# SIMTEL TEAM S.A.

## Consolidated financial statements

**Drafted according to the**
**International Financial Reporting Standards**

**ON AND FOR THE YEAR ENDED ON**
**31 DECEMBER 2024**

CONTENTS

Consolidated profit and loss account and comprehensive income report
For the financial year ended on 31.12.2024
*(all amounts are in Lei ("RO"), if not specified otherwise)*

| | NOTE | 2024 RON | 2023 RON |
|---|---|---|---|
| **Turnover** | *4* | 354.347.514 | 297.824.449 |
| Other operating revenues | *6.1* | 1.391.502 | 494.563 |
| Variation from fixed assets production | *11* | 4.476.891 | 2.263.194 |
| Expenses with raw materials, supplies, goods for resale | *5* | (180.185.616) | (183.728.331) |
| Depreciation and amortisation | *10* | (4.771.915) | (2.690.392) |
| Expenses with employee benefits | *18* | (1.550.500) | (720.000) |
| Staff expenses | *19* | (33.039.279) | (20.328.736) |
| Marketing and advertising expenses | *6.5* | (350.642) | (273.588) |
| Expenses with provisions | | (475.659) | (213.332) |
| Other operating expenses | *6.2* | (91.636.057) | (57.569.522) |
| **Operating profit** | | 48.206.239 | 35.058.306 |
| Financial revenues | *6.4* | 2.233.033 | 1.602.131 |
| Financial expenses | *6.3* | (5.727.212) | (4.984.096) |
| **Profit before tax** | | 44.712.060 | 31.676.341 |
| Profit tax expense | *7* | (7.887.523) | (4.569.657) |
| **Profit of the financial year** | | 36.824.538 | 27.106.685 |
| **Attributable,** | | | |
| **To group owners** | | 33.681.741 | 26.046.818 |
| **Minority interests** | | 3.142.797 | 1.059.867 |
| **Net result per share** | *8* | 4,65 | 3,44 |

Approved:
24th of March 2025

Mihai Tudor
General Manager

Mirela Gogorita
Finance Manager

Consolidated financial standing report
For the financial year ended on 31.12.2024
*(all amounts are in Lei ("RO"), if not specified otherwise)*

| | Note | 31 December 2024 | 31 December 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Goodwill | *9* | 3.655.054 | 3.637.669 |
| Tangible non-current assets | *10 a* | 95.043.573 | 21.499.884 |
| Intangible non-current assets | *11* | 8.047.416 | 3.698.369 |
| Real estate investments | *10* | 2.181.234 | 2.265.766 |
| Assets pertaining to usage rights | *10 b* | 3.942.948 | 1.548.476 |
| Financial non-current assets (guarantees) | *12* | 16.360.163 | 7.164.074 |
| Deferred tax - active | *7* | 35.394 | 76.919 |
| **Total non-current assets** | | 129.265.782 | 39.891.157 |
| **Current assets** | | | |
| Stocks | *13* | 95.054.656 | 78.966.827 |
| Commercial receivables | *14* | 79.846.496 | 54.527.724 |
| Other receivables | *14* | 5.615.463 | 4.865.725 |
| Accrued expenses | *16* | 2.553.371 | 4.692.223 |
| Other current assets | *12* | 134.768 | 112.986 |
| Cash and cash equivalents | *15* | 30.274.015 | 15.891.059 |
| **Total current assets** | | 213.478.770 | 159.056.544 |
| **Total assets** | | 342.744.551 | 198.947.703 |
| **EQUITY AND DEBT** | | | |
| **Equity** | | | |
| Registered capital | *17* | 1.583.730 | 1.577.575 |
| Share premium | *17* | 30.963.983 | 29.419.638 |
| Legal reserves | *17* | 331.061 | 329.376 |
| Profit carried forward | *17* | 81.410.840 | 46.631.758 |
| **Total equity** | | 114.289.614 | 77.958.348 |
| **Minority interests** | | 3.200.577 | 1.678.926 |
| **Total equity** | | 117.490.191 | 79.637.274 |
| **Debts** | | | |
| **Long-term debts** | | | |
| Leasing - long-term | *10 c* | 3.983.626 | 2.967.253 |
| Long-term bank loans | *20* | 42.211.394 | 9.532.947 |
| Deferred revenues | *23* | 200.366 | 295.264 |
| Provisions | *22* | - | - |
| Deferred tax | | - | - |
| **Total long-term debts** | | 46.395.387 | 12.795.464 |

