or improperly provide, the relevant services for any reason, SIMTEL could be exposed to operational and financial risks.

For example, as a result of works carried out on electricity networks managed by grid operators, there is a possibility that electricity supply from photovoltaic installations operated by SIMTEL may be restricted, which could lead to losses. Moreover, SIMTEL’s ability to maximize its generation potential and increase electricity production in the future depends on the capacity of the transmission and distribution networks to handle larger electricity volumes. The occurrence of such restrictive situations could result in lower production and sales volumes, and therefore, reduced revenues for SIMTEL.

Climatic conditions influence the Group's electricity production and demand for the electricity produced by the Group.

The Issuer's electricity production and the demand for the electricity it produces are subject to climatic conditions, which may be beyond the Issuer's control. Additionally, climate change and episodes of severe weather events could negatively affect the Issuer's production equipment (currently operational and planned to be operational).

The Issuer’s electricity production depends largely on natural resources, such as sunlight, and these factors are beyond its control and may vary significantly over time.

The Issuer’s electricity production from solar parks, and the future development or acquisition of solar capacities, depends on fluctuations in solar conditions. Long-term forecasts regarding these conditions are subject to uncertainties, including solar radiation, atmospheric conditions, and errors in meteorological measurements. Moreover, even if actual solar conditions align with the Issuer's long-term forecasts, natural fluctuations in solar radiation may cause significant short-term volatility in the performance of the Issuer's solar capacities.

Electricity consumption is also seasonal and is primarily affected by weather conditions. In Romania, electricity consumption is generally higher during the winter and summer months. Consequently, consumption is typically higher between November and February and July and August, mainly due to the use of heating equipment and air conditioning, respectively. If the Issuer fails to generate revenues at the projected levels during the periods when its production facilities are operating at maximum capacity, it may not be able to compensate for the revenue losses during periods when electricity demand is lower.

Risk related to the decrease in electricity prices

The risk of declining electricity prices remains a concern for SIMTEL, particularly for its business line involving electricity supply, but also in connection with its activity of designing, constructing, and commissioning photovoltaic installations for clients, which may become unprofitable in the future. Electricity prices are determined by the demand for electricity from end consumers, the supply of electricity from production assets connected to the grid, as well as interconnection capacity with neighboring countries and the market situation in those countries. Recent market trends have been unfavorable, with a decline in electricity prices. Market electricity prices have often experienced periods of volatility; for example, between 2020 and 2022, the COVID-19 pandemic led to a decline in consumption and electricity prices, while the war in Ukraine caused energy prices to rise due to the crisis triggered by the increase in Russian gas prices. These price fluctuations depend on several factors, including, without limitation, the level of demand, the time of day, carbon prices (European Union Allowances or EUA), the availability and cost of generation capacity to meet demand, as well as the structure of specific markets (including rules governing the order in which generation capacity is distributed and factors affecting the volume of electricity that can be handled by available transmission infrastructure at any given time, including various types of market models that may change significantly in the future).

The continuation of this trend raises the possibility of even greater adverse effects on the Issuer's potential revenues and profits. Further deterioration of market trends could negatively affect financial results and operational cash flow in the future. The prices at which the Issuer's electricity is sold on the market partly depend on the relative cost, efficiency, and investments required to develop and operate energy sources. A reduction in the costs of other electricity sources, such as fossil fuels or nuclear power, could lower electricity prices. A significant amount of new electricity generation capacity coming online could also reduce electricity prices. The simultaneous growth of solar and wind electricity capacities during periods of high resource availability may lead to a decrease in electricity prices.

Electricity demand is subject to a series of other factors beyond the Group's control, including economic and political developments in Romania (and beyond), which fluctuate according to economic cycles or consumer demand.

Recent market trends have been unfavorable, with a decline in electricity prices. The continuation of this trend raises the possibility of even greater adverse effects on the

Issuer's potential revenues and profits. Further deterioration of market trends could negatively affect financial results and operational cash flow in the future.

Risk associated with a decrease in project flow

To increase its capacity to supply electricity and provide services by developing and commissioning multiple photovoltaic power plants, SIMTEL depends on its ability to develop projects and expand its photovoltaic project pipeline.

However, there are risks of delays and cost overruns in project development due to external factors that may be beyond the Issuer's control. As a result, the Issuer may experience a contraction in project flow and/or underperforming costs related to projects that can no longer be completed because they do not ensure attractive returns. If certain factors evolve differently from what was planned, this could negatively affect the project portfolio expansion of the Issuer as well as the Issuer's profitability.

Rapid technological changes may intensify competition and render the Issuer's technologies or services obsolete, and the Issuer may be unable to adapt to new technological developments or implement them efficiently or at all.

The markets in which the Issuer operates are characterized by rapid and significant changes in technology, customer demand, and behavior, and are therefore marked by a constantly evolving competitive environment. Given the fast pace of technological innovation in the industries where the Issuer is active, there is a risk that the technology currently used may become outdated. To remain competitive, the Issuer may be required to make substantial investments to upgrade its systems, obtain licenses for new technologies, and develop and deploy new solutions. The cost of implementing such investments may be significant, and there is no guarantee that the services enabled by these new technologies will be adopted by customers to a degree sufficient to generate a return acceptable to the Issuer. Furthermore, there is a risk of unforeseen complications in deploying these new technologies and services, and no assurance that initial capital expenditure estimates will prove accurate. There is also a risk that new services and technologies cannot be developed and/or deployed according to expected timelines, or that they may not be commercially viable or profitable. If the services offered are not commercially viable, this may lead to additional capital expenditures or reduced profitability. Any such developments could have a material adverse effect on the Issuer's business, outlook, operating results, and financial condition.

Risk Related to Scaling the Business

In recent years, the Issuer has experienced growth and increased demand for its products and services. As a result, the number of employees has increased significantly, and the Issuer expects this trend to continue in the coming year. For example, from the end of the 2022 financial year to the end of 2023, the consolidated headcount increased from 87 to 119. In addition, as the Company has expanded, the number of end customers has also grown significantly, and the Issuer has been managing an increasing number of service projects and product/service deployments. The growth and expansion of the business, services, products, and customer support place significant pressure on management, operational, and financial resources. To efficiently manage any future growth, the Issuer must continue to enhance and expand its financial and IT infrastructure, improve and scale its operational systems, controls, and administrative processes, and effectively manage its workforce, capital, and internal procedures. These efforts may be more challenging considering that part of the Issuer's staff continues to work remotely.

The Issuer may fail to successfully implement or scale its system and process improvements efficiently or in a timely manner. Moreover, the current systems and processes may not be able to prevent or detect all errors, omissions, or fraud, and the Issuer could face difficulties in managing such enhancements. Any future growth would add organizational complexity and require effective coordination across the entire company. Failure to manage future growth effectively could lead to increased costs, disruption of existing client relationships, reduced demand, or may limit the Issuer's ability to scale its services and/or deploy its products, potentially impacting business performance and operating results.