Consolidated financial standing report
For the financial year ended on 31.12.2024
*(all amounts are in Lei ("RO"), if not specified otherwise)*

| | Note | 31 December 2024 | 31 December 2023 |
|---|---|---|---|
| **Current debts** | | | |
| Overdrafts | | 25.459.202 | 42.925.783 |
| Short-term bank loans | *20* | 3.757.004 | 2.349.911 |
| Leasing - short-term | *10 c* | 2.512.968 | 1.493.484 |
| Commercial debts | *21* | 125.840.302 | 39.991.528 |
| Other debt | *21* | 20.435.250 | 19.211.537 |
| Deferred revenues | *23* | 98.421 | 98.421 |
| Provisions | *22* | 755.827 | 444.301 |
| **Total current debt** | | 178.858.973 | 106.514.965 |
| **Total debt** | | 225.254.360 | 119.310.429 |
| **Total equity and debt** | | 342.744.551 | 198.947.703 |

Approved:
24th of March 2025

Mihai Tudor — General Manager

Mirela Gogorita — Finance Manager

Consolidated report on changes in equity
For the financial year ended on 31.12.2024
*(all amounts are in Lei ("RO"), if not specified otherwise)*

| Note 17 | **Registered capital** | **Share premium** | **Own shares** | **Other equity items** | **Reserves** | **Profit carried forward** | **Revenues attributable to Group owners** | **Minority interests** | **Total** |
|---|---|---|---|---|---|---|---|---|---|
| **Balance on 01 January 2024** | 1.577.575 | 29.419.638 | 0 | - | 329.376 | 46.631.758 | 77.958.348 | 1.678.926 | 79.637.274 |
| Current comprehensive income | - | - | - | - | - | 33.663.848 | 33.663.848 | 3.142.797 | 36.806.645 |
| Result carried forward from the companies to be included in the consolidation statements in 2024 | - | - | - | - | - | - | - | - | - |
| Result from error correction | - | - | - | - | - | - | - | - | - |
| Legal reserves | - | - | - | - | 1.231 | (1.231) | - | - | - |
| Increase of registered capital | 6.155 | - | (6.155) | - | - | - | - | - | - |
| **Total - other items included in the comprehensive income** | 1.583.730 | 29.419.638 | (6.155) | - | 330.607 | 80.294.375 | 111.622.196 | 4.821.723 | 116.443.919 |
| Increase of registered capital | - | - | - | - | | | - | - | - |
| Legal reserves from the companies to be included in the consolidated statements in 2024 | - | - | - | - | 722 | (722) | - | - | - |
| Dividends | - | - | - | - | | (2.143.009) | (2.143.009) | - | (2.143.009) |
| Benefits granted to employees | - | - | 1.550.500 | - | - | - | 1.550.500 | - | 1.550.500 |
| Increase in share premiums | | 1.544.345 | (1.544.345) | - | - | - | - | - | - |
| Other changes | - | - | - | - | - | 117.398 | 117.398 | - | 117.398 |
| Minority interests | - | - | - | - | (268) | 3.142.797 | 3.142.529 | (1.621.146) | 1.521.383 |
| **Final balance on 31 December 2024** | 1.583.730 | 30.963.983 | 0 | - | 331.061 | 81.410.840 | 114.289.614 | 3.200.577 | 117.490.191 |

Consolidated report on changes in equity
For the financial year ended on 31.12.2024
*(all amounts are in Lei (“RO”), if not specified otherwise)*

| Note 17 | **Registered capital** | **Share premium** | **Own shares** | **Other equity items** | **Reserves** | **Profit carried forward** | **Revenues attributable to Group owners** | **Minority interests** | **Total** |
|---|---|---|---|---|---|---|---|---|---|
| **Balance on 01 January 2023** | 1.572.326 | 28.704.887 | - | - | 325.411 | 23.258.989 | 53.861.613 | 1.217.203 | 55.078.817 |
| Current income | - | - | - | - | - | 26.046.818 | 26.046.818 | 1.059.867 | 27.106.685 |
| Result carried forward to be included in the consolidated statements in 2023 | - | - | - | - | - | 39 | 39 | - | 39 |
| Result from error correction | - | - | - | - | - | - | - | - | - |
| Legal reserves | - | - | - | - | 3.927 | (3.927) | - | - | - |
| Increase of registered capital | 5.249 | - | (5.249) | - | - | - | - | - | - |
| **Total - other items included in the comprehensive income** | 1.577.575 | 28.704.887 | (5.249) | - | 329.338 | 49.301.919 | 79.908.470 | 2.277.070 | 82.185.540 |
| Increase of registered capital | - | - | - | - | | | - | - | - |
| Legal reserves included in the consolidated statem. in 2023 | - | - | - | - | 200 | (200) | - | - | - |
| Dividends | - | - | - | - | | (3.253.602) | (3.253.602) | - | (3.253.602) |
| Benefits granted to employees | - | - | 720.000 | - | - | - | 720.000 | - | 720.000 |
| Increase in share premiums | | 714.751 | (714.751) | - | - | - | - | - | - |
| Other changes | - | - | - | - | - | - | - | - | - |
| Minority interests | - | - | - | - | (162) | 583.641 | 583.479 | (598.144) | (14.665) |
| **Final balance on 31 December 2023** | 1.577.575 | 29.419.638 | 0 | - | 329.376 | 46.631.758 | 77.958.348 | 1.678.926 | 79.637.274 |

Approved:
24th of March 2025

Mihai Tudor
General Manager

Mirela Gogorita
Finance Manager

Consolidated cash flow report
For the financial year ended on 31.12.2024
*(all amounts are in Lei ("RO"), if not specified otherwise)*

| | Note | 31 December 2024 | 31 December 2023 |
|---|---|---|---|
| **Cash flow from operations** | | | |
| **Profit before tax** | *17* | 44.712.060 | 31.676.341 |
| Depreciation and amortisation | *10 a* | 3.228.300 | 1.927.206 |
| Depreciation pertaining to asset usage rights | *10 b* | 1.543.615 | 763.185 |
| Unrealised profits | | (21.509) | (14.626) |
| Employee benefits | *19* | 1.550.500 | 720.000 |
| Depreciation of receivables | | - | - |
| Changes in provisions | *22* | 311.526 | 213.332 |
| (Gain) / loss from sales of fixed assets | *10 a* | 8.995 | (124.854) |
| Net expenses from exchange rate differences | | 242.121 | 321.682 |
| Revenues from interests | *6.3* | (239.252) | (23.603) |
| Expenses with interests | *6.3* | 3.979.407 | 3.083.886 |
| **Operating profit before changes in items of current capital** | | 55.315.763 | 38.542.550 |
| Stock variations | *13* | (16.087.829) | (12.767.487) |
| Variations in commercial receivables and other receivables | *14* | (21.959.599) | (26.062.164) |
| Variations in commercial debt and other debt | *14* | 83.371.311 | 8.008.445 |
| **Cash generated in operations** | | 100.639.646 | 7.721.343 |
| Interest payments | | - | - |
| Profit tax payments | *7* | (4.186.298) | (5.295.156) |
| **Net cash generated in operations** | | 96.453.348 | 2.426.187 |
| **Cash flow from investment activities** | | | |
| Financial non-current assets - guarantees | *12* | (9.196.086) | (5.192.649) |
| Changes in loans attracted from shareholders | *24* | (5.882) | (7.273) |
| Financial assets - payments | *9* | 67.146 | (45.653) |
| Payments for purchase of intangible assets | *11* | (4.349.047) | (2.661.467) |
| Payments for purchase of fixed assets | *10 a* | (79.175.456) | (11.387.500) |
| Cashed interest | *6.3* | 239.252 | 23.603 |
| Paid interest | *6.3* | (3.979.407) | (3.083.886) |
| **Net cash used in investment activities** | | (96.399.479) | (22.354.825) |