If the Issuer fails to hire, integrate, train, retain, and motivate qualified personnel and senior management, its operations may be adversely affected

The Issuer's future success partly depends on its ability to continue hiring, integrating, training, and retaining qualified and highly skilled personnel. The Issuer is substantially reliant on the continued services of its existing staff, primarily due to the complexity of its product and service offering. Furthermore, any failure to properly hire, integrate, train, and incentivize its sales personnel—or the inability of newly hired sales and operational staff to effectively reach target productivity levels—could negatively impact the Issuer's growth and marginal operations. Competition for highly skilled personnel is often intense, especially in major business hubs where the Issuer requires such talent. To successfully execute its business strategies, the Issuer must be able to attract, retain, and motivate employees, executives, and key staff. In particular, hiring qualified executives, scientists, engineers, technical staff, and R&D personnel is both costly and critical to the Issuer's operations. The competitive market for talent also results in increased costs, including higher salary and compensation expenses.

The Issuer's future performance also depends on the ongoing contributions of its leadership team to execute the business plan and identify and pursue new service opportunities and innovations. The loss of key personnel, a decline in their effectiveness, or the ineffective management of leadership transitions could significantly delay or hinder the execution of the Company's development plan, potentially having a negative impact on the Issuer's business, financial condition, and operating results.

Acquisitions, partnerships, and strategic alliances may have an adverse effect on the Issuer's business

The Issuer expects to continue making acquisitions as part of its long-term strategy to create an integrated, one-stop-shop service ecosystem. Recent and future acquisitions, partnerships, and strategic arrangements may involve significant challenges and risks, including difficulties in executing the business strategy, obtaining an unsatisfactory return on investment, generating new compliance obligations and challenges, difficulties in integrating and retaining new employees, business systems and technology, diverting management's attention from the Issuer's core operations, or the risk that announced transactions may not be finalized. For example, if an agreement fails to adequately anticipate changing circumstances or the evolving interests of a party, it may lead to early termination or renegotiation of the agreement. The success of such transactions and arrangements will depend, in part, on the Issuer's ability to leverage them to improve existing services or develop new ones, and on the acquired companies' ability to align with the Issuer's policies and processes, particularly in areas such as data governance, privacy, and cybersecurity. It may take longer than anticipated to fully realize the benefits of these transactions and arrangements, such as increased revenues or operational efficiency, or the benefits may ultimately be smaller than expected. These events could have a negative impact on the Issuer's consolidated financial statements.

A network or data security incident may lead to unauthorized access to the Issuer's systems or data, harm its reputation, increase liability exposure, and negatively affect its financial performance

Companies today are increasingly exposed to a wide range of cyberattacks on their networks. In addition to traditional attacks by hackers, malicious code (such as viruses and worms), phishing attempts, insider threats or misuse by employees, sophisticated actors are carrying out intrusions and attacks—including advanced persistent threats—that heighten the risks to the Issuer's internal networks, client-facing environments, and the data they store and process.

The incidence of cybersecurity breaches has been increasing. Despite significant efforts to build security barriers, it is virtually impossible to fully eliminate these risks. The Issuer and its third-party service providers may be subject to security threats and attacks from a variety of sources. The Issuer's data, corporate systems, third-party systems, and security measures may be breached due to external attacks, human error, malicious acts, a combination of these, or other causes. As a result, unauthorized parties may gain access to the Issuer's data.

Although the Issuer has not yet suffered material damage from unauthorized access to its internal network, any actual or perceived breach of its system or network security could lead to reputational damage, negative publicity, loss of business partners, clients, and sales, erosion of competitive advantages, increased costs related to incident response and mitigation, regulatory investigations and enforcement actions, costly litigation, and other forms of liability.

In addition, the Issuer may incur significant costs and operational consequences for investigating, remedying, mitigating, and deploying additional tools and devices to prevent actual or perceived security breaches and other incidents, as well as costs associated with complying with notification obligations arising from any security incident.

Any of these risks could negatively affect market perception of the Issuer's products and services, as well as client and investor trust, and could severely impact its business operations and financial results.

Operational results may vary significantly from period to period and may be unpredictable

The Issuer's operational results may vary significantly from one period to another and may be unpredictable, which could cause the market price of its shares to decline. Even though the Issuer has experienced growth in operating results in the past—particularly in revenue, gross margins, operating margins, and operating expenses—these results may fluctuate due to a variety of factors, many of which are beyond the Issuer's control and may be difficult to forecast, including:

- The Issuer's ability to attract and retain new end-customers or to upsell services to existing customers;
- Customer budget cycles, seasonal purchasing patterns, and buying behavior, including a potential slowdown in technology and renewable energy spending due to a global economic downturn;
- Changes in requirements from end-customers, distributors, resellers, or market needs;
- Price competition;
- Timing and success of new service launches by the Issuer or its competitors, or other changes in the competitive landscape of the industry, including consolidation among competitors or end-customers and strategic changes or partnerships formed by or among the Issuer's competitors;
- The Issuer's ability to continuously and successfully expand its business both nationally and internationally, particularly in the context of the current global economic slowdown;
- The Issuer's failure to successfully complete or integrate any acquisitions it may undertake;
- Unexpected increases in expenses or debt and any impact on operational results from such acquisitions;

- The Issuer's ability to scale and improve the productivity of its distribution channels;
- Potential customers choosing to purchase from larger and more established domestic or international providers;
- Risks of insolvency or credit difficulties among end-customers—potentially amplified by global economic conditions—which may negatively impact their ability to purchase or timely pay for the Issuer's services, or among the Issuer's key suppliers, including sole-source vendors, which could disrupt its supply chain;
- Any disruption in the distribution channel or termination of relationships with key distribution partners, including as a result of consolidation among distributors and resellers;
- The Issuer's inability to fulfill customer orders due to supply chain delays or events affecting the Issuer's suppliers, partners, or their own suppliers, as well as lack of internal resources or partners for service execution—all of which may be negatively impacted by global economic conditions;
- The cost and outcome of potential litigation, which could have a materially adverse effect on the Issuer's business;
- Political, economic, or social instability caused by the military conflict initiated by the Russian Federation in Ukraine, ongoing hostilities in the Middle East, terrorist activities, disruptions caused by COVID-19 and/or any other pandemic or public health crisis, and any related disruptions to the global industrial economy;
- General macroeconomic conditions, both domestically and in international markets where the Issuer operates, including the anticipated global economic slowdown, heightened inflation risks, and the potential for global recession.

Any of the above factors—or a combination thereof—may result in significant fluctuations in the Issuer's financial and operational performance. This unpredictability may cause the Issuer to fail to meet its expected revenue, margin, or other performance targets.

Ongoing global economic uncertainty could negatively affect the Issuer's business and operational results

The Issuer operates in a globalized market, and as such, its business and revenues are closely tied to global macroeconomic conditions. International efforts to contain the spread of COVID-19 have significantly impacted global macroeconomic conditions, and these continue to cause ongoing economic uncertainty. Additionally, the military conflict initiated by the Russian Federation in Ukraine, the war in the Middle East, instability in global credit markets, rising prices for essential commodities (such as oil and electricity), changes in public policy—both domestic and international—such as new regulations, taxes, or international trade agreements, global trade disputes, changes in governments, geopolitical unrest, and other disruptions to global and regional economies and markets continue to contribute to this uncertainty.