Consolidated cash flow report
For the financial year ended on 31.12.2024
*(all amounts are in Lei ("RO"), if not specified otherwise)*

| | Note | 31 December 2024 | 31 December 2023 |
|---|---|---|---|
| **Cash used in financing activities** | | | |
| Increase in registered capital | *17* | - | - |
| Increase in share premiums | *17* | - | - |
| Redeemed shares | | - | - |
| Changes in bank loans | *20* | 16.618.960 | 28.193.832 |
| Paid dividends | *17* | (875.609) | (2.222.077) |
| Payments under leasing contracts | *10 c* | (1.414.264) | (1.748.362) |
| **Cash from (used in) financing activities** | | 14.329.087 | 24.223.394 |
| Net increase (decrease) of cash | | 14.382.956 | 4.294.755 |
| **Cash at the start of the year - 1 January** | *15* | 15.891.059 | 11.596.303 |
| **Cash at the end of the year - 31 December** | *15* | 30.274.015 | 15.891.059 |

Approved:
24th of March 2025

Mihai Tudor — General Manager

Mirela Gogorita — Finance Manager

## 1. OVERVIEW OF THE ENTITIES INCLUDED IN THE CONSOLIDATION

These consolidated financial statements of 31 December 2024 are drafted for Simtel Team SA. and its affiliates (collectively the "Group").

### GROUP CONSOLIDATION OVERVIEW

| Group | Owned control share | Type of control | Method of consolidation | Year when included in the consolidation |
|---|---|---|---|---|
| Simtel Team SA. | PARENT GROUP | | | |
| Simtel Industrial Control SRL | 75 | Exclusive, by operation of the law | Global integration | 2021 |
| Plesoiu Solar SRL | 98.6 | Exclusive, by operation of the law | Global integration | 2021 |
| SMTL Solar Anina SRL | 100 | Exclusive, by operation of the law | Global integration | 2022 |
| SMTL Solar Ianca SRL | 100 | Exclusive, by operation of the law | Global integration | 2022 |
| Advanced Robotics SRL | 51 | Exclusive, by operation of the law | Global integration | 2022 |
| ANT Power Energy SRL | 51 | Exclusive, by operation of the law | Global integration | 2022 |
| SMTL Solar Giurgiu SRL | 100 | Exclusive, by operation of the law | Global integration | 2022 |
| SIMTEL SOLAR SRL | 100 | Exclusive, by operation of the law | Global integration | 2022 |
| SN ENERGIE COMPANY SRL | 100 | Exclusive, by operation of the law | Global integration | 2023 |
| Custom Soft Solution SRL | 51 | Exclusive, by operation of the law | Global integration | 2023 |
| GES FURNIZARE SRL | 62 | Exclusive, by operation of the law | Global integration | 2023 |
| OASIS Green Energy 3 SRL | 100 | Exclusive, by operation of the law | Global integration | 2024 |
| SIRIUS Immob 2 SRL | 100 | Exclusive, by operation of the law | Global integration | 2024 |
| SMTL Energy Infrastructure SRL | 100 | Exclusive, by operation of the law | Global integration | 2024 |
| SMTL Energy Project SRL | 100 | Exclusive, by operation of the law | Global integration | 2024 |
| SMTL Energy System SRL | 100 | Exclusive, by operation of the law | Global integration | 2024 |
| SMTL Energy Development SRL | 100 | Exclusive, by operation of the law | Global integration | 2024 |
| SIMTEL Technology SRL | 100 | Exclusive, by operation of the law | Global integration | 2024 |

| | | | | |
|---|---|---|---|---|
| GES Energy Trade SRL | 42.7 | Exclusive, by operation of the law | Global integration | 2024 |

a) Simtel Team S.A. – Parent Group

Simtel TEAM S.A., with registered offices in Bucharest, Splaiul Independenței no. 319L, Bruxeles Office Building (Building B), Entrance A, Ground floor, District 6.

Simtel Team S.A. is a Romanian engineering and technology company established in 2010 under Law no. 15/1990 and Law no. 31/1990, and according to Government Decision no. 1224/1990; the company is registered in the Trade Register at EUID no.: J2010000564406, initially as a limited liability company, with unique company code RO 26414626.