These adverse conditions could result in reduced sales of the Issuer's services, longer sales cycles, shorter and lower-value contracts with customers, slower adoption of new technologies, and increased pricing and rate competition. As a result, any continued or intensified uncertainty or deterioration in global macroeconomic and market conditions could lead end-customers to reprioritize their spending or delay outsourcing decisions, potentially extending sales cycles—any of which could negatively impact the Issuer's business and operational performance.

Recent revenue growth rates may not be indicative of the Issuer's future performance

The Issuer's revenues for any prior quarterly or annual period should not be considered indicative of future revenue levels or revenue growth for any future period, whether such growth is driven organically or through M&A activities. If the Issuer is unable to maintain consistent revenue levels or revenue growth, its shares may experience heightened volatility, and the Issuer may face challenges in achieving and sustaining profitability or in maintaining and/or increasing cash flow on a consistent basis.

The Issuer's current research and development efforts may not result in successful products or services that generate significant revenues, cost savings, or other benefits in the near future

The development of the Issuer's services and products, as well as those of the companies within its group, is an expensive process. The Issuer's investments in research and development may not lead to significant improvements, marketable services or products, or may result in offerings that are more costly than anticipated. Furthermore, the Issuer may not achieve the expected cost savings or performance enhancements (and it may take longer than expected to generate revenues). The Issuer's future plans include significant investments in research and development. The Issuer believes it must continue dedicating substantial resources to R&D efforts in order to maintain its competitive position. However, there is a possibility that the Issuer may not generate meaningful revenues from these investments in the near term, or that the expected benefits may not materialize, either of which could negatively impact the business and operational results.

It is possible that the Issuer may encounter delays in the implementation and execution of orders

In the past, the Issuer has not experienced significant delays in completing received orders. However, there is no guarantee that future orders will be completed within the estimated time frame. The Issuer cannot assure that all potential liabilities arising from such delays will be covered, or that any damages claimed by customers or third parties due to these delays will be sufficient to offset any resulting profit loss. Moreover, any delay in fulfilling orders may also lead to an increase in the total cost of contract implementation, which could exceed the initial estimate, or result in further cost escalations. Such delays and cost overruns could negatively impact the Issuer's operations, cash flows, and overall operational results.

Latent defects in the Issuer's products may increase post-sale costs or result in losses due to product replacements/recalls

Despite testing the Issuer's products before shipment, errors, defects, or performance issues and/or latent defects may still occur in both existing and new products.

The Issuer may incur additional costs to correct these defects. Furthermore, the recurrence of such issues could result in delayed or lost market acceptance of the Issuer's products, potentially affecting its business, market reputation, and financial position. If a product recall occurs during the warranty period offered to the Issuer's customers, the cost of replacing products could generate losses, and such manufacturing defects may also damage the company's goodwill.

Additionally, if a supplier fails to meet quality standards, it could expose the Issuer to the risk of product liability claims or delays in the production schedule of the Issuer's products. Any product defects could also lead to customer compensation claims. Significant costs may be incurred in defending such claims, along with potential negative publicity. Although the Issuer seeks quality assurances from its suppliers, there is no guarantee that such assurances or warranties will be successfully obtained or enforced. In such cases, any product recall could adversely impact the Issuer's business, operating results, and financial condition.

Risks related to intellectual property rights

Given the nature of the Issuer's activity—particularly in the fields of technology and the production of autonomous robots—there is a risk that third parties may claim the Issuer is infringing their intellectual property rights. The number of such claims may increase due to the constant pace of technological change in the markets where the Issuer and its group companies operate, the extensive patent coverage of existing technologies, the rapid issuance of new patents, and the scope of the Issuer's product and service offering. To resolve such claims, the Issuer may be required to enter into royalty or licensing agreements on terms less favorable than those currently available, to cease selling or to redesign the affected products or services, or to pay damages to meet indemnification obligations to its clients. These outcomes could reduce the Issuer's operating margins. In addition to monetary damages, in certain jurisdictions, claimants may request that courts impose measures to restrict or prohibit the import, marketing, and sale of the Issuer's services or products that allegedly infringe intellectual property rights.

Risks related to brand and reputation

If the Issuer fails to protect or promote its brand and reputation, its business could be significantly adversely affected. Negative publicity or rumors about the Issuer, its solutions, products, management, board members, executives, employees, shareholders, clients, business partners or affiliates, or about the industry in which it operates, could harm the Issuer's reputation and business operations. The Issuer must maintain and enhance its brand identity while increasing market awareness of its business reputation and offered solutions. Successfully promoting the brand depends on the Issuer's efforts to achieve broad acceptance of its solutions, attract and retain customers, maintain its current market-leading position, and successfully differentiate its offerings from those of competitors. These efforts require substantial expenditures, and the Issuer expects such expenses to increase as the market becomes more competitive and as the Issuer expands into new markets.

Moreover, these investments in brand promotion and thought leadership may not result in increased revenue. Even if they do, the resulting revenues may not be sufficient to offset the increased spending incurred by the Issuer. Furthermore, negative publicity—whether warranted or not—related to events or activities associated with the Issuer, its leadership, board members, executives, employees, shareholders, business partners or their affiliates, as well as any negative publicity or perception associated with the industry in which the Issuer operates or with similar solutions or services, could damage its reputation and diminish its brand value. The brand's value also depends on the Issuer's ability to deliver safe, high-quality solutions in the markets where it operates. Damage to its reputation and loss of brand value could reduce demand for the Issuer's products and solutions, negatively impact its future financial performance and that of the Group, or lower the trading price of its shares. Additionally, repairing reputation damage and restoring brand value may require significant additional resources. If the Issuer fails to effectively protect and enhance its reputation, its business operations, operating results, and financial condition could be materially affected.

Price and Liquidity Risk

The Company operates under the EPC (Engineering, Procurement, Construction) model, which in some cases requires it to guarantee a fixed turnkey delivery price. Price risk impacts the Issuer when the cost of components, equipment, materials, and utilities from suppliers increases, and the Issuer is unable to absorb such negative variations into the final price while maintaining revenue levels, or unable to mitigate the adverse effects through cost management. Although the Issuer manages this risk through rigorous cost control and by collaborating with companies that have annual revenues of hundreds of millions of euros—thus carrying a relatively low risk of default—this risk cannot be fully eliminated. If materialized, it may lead to increased costs for the Issuer, which could have a significant adverse impact on the Issuer's business, outlook, operating results, and financial condition. The Issuer addresses price risk by entering into contracts or making advance purchases, and addresses liquidity risk by closely monitoring issued invoices and their respective due dates.

Liquidity risk is inherent to the Issuer's operations and is associated with holding inventories, receivables, or other assets, and converting them into cash within a reasonable timeframe, so that the Issuer can meet its payment obligations to creditors and suppliers. If the Issuer fails to meet these payment obligations or breaches liquidity covenants under contracts, its creditors (commercial suppliers, banks, etc.) may initiate enforcement actions against the Issuer's core assets or even file for insolvency proceedings, which would significantly and adversely affect shareholders, as well as the Issuer's operations, financial condition, and outlook.