On 02 April 2021, the legal form of the parent company was changed from limited liability company to joint stock company; the details regarding the registered office, field of business, fiscal number, and Trade Register number are the same.

The main business of SIMTEL TEAM S.A. ("Group") is Construction works for utility projects for electricity and communications – NACE code 4222, and the Group has become one of the significant players in the three fields of business - renewable energy, maintenance, and telecommunications.

A leader in Romania in the business of building and maintenance of photovoltaic plants, SIMTEL Team generally operates according to the EPC model - engineering, procurement and constructions, according to which the contractor delivers a complete facility to the customer, for a guaranteed price, at a guaranteed date.

Since 2012, SIMTEL Team is ABB Official Partner for automations, with a Best ABB Partner in SE Europe in 2015 and Best Telekom Integrator in Romania award in 2016.

In 2021, SIMTEL Team became listed on the AeRO market of the Bucharest Stock Exchange with the SMTL stock exchange symbol, and operated on this market until 2023.
In 2023, SIMTEL Team became listed on the main market of the Bucharest Stock Exchange with the SMTL stock exchange symbol, marking a new stage in the company's development

b) Simtel Industrial Control SRL

Simtel Industrial Control S.R.L. with registered offices in Bucharest, Sector 6, Spl. Independentei, No. 319, Ob. 14c.

It was established in 2012 with EUID registration number J2012013194401, unique company code 30891542, and its main field of business is in installations of industrial machines and equipment, NACE code 3320.

The company's registered capital amounts to 70,800 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 53.100 | 531 | 75.00% |
| BUGIULESCU SORIN MIHAI | 17.700 | 177 | 25.00% |

c) Plesoiu Solar SRL

Plesoiu Solar SRL, with registered offices in Splaiul Independentei, No. 319, App. Room 3, Bucharest, Sector 6.

It was established in 2012 with EUID registration number J40/13269/2012, unique company code 30897170, and its main field of business is in electricity production, NACE code 3511.

The company's registered capital amounts to 71,000 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 70.000 | 700 | 98.60% |
| VILAU RADU LAURENTIU | 1.000 | 10 | 1.40% |

d) SMTL Solar Anina SRL

SMTL Solar Anina SRL, with registered offices in Splaiul Independentei, No. 319, Bucharest, Sector 6.
It was established in 2022 with EUID registration number EUID J2022001646401, unique company code 45559062, and its main field of business is in electricity production from renewable sources, NACE code 3512.

The company's registered capital amounts to 200 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 200 | 20 | 100% |

e) SMTL Solar Ianca SRL

SMTL Solar Ianca SRL with registered offices in Splaiul Independentei, No. 319, Bucharest, Sector 6.
It was established in 2022 with EUID registration number EUID J2022001645400, unique company code 45559070, and its main field of business is in electricity production from renewable sources, NACE code 3512.

The company's registered capital amounts to 200 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 200 | 20 | 100% |

f) SMTL Solar Giurgiu SRL

SMTL Solar Giurgiu SRL with registered offices in Splaiul Independentei, No. 319, Bucharest, Sector 6.
It was established in 2021 with EUID registration number EUID J2021013372409, unique company code 44688956, and its main field of business is in electricity production from renewable sources, NACE code 3512.

The company's registered capital amounts to 200 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 200 | 20 | 100% |

g) ANT Power Energy SRL

ANT Power Energy SRL with registered offices in no. 12, Strada Rasuri, app. Office Constanta, Constanta, Constanta county.

It was established in 2013 with registration number J13/229/2013, unique company code 31165548, and its main field of business is in testing and technical analysis, NACE code 7120.

The company's registered capital amounts to 2,000 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 1.020 | 102 | 51.00% |
| TITA ADRIAN NICOLAE | 980 | 98 | 49.00% |

h) Agora Robotics SRL

Agora Robotics SRL with registered offices in Soseaua Stefan Cel Mare, No. 40, Building 40, entrance 1, floor 4, Flat 32, Bucharest, Sector 2.
It was established in 2020 with registration number J40/12502/2020, unique company code 43110961, and its main field of business is in research-development in other natural sciences and engineering, NACE code 7219.