The Issuer continuously monitors its risk of facing a shortage of funds to run its operations through cash flow planning and forecasting. However, as net income cannot be predicted with complete accuracy, there is a risk that actual results may differ from forecasts.

Interest Rate and Financing Risk

There is no guarantee that the Issuer will be able to generate or accumulate sufficient funds to cover its planned long-term capital expenditures, or that it will be able to do so at a reasonable cost. If the economic environment in which the Issuer operates deteriorates, it may be unable to secure new credit under the same terms previously available. This could result in higher financing costs and negatively impact the Issuer's financial condition, or potentially lead to a lack of available financing altogether.

A direct risk associated with this situation is related to interest rate fluctuations. If market interest rates rise significantly, the Issuer could be affected through increased financing costs when refinancing existing loans or contracting new ones. An increase in interest rates may lead to higher interest payments on current loans and could negatively impact the Company's cash flow.

Furthermore, if the economic environment worsens and investor or creditor confidence declines, the Issuer may face difficulties in securing the funding required for ongoing operations or development projects. Under such circumstances, financial institutions may impose stricter requirements and increase collateral demands when issuing loans. This could limit the Issuer's access to convenient and adequate financing, thereby affecting its ability to fund operations and grow effectively.

Another risk related to interest rates and financing sources is foreign exchange risk. If the Issuer holds debt in foreign currencies and the local currency depreciates, financing costs could rise significantly, which may adversely affect the Company's profitability and liquidity.

Although the Issuer continuously evaluates the economic environment, monitors interest rate fluctuations, and develops risk management strategies – such as diversifying funding sources, using financial instruments to hedge interest rate risk, maintaining an adequate level of cash reserves, and cultivating strong relationships with financial institutions and creditors – it is still possible that the Issuer may face the aforementioned risks. Such risks could have a significant negative effect on the Issuer's ability to finance new projects, meet capital needs, or engage in other initiatives that may be in its interest.

Changes in Tax Laws or Interpretations, as well as Unfavorable Tax Authority Decisions, Could Have a Significant Negative Impact on the Issuer's Operating Results and Cash Flows

Tax laws and regulations in Romania are subject to change, and there may also be shifts in how these laws are interpreted and enforced. Such changes in tax legislation and/or the interpretation and application of tax law may be implemented swiftly by authorities, are difficult to anticipate, and therefore the Issuer may not be adequately prepared for them. Additionally, the Issuer considers there is a risk that certain collaboration relationships with subcontractors could be deemed by tax authorities as dependent activities. This may lead to the reassessment and recalculation of related taxes and contributions. As a result, the Issuer may face increased or reassessed tax liabilities in the event of rising tax rates or amendments to tax laws or regulations by the competent authorities in a manner that is unfavorable to the Issuer. These circumstances could have a significant negative impact on the Issuer's cash flows, business operations, outlook, operating results, and financial position for any affected reporting period.

Legislative risk associated with the renewable energy industry

The energy sector is dynamic, subject to numerous legislative changes (both primary and secondary), depending on government objectives and energy policy. These frequent changes, related, for example, to renewable energy targets or infrastructure development priorities, can have a decisive impact on energy investments and affect the strategy of companies in the industry (such as the Issuer), demand, and the long-term competitiveness of projects. The instability created by repeated interventions from competent authorities can create confusion and uncertainty in the application of obligations imposed on the companies involved.

For example, in the context of rising electricity and natural gas prices, the Romanian Government adopted Emergency Ordinance 27/2022 on the measures applicable to final customers in the electricity and natural gas markets for the period April 1, 2022 – March 31, 2023, as well as for amending and supplementing certain energy sector regulations, which was subsequently subject to numerous amendments. The measures targeted by this ordinance included capping electricity and natural gas prices for consumers, imposing a new tax, namely the Contribution to the Energy Transition Fund, as well as the introduction of a centralized electricity procurement mechanism. Although these measures were intended to ensure price accessibility and stability for consumers, they may nevertheless have unintended and potentially harmful consequences for the entire industry, affecting investment plans and company revenues.

Moreover, legislative changes or interpretations by the authorities involved in the development process of renewable projects can delay or even block investments due to land use restrictions and the requirements for obtaining urban planning and construction permits. Additionally, such changes or interpretations during the permitting process, as well as regulations regarding the construction and operation of renewable projects, may increase project development costs, which could have a significantly negative effect on the Issuer's cash flows, activities, prospects, operational results, and financial condition.

On the other hand, the launch of as many national financing programs as possible for the installation of photovoltaic panels, which in many cases are dependent on external funding (through the PNRR - National Recovery and Resilience Plan), could inhibit innovation and diversification in the energy sector. This could lead to an excessive dependence of consumers on temporary assistance and programs, jeopardizing the long-term stability and competitiveness of our industry.

At the same time, Romanian legislation is directly influenced by European Union regulations. Therefore, changes in EU regulations may lead to changes in national legislation. Such amendments could have a negative impact on the Issuer's prospects, activities, financial position, and operational results.

Litigation risk

In the course of its activities, the Issuer is exposed to litigation risk, among others, due to changes and developments in legislation. The Issuer may be affected by other contractual claims, complaints, and lawsuits, including from third parties with which it has contractual relationships, customers, competitors, or regulatory authorities, as well as any negative publicity that such an event might attract. The Issuer's customers may seek compensation and/or terminate the services provided, either partially or entirely, before the contract term if the Issuer fails to meet their requirements and expectations or for any other reason.

The Issuer's standard purchase orders with clients typically include, among other things, details regarding price, payment terms, delivery schedules, and other standard terms and conditions. Any malfunction or defect in system projects, products, and/or solutions, or failure to meet the Issuer’s customers' requirements and expectations, could lead to claims against the Issuer and/or the partial or total termination of services provided. This may occur as a result of unsatisfactory design or execution, personnel fluctuations, and human error. However, the Issuer’s production does not begin without receiving manufacturing authorization from both the company and the customers, and product designs are tested before being taken into production.

Furthermore, since the Issuer’s projects, products, and technological solutions are applied during the completion of an order, if it is determined that any damages and/or losses of property, as well as bodily injuries and/or deaths, have resulted from defects or malfunctions in the Issuer’s products, it may be required to compensate customers and/or victims for such losses, damages, injuries, and/or deaths.

Additionally, the Issuer could also face potential liability in legal actions related to any losses suffered by its customers due to delays in the delivery of products or services provided. If the Issuer becomes involved in litigation or legal proceedings with customers, its reputation will be negatively impacted, and it may have to spend a significant amount of resources on its defense, which could negatively affect its business, cash flows, and financial performance.

At the time of drafting this report, the Issuer Simtel Team S.A. was not involved in any significant litigation, either as a claimant or defendant.

Political and Military Instability in the Region May Have Adverse Consequences on the Issuer's Business

The political and military instability in the region, triggered by the invasion of Ukraine by the Russian Federation in February 2022—preceded by the annexation of Crimea and the 2014 conflict in Eastern Ukraine with pro-Russian separatists—along with the international sanctions imposed on the Russian Federation as a result of these events, may lead to profoundly adverse economic conditions, social unrest, or, in the worst case, widespread military confrontation in the region. The effects are largely unpredictable and may include reduced investment, significant currency fluctuations, rising interest rates, reduced credit availability, restricted trade and capital flows, increased energy prices, among others.

Eastern European countries are subject to greater risks than more developed markets due to possible negative developments in legal, economic, fiscal, and political environments.

Investors in emerging and frontier markets such as Romania should be aware that these markets are exposed to higher legal, economic, fiscal, and political risks than mature markets, often accompanied by rapid and unpredictable changes. Generally, investing in securities of issuers with substantial operations in emerging or frontier markets, such as Eastern Europe, entails a higher degree of risk compared to investments in issuers operating primarily in Western Europe or other similarly developed jurisdictions. Changes in the economic and political situation in one emerging or frontier market may negatively affect the economic and political climate in other such markets. For instance, changes in Romania's fiscal and economic policies may impact the Issuer's ability to maintain its long-term business plans, especially as a result of government emergency ordinances affecting the energy sector, which may lead to a temporary decline in foreign direct investment. As in the past, financial market volatility tends to increase the perceived risks of investing in emerging economies, potentially reducing foreign investment in Romania. In such a scenario, the Romanian economy could face serious liquidity issues, which may result in higher tax rates or the imposition of new taxes and duties—negatively affecting the Issuer's operations, results, and financial position.

The Issuer's operations are exposed to risks common to all regions that have recently undergone, or are currently experiencing, political, economic, and social transitions. These include currency fluctuations, evolving regulatory frameworks, inflation, economic recessions, local market disruptions, labor disputes, changes in disposable income or gross domestic product, interest rate and tax policy fluctuations, capital flight, actual or perceived corruption, and similar factors. Political or economic instability arising from any of these risks may impact the energy market in Eastern Europe. Such events could reduce the Issuer's revenues, which may have a significant negative impact on its operations, financial position, outlook, and business results.

The unpredictability of inflation rate developments could have a significant adverse impact on the Issuer's financial performance

The evolution of the inflation rate continues to be unpredictable, which may adversely affect the Issuer's business by increasing the difficulty of accurately estimating the total costs associated with its operations and potentially leading to a mismatch between the prices charged by the Issuer to clients and its own costs—with a significant negative impact. A substantial discrepancy between the anticipated inflation rate for a given period and the actual inflation rate recorded may negatively and materially influence the Issuer's resource allocation, thereby affecting its operations, financial availability, outlook, and profitability.

Furthermore, an unforeseen rise in inflation may create macroeconomic imbalances characterized by increasing interest rates, declining living standards, and, more broadly, a slowdown in Romania's economic development. Such imbalances may lead to a decrease in demand for photovoltaic power plant installation services.

A potential deterioration of the general economic, political, and social conditions in romania could adversely affect the Issuer's business

The Issuer's success is closely tied to the general economic developments in Romania. Negative developments or a general weakening of the Romanian economy, declining living standards, limited liquidity of potential clients, and rising unemployment levels could directly impact the demand within the Romanian market in which the Issuer operates.

In recent years, Romania has undergone significant political, economic, and social changes. As is typical of emerging markets, Romania does not yet possess the full business infrastructure, legal, and regulatory framework commonly found in more mature free-market economies. Additionally, the Romanian tax legislation is subject to various interpretations and may be amended frequently and, at times, abruptly or with rapid implementation.

The future direction of Romania's economy largely depends on the effectiveness of governmental economic, financial, and monetary measures, as well as developments in the fiscal, legal, regulatory, and political environments. Unfavorable economic conditions in Romania, fiscal uncertainty, and increased taxation could ultimately have a direct and/or indirect negative impact on the pricing of the Issuer's products and services.

The Romanian Leu may be subject to high volatility

The leu operates under a floating exchange rate regime, whereby its value relative to foreign currencies is determined on the interbank foreign exchange market. The National Bank of Romania (NBR) pursues an inflation-targeting monetary policy. This floating exchange rate regime is aligned with the use of inflation targets as the nominal anchor of monetary policy and allows for a flexible policy response to unforeseen shocks that may affect the economy. The NBR does not target a specific level or range for the exchange rate. The NBR's ability to limit leu volatility depends on various economic and political factors, including the availability of foreign currency reserves and the volume of new foreign direct investments.

Any changes in global investor sentiment regarding the outlook for the global economy or Romania specifically may lead to a depreciation of the Romanian leu. A significant depreciation of the leu could negatively affect the country's economic and financial situation, which could, in turn, have a material adverse effect on the Issuer's business, operating results, and financial condition.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

CONSOLIDATED PROFIT & LOSS STATEMENT (LEI)	2024	2023	Δ %
Operating revenue, of which:	**360,215,907**	**300,582,206**	**20%**
Turnover	354,347,514	297,824,449	19%
Other operating revenue	1,391,502	494,563	181%
Change in inventories	4,476,891	2,263,194	98%
Operating expenses, of which:	**(312,009,668)**	**(265,523,900)**	**18%**
Expenses for raw materials, consumables and merchandise	(180,185,616)	(183,728,331)	-2%
Depreciation and amortization	(4,771,915)	(2,690,392)	77%
Employee benefits expenses	(1,550,500)	(720,000)	115%
Personnel expenses	(33,039,279)	(20,328,736)	63%
Marketing and advertising expenses	(350,642)	(273,588)	28%
Income/expenses with provisions	(475,659)	(213,332)	123%
Other operating expenses	(91,636,057)	(57,569,522)	59%
Operating result	**48,206,239**	**35,058,306**	**38%**
Financial result, of which:	**(3,494,179)**	**(3,381,965)**	**3%**
Financial Income	2,233,033	1,602,131	39%
Financial expenses	(5,727,212)	(4,984,096)	15%
Gross result	**44,712,060**	**31,676,341**	**41%**
Income tax/other taxes	(7,887,523)	(4,569,657)	73%
Net result	**36,824,538**	**27,106,685**	**36%**
Group Owners	33,681,741	26,046,818	29%
Minority Interests	3,142,797	1,059,867	197%

INDIVIDUAL PROFIT AND LOSS ACCOUNT

INDIVIDUAL PROFIT & LOSS STATEMENT (LEI)	2024	2023	Δ %
Operating revenue, of which:	**275.181.911**	**291.061.600**	**-5%**
Turnover	273.878.513	290.589.730	-6%
Other operating revenue	1.303.397	471.870	176%
Operating expenses, of which:	**(235.983.774)**	**(257.208.097)**	**-8%**
Expenses for raw materials, consumables and merchandise	(135.286.883)	(181.510.877)	-25%
Depreciation and amortization	(4.237.364)	(2.661.091)	59%
Employee benefits expenses	(1.550.500)	(720.000)	115%
Personnel expenses	(25.488.335)	(16.189.376)	57%
Marketing and advertising expenses	(346.241)	(270.617)	28%
Income/expenses with provisions	(367.474)	(213.332)	72%
Other operating expenses	(68.706.978)	(55.642.804)	23%
Operating result	**39.198.137**	**33.853.503**	**16%**
Financial result, of which:	**(325.939)**	**(2.179.352)**	**-85%**
Financial Income	4.717.426	2.227.150	112%
Financial expenses	(5.043.365)	(4.406.502)	14%
Gross result	**38.872.198**	**31.674.152**	**23%**
Income tax/other taxes	(6.595.072)	(4.229.434)	56%
Net result	**32.277.126**	**27.444.718**	**18%**
Group Owners	32.277.126	27.444.718	18%

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET INDICATORS (LEI)	31.12.2024	31.12.2023	Δ %
Fixed assets, of which:	**129.265.782**	**39.891.159**	**224%**
Goodwill	3.655.054	3.637.669	0%
Intangible assets	95.043.573	21.499.884	342%
Tangible assets	8.047.416	3.698.369	118%
Other investments	2.181.234	2.265.766	-4%
Right-of-use assets	3.942.948	1.548.476	155%
Other non-current assets	16.360.163	7.164.074	128%
Deferred tax assets	35.394	76.919	-54%
Current assets, of which:	**213.478.770**	**159.056.544**	**34%**
Inventories	95.054.656	78.966.827	20%
Trade receivables	79.846.496	54.527.724	46%
Cash and cash equivalents	30.274.015	15.891.059	91%
Other receivables	5.615.463	4.865.725	15%
Prepaid expenses	2.553.371	4.692.223	-46%
Total assets	**342.744.551**	**198.947.703**	**72%**
Current liabilities, of which:	**178.858.973**	**106.514.965**	**68%**
Overdrafts	25.459.202	42.925.783	-41%
Short-term bank loans	3.757.004	2.349.910	60%
Short-term leasing	2.512.968	1.493.484	68%
Trade payables	125.840.302	39.991.528	215%
Other liabilities	20.435.250	19.211.537	6%
Unearned revenues	98.421	98.421	0%
Provisions	755.827	444.301	70%
Non-current liabilities, of which:	**46.395.387**	**12.795.464**	**263%**
Long-term leasing	3.983.626	2.967.252	34%
Long-term bank loans	42.211.394	9.532.948	343%
Unearned revenues	200.366	295.264	-32%
Total liabilities	**225.254.360**	**119.310.429**	**89%**
Equity, of which:	**117.490.191**	**79.637.274**	**48%**
Share capital	1.583.730	1.577.575	0%
Share premium	30.963.983	29.419.638	5%
Legal and other reserves	331.061	329.376	1%
Retained earnings	81.410.840	46.631.758	75%
Minority interests	3.200.577	1.678.926	91%
Total equity and liabilities	**342.744.551**	**198.947.703**	**72%**

INDIVIDUAL BALANCE SHEET

INDIVIDUAL BALANCE SHEET INDICATORS (LEI)	31.12.2024	31.12.2023	Δ %
Fixed assets, of which:	**72,136,167**	**31,770,383**	**127%**
Intangible assets	42,098,841	16,534,456	155%
Tangible assets	282,136	425,554	-34%
Investment property	9,563,936	3,634,178	163%
Other investments	2,181,234	2,265,766	-4%
Right-of-use assets	2,900,210	1,548,476	87%
Other non-current assets	15,077,023	7,273,062	107%
Deferred tax assets	32,788	88,890	-63%
Current assets, of which:	**213,511,771**	**156,676,962**	**36%**
Inventories	92,612,426	76,739,224	21%
Trade receivables	72,927,801	54,313,184	34%
Cash and cash equivalents	21,385,693	12,292,013	74%
Other receivables	25,879,601	12,953,079	100%
Prepaid expenses	706,250	379,462	86%
Total assets	**285,647,938**	**188,447,345**	**52%**
Current liabilities, of which:	**155,401,390**	**99,001,096**	**57%**
Overdrafts	16,896,818	42,925,783	-61%
Short-term bank loans	1,986,926	1,987,038	0%
Short-term leasing	2,110,134	416,547	407%
Trade payables	118,323,426	40,342,436	193%
Other liabilities	15,386,891	12,884,991	19%
Unearned revenues	98,421	0	100%
Provisions	598,775	444,301	35%
Non-current liabilities, of which:	**17,749,844**	**10,728,069**	**65%**
Long-term leasing	3,083,252	3,880,811	-21%
Long-term bank loans	14,466,226	6,453,573	124%
Unearned revenues	200,366	393,685	-49%
Total liabilities	**173,151,233**	**109,729,166**	**58%**
Equity, of which:	**112,496,705**	**78,718,179**	**43%**
Share capital	1,583,730	1,577,575	0%
Share premium	30,963,983	29,419,638	5%
Legal and other reserves	316,746	315,515	0%
Retained earnings	79,632,246	47,405,451	68%
Total equity and liabilities	**285,647,938**	**188,447,345**	**52%**

CONSOLIDATED CASH-FLOW

Cash flows from operating activities	Consolidated 31.12.2024	Consolidated 31.12.2023
Profit before taxation	**44,712,060**	**31,676,341**
Depreciation and amortization	3,228,300	1,927,206
Depreciation related to the right-of-use assets	1,543,615	763,185
Unrealized profit	(21,509)	(14,626)
Employee benefits	1,550,500	720,000
Changes in provisions	311,526	213,332
Gain/(loss) from the sale of fixed assets	8,995	(124,854)
Net expenses from exchange rate differences	242,121	321,682
Interest income	(239,252)	(23,603)
Interest expenses	3,979,407	3,083,886
Operating profit before changes in working capital items	**55,315,763**	**38,542,550**
Change in inventories	(16,087,829)	(12,767,487)
Change in trade receivables and other receivables	(21,959,599)	(26,062,164)
Change in trade payables and other liabilities	83,371,311	8,008,445
Cash generated from operating activities	**100,639,646**	**7,721,343**
Profit tax payments	(4,186,298)	(5,295,156)
Net cash generated from operating activities	**96,453,348**	**2,426,187**
Cash flows from investing activities		
Return of long-term guarantees	(9,196,086)	(5,192,649)
Changes in loans from shareholders	(5,882)	-
Loans granted	-	(7,273)
Payments for financial fixed assets	67,146	(45,653)
Payments for the acquisition of intangible assets	(4,349,047)	(2,661,467)
Payments for the acquisition of fixed assets	(79,175,456)	(11,387,500)
Interest received	239,252	23,603
Interest paid	(3,979,407)	(3,083,886)
Net cash used in investing activities	**(96,399,479)**	**(22,354,825)**
Cash used in financing activities		
Changes in bank borrowings	16,618,960	28,193,832
Dividends paid	(875,609)	(2,222,077)
Payments related to leasing contracts	(1,414,264)	(1,748,362)
Cash from (used in) financing activities	**14,329,087**	**24,223,394**
Net increase (decrease) in cash	**14,382,956**	**4,294,755**
Cash at the beginning of the period (January 1)	**15,891,059**	**11,596,303**
Cash at the end of the period (December 31)	**30,274,015**	**15,891,059**

INDIVIDUAL CASH-FLOW

Cash flows from operating activities	Individual 31.12.2024	Individual 31.12.2023
Profit before taxation	**38,872,198**	**31,674,152**
Depreciation and amortization	2,855,482	1,897,906
Depreciation related to the right-of-use assets	1,292,991	763,185
Employee benefits	1,550,500	720,000
Changes in provisions	154,474	213,332
Gain/(loss) from the sale of fixed assets	8,995	(124,854)
Net expenses from exchange rate differences	195,503	804,140
Interest income	(2,720,822)	(6,539)
Interest expenses	3,441,964	2,703,068
Operating profit before changes in working capital items	**45,651,285**	**38,644,390**
Change in inventories	(15,873,201)	(12,445,593)
Change in trade receivables and other receivables	(30,835,259)	(27,683,925)
Change in trade payables and other liabilities	77,315,693	1,646,960
Cash generated from operating activities	**76,258,517**	**161,832**
Profit tax payments	(2,586,814)	(4,269,224)
Net cash generated from operating activities	**73,671,704**	**(4,107,392)**
Return of long-term guarantees	(7,803,960)	(5,213,014)
Changes in loans from shareholders	-	(7,273)
Payments for financial fixed assets	(5,845,226)	13,068
Payments for the acquisition of intangible assets	143,418	(398,543)
Payments for the acquisition of fixed assets	(29,780,595)	(7,538,385)
Interest received	2,720,822	6,539
Interest paid	(3,441,964)	(2,703,068)
Net cash used in investing activities	**(44,007,505)**	**(15,840,675)**
Changes in bank borrowings	(18,016,425)	24,751,586
Dividends paid	-	(2,044,024)
Payments related to leasing contracts	(2,554,093)	(1,666,149)
Cash from (used in) financing activities	**(20,570,518)**	**21,041,413**
Net increase (decrease) in cash	**9,093,680**	**1,093,346**
Cash at the beginning of the period (January 1)	**12,292,013**	**11,198,667**
Cash at the end of the period (December 31)	**21,385,693**	**12,292,013**

BVB CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT

PROVISION OF THE BUCHAREST STOCK EXCHANGE CORPORATE GOVERNANCE CODE[1]	COMPLIANT	PARTIALLY COMPLIANT	NON-COMPLIANT	COMMENT
Section A - Responsibilities				
A.1. All companies shall have Internal Rules for the Board of Directors (the "Board"), which shall include the terms of reference/responsibilities of the Board and the key management functions of the Company, and which shall apply, inter alia, the General Principles of this Section.	X			The Company has adopted a Regulation of the Board of Directors.
A.2. Provisions for the management of conflicts of interest shall be included in the Rules of the Board. In any event, Board members shall notify the Board of any conflicts of interest that have arisen or may arise and shall refrain from taking part in the discussions (including by non-attendance, unless the failure to attend prevents the establishment of the quorum) and from voting for passing a resolution on the issue giving rise to the relevant conflict of interest.	X			Members of the Board have, under applicable law, a duty of care and loyalty to the Company, obligations which are stipulated not only in the Company's Articles of Association but also in other internal regulations. Provisions for managing conflicts of interest are included in the Board Regulation of Simtel Team S.A.
A.3. The Board shall consist of at least 5 (five) members.	X			The Board is composed of five (5) members elected by the Ordinary General Meeting of Shareholders (GMS) in accordance with the provisions of the Companies Law and the Company's Articles of Association.

[1] The Statement summarizes the principles of the Corporate Governance Code; the full version of the Code may be read on the website of the Bucharest Stock Exchange: www.bvb.ro.

A.4. Most Board members shall not have an executive function, In the case of companies in the Premium Category, no less than two non-executive members of the Board shall be independent, Each independent Board member shall issue a statement at the time of nomination thereof for election or re-election, and whenever any change arises in the status thereof, indicating the elements on the basis of which the same is to be deemed independent in terms of character and judgment,	X			Out of the five members, four are non-executive, and one is independent. Upon each appointment of a new Board member, the Company performs an independence assessment based on the criteria set out in the Corporate Governance Code (which closely align with those in the Companies Law). This includes a self-assessment by the relevant member followed by an external evaluation..
A.5. Any other relatively permanent professional commitments and obligations of a member of the Board, including executive and non-executive positions in the Board of companies and non-profit institutions, shall be disclosed to the shareholders and prospective investors prior to nomination and during the term of office thereof.	X			Information on the ongoing professional commitments and obligations of Board members, including executive and non-executive positions held in other companies and non-profit institutions, is available in their CVs, which can be consulted at the Company's headquarters.
A.6. Any member of the Board shall present the Board with information on any relation with a shareholder holding, either directly or indirectly, shares representing more than 5% of all voting rights.	X			Such information is also included in the Company's annual reports
A.7. The Company shall appoint a Secretary of the Board to be in charge of supporting the activity of the Board.	X			The Company has appointed a General Secretary to support the Board's activities.
A.8. The Corporate Governance Statement shall stipulate whether a Board assessment has taken place under the direction of either the Chairperson or the Nomination Committee and, if so, shall summarize the key measures and the resulting changes. The	X			Since its listing on the Main Market of the Bucharest Stock Exchange, the Company has adopted a policy for Board evaluation. No formal Board evaluation was conducted in 2024.

Company shall have a policy/guide regarding Board assessment, including the purpose, criteria and frequency of the assessment process.				
A.9. The Corporate Governance Statement shall contain information on the number of Board and Committee meetings over the past year, the participation of the directors (in person and in default) and a Report by the Board and Committees on their activities.	**X**			The Board of Directors of Simtel Team S.A. meets whenever necessary, but at least once every three months. During 2024, the Board held 24 meetings, all with full attendance.
A.10. The Corporate Governance Statement shall include information on the exact number of independent members of the Board.	**X**			In 2024, one (1) Board member met all the independence criteria as outlined in the Simtel Team S.A. Corporate Governance Code.
Section B – The risk management and internal control system				
B.1. The Board shall set up an Audit Committee, in which at least one member shall be independent and non-executive. Most members, including the Chair, shall have proven appropriate qualification relevant to the functions and responsibilities of the Committee. At least one member of the Audit Committee shall have proven adequate experience in auditing or accounting. In the case of companies in the Premium Category, the Audit Committee shall consist of at least three members and most members of the Audit Committee shall be independent.	**X**			Simtel Team established a Risk and Audit Committee on May 17, 2024, as part of its preparations for listing on the Main Market of the Bucharest Stock Exchange. The Committee comprises four members, all of whom are non-executive, with one independent member and one advisory member without voting rights. The members of the Committee have demonstrated adequate qualifications in line with the internal rules set by the Company.
B.2. The Chair of the Audit Committee shall be an independent non-executive member.		**X**		The Chair of the Risk and Audit Committee is a non-executive Board member.
B.3, As part of its responsibilities, the Audit Committee shall carry out an annual assessment of the internal control system,	**X**			The Risk and Audit Committee will conduct an annual assessment of the Company's internal control system.
B.4. The assessment shall take into account the effectiveness and scope of	**X**			In its yearly assessment, the Committee will evaluate the effectiveness of the internal control system, the adequacy

the internal audit function, the adequacy of the risk management and internal control reports submitted to the Board Audit Committee, the promptness and effectiveness with which the executive management addresses any deficiencies or weaknesses identified as a result of the internal control and the submission of relevant reports to the Board.				of risk management and internal control reports submitted to the Committee, and the promptness and effectiveness of management in addressing any deficiencies identified.
B.5. The Audit Committee shall assess any conflicts of interest in connection with the transactions of the Company and its subsidiaries with related parties.	X			The Committee will also assess the effectiveness of the Company's risk management system, monitor the application of statutory and generally accepted internal audit standards, and review conflict of interest situations in transactions conducted by the Company and/or any of its subsidiaries or related parties.
B.6. The Audit Committee shall assess the effectiveness of the internal control and risk management systems.	X			
B.7. The Audit Committee shall monitor the application of the legal standards and generally accepted internal audit standards. The Audit Committee shall receive and assess the reports of the internal audit team.	X			
B.8. Whenever the Code mentions reports or analyses initiated by the Audit Committee, these shall be followed by regular reports (at least annual reports) or ad hoc reports to be subsequently submitted to the Board.	X			The Committee reports regularly to the Board on the specific matters assigned to it.
B.9. No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements entered into by the Company with the shareholders and affiliates thereof.	X			The Company ensures equal treatment of all shareholders. Related-party transactions are addressed objectively, in line with standard industry practices and applicable corporate laws and regulations.

B.10. The Board shall adopt a policy to ensure that any transaction of the Company with any of the companies with which it has close ties, whose value is equal to or greater than 5% of the Company net assets (according to the latest financial report), is approved by the Board following a binding opinion of the Board Audit Committee and is properly disclosed to the shareholders and prospective investors to the extent that such transactions fall within the category of events subject to reporting requirements.			X	The Board of Directors will adopt a specific policy in this regard.
B.11. Internal audits shall be performed by a structurally separate division (the Internal Audit Department) within the Company or by hiring an independent third party,	X			The Company includes an Internal Audit function within its structure.
B.12. In order to ensure the fulfilment of the primary functions of the Internal Audit Department functionally speaking, it shall report to the Board by means of the Audit Committee. For administrative purposes and as part of the responsibilities of the management to monitor and reduce risks, it shall report directly to the Chief Executive Officer.	X			The Internal Audit reports directly to the Risk and Audit Committee.
Section C – Fair reward and motivation				
C.1. The Company shall publish the Remuneration Policy on its website and shall include a statement on the implementation of the Remuneration Policy in the Annual Report during the annual period under review. Any key change in the Remuneration Policy shall be	X			The Company publishes its Remuneration Policy on its website, along with the Remuneration Report prepared in accordance with this policy, which is submitted for approval by the Annual Ordinary General Meeting of Shareholders.

published on the Company website in a timely manner.				
Section D – Adding value by way of the investor relations				
D.1. The Company shall organize an Investor Relations Service - indicating to the general public the officer(s) in charge or the relevant organizational unit. In addition to the information required by law, the Company shall include on its website a section dedicated to Investor Relations, in both Romanian and English, with all the relevant information of interest to investors, including: • The main corporate regulations: Articles of Association, the procedures regarding the General Shareholders' Meetings (GSM); • The professional CVs for the members of the Company management bodies, other professional commitments of the Board members, including executive and non-executive positions in the Boards of Directors of companies or non-profit institutions; • Current and regular reports (quarterly, half-yearly and annual); • Information on the General Shareholders' Meetings; • Information on the corporate events; • The name and contact details of a person who can provide relevant	X			All information required under provision D1 is made available on the Company's website.

information, on request; ● Company presentations (e,g,, investor presentations, quarterly result presentations, etc,), financial statements (quarterly, half-yearly, annual), Audit Reports, and Annual Reports.				
D.2. The Company shall have a policy on the annual distribution of dividends or other benefits to the shareholders. The principles of the policy of annual distribution to the shareholders shall be published on the Company website.	X			The Dividend Policy is published in the Investor Relations section of the website.
D.3. The Company shall adopt a policy regarding forecasts, whether they are made public or not. Forecasts mean quantified conclusions of various studies aimed at determining the overall impact of a number of factors for a future period (the so-called assumptions): by its nature, a forecast has a high level of uncertainty, and the actual results can vary significantly from the original forecasts. The Forecast Policy shall determine the frequency, period considered and content of the forecasts. If published, the forecasts may only be included in the annual,half- yearly or quarterly reports. The Forecast Policy shall be published on the Company website,	X			The Forecasting Policy is also available in the Investor Relations section.
D.4. The rules of the General Shareholders' Meetings shall not limit the participation of shareholders in the general meetings or	X			Information regarding the organization of General Meetings of Shareholders is provided in the Company's Articles of Association and Corporate Governance Code,

the exercise of their rights. Any amendments to these rules take effect, at the earliest, starting with the next Shareholders' Meeting.				and complies with provision D.4.
D.5. Independent financial auditors shall be present at the General Shareholders' Meeting when their reports are presented at these meetings.	X			The independent financial auditors participate in the Ordinary General Meetings of Shareholders where both individual and consolidated annual financial statements are submitted for approval.
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.		X		Information on internal controls and significant risk management systems is included in the Annual Report. Should questions regarding internal control and risk management systems be raised during the annual meeting, the Board of Directors will address them.
D.7. Any specialist, consultant, expert, or financial analyst may take part in Shareholders' Meetings based on a prior invitation from the Chairperson of the Board. Accredited journalists may also attend General Shareholders' Meetings, unless otherwise decided by the Chairperson of the Board.	X			Any accredited specialist, consultant, expert, financial analyst, or journalist may participate in the General Meetings based on a prior invitation from the Chairman of the Board.
D.8. The quarterly and half-yearly financial reports shall include information in both Romanian and English on the key factors that influence change in terms of sales levels, operating profit, net profit, and other relevant financial indicators, from one quarter to the next, and from one year to the next.	X			Quarterly and semi-annual financial reports include bilingual (Romanian and English) disclosures regarding key factors that have driven changes in sales, operating profit, net profit, and other relevant financial indicators from one quarter to the next and year-over-year.
D.9. A Company shall hold at least two meetings/teleconferences with analysts and investors each year. The information presented on these occasions shall be	X			As of the transfer to the Main Market on August 12, 2024, Simtel Team hosts quarterly teleconferences in Romanian. The recording of each teleconference is published on the Bucharest Stock Exchange website and

published in the Investor Relations section of the Company website at the time of the meetings/teleconferences.				on the Company's website.
D.10. If a Company supports various forms of artistic and cultural expression, sporting, educational or scientific activities and deems their impact on the Company innovation and competitiveness to be part of its mission and development strategy, it will publish its policy on its activity in this field.	X			N/A

DECLARATION OF THE MANAGEMENT

Bucharest, March 24, 2025

To the best of our knowledge, the financial reporting for the period January 1, 2024 – December 31, 2024 has been prepared in accordance with the applicable accounting standards and provides a true and fair view of the assets, liabilities, financial position, and income and expenses of Simtel Team S.A. Furthermore, the Board of Directors' Report for 2024 presents a true and fair view of the significant events that took place during the year and their impact on the individual and consolidated financial statements of the Company.

Iulian Nedea

Chairman of the Board of Directors of Simtel Team S.A.

simtel.ro

Splaiul Independentei nr. 319L,
clădirea Bruxeles (corp B),
intrarea A, parter, București,
sector 6