Agora Robotics is a deep tech company dedicated to developing easy-to-use autonomous mobile robots for cleaning of industrial floors and logistics.

The company's registered capital amounts to 1,000 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 510 | 51 | 51% |
| RAZVAN RUSU | 20 | 2 | 2% |
| POPESCU VICTOR-MATEI | 150 | 15 | 15% |
| POPESCU EUGEN-PAUL | 320 | 32 | 32% |

i) Simtel Solar SRL

Simtel Solar SRL with registered offices in Independentei 26/3, Chisinau, Republic of Moldova.

It was established in 2022 with identification number and tax code 1022600043512, and its main field of business is in photovoltaic panel installation services.

The company's registered capital amounts to 1,000 MDL, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Share in benefit and loss |
|---|---|---|
| SIMTEL TEAM SA | 1.000 | 100% |

j) SN Energie Company SRL

SN Energie Company SRL with registered offices in Soseaua Vrancei, Odobesti, Vrancea county.

It was established in 2022 with EUID registration number J2022001231399, unique company code 47277041, and its main field of business is in electricity production from renewable sources, NACE code 3512.

The company's registered capital amounts to 200 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|

| | | | |
|---|---|---|---|
| SIMTEL TEAM SA | 200 | 20 | 100% |

k) Custom Soft Solutions SRL

Custom Soft Solutions SRL with registered offices in Str. Begoniei, no. 29, Building C1, Office 1, Ground Floor, Baicoi city, Prahova county.

It was established in 2020 with EUIR registration number J2020013340403, unique company code 43176249, and its main field of business is in producing client-oriented software, NACE code 6210.

The company’s registered capital amounts to 1,000 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 510 | 51 | 51% |
| ANT POWER ENERGY SRL | 490 | 49 | 49% |

l) Ges Furnizare SRL

GES Furnizare SRL with registered offices in Stolnicului street, no. 6-10, floor 4, Flat 13, Bucharest, Sector 1.

It was established in 2023 with registration number J40/17350/2023 , unique company code 48797417, and its main field of business is trading in electricity, NACE code 3514.

The company’s registered capital amounts to 3.000 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 1.860 | 186 | 62% |
| Vasilica Ionut Viorel | 1.050 | 105 | 35% |
| Tudor Mihai Radu | 90 | 9 | 3% |

m) OASIS GREEN ENERGY 3 SRL

OASIS Green Energy 3 SRL with registered offices in Splaiul Independentei, No. 319, Ob. 410 Bucharest, Sector 6.
It was purchased in 2024, with registration number J40/6891/2024, unique company code 30346759, and its main field of business is in electricity production, NACE code 3511.

The company's registered capital amounts to 1,000 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 1.000 | 100 | 100% |

n) SIRIUS IMMOB 2 SRL

Sirius Immob 2 SRL with registered offices in Splaiul Independentei, No. 319, Ob. 410, Bucharest, Sector 6.
It was purchased in 2024 with EUID registration number J2024010323405, unique company code 27540584, and its main field of business is in electricity production from renewable sources, NACE code 3512.

The company's registered capital amounts to 10,000 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 10.000 | 1.000 | 100% |

o) SMTL Energy Infrastructure SRL

SMTL Energy Infrastructure SRL with registered offices in Splaiul Independentei, No. 319, Ob. 410, Bucharest, Sector 6.
It was established in 2024 with EUID registration number J40/6324/2024, unique company code 49823344, and its main field of business is in electricity production, NACE code 3511.

The company's registered capital amounts to 200 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 200 | 20 | 100% |

p) SMTL Energy Project SRL

SMTL Energy Project SRL with registered offices in Splaiul Independentei, No. 319, Ob. 410, Bucharest, Sector 6.
It was established in 2024 with EUID registration number J40/6313/2024, unique company code 4982853, and its main field of business is in electricity production, NACE code 3511.

The company's registered capital amounts to 200 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 200 | 20 | 100% |

q) SMTL Energy System SRL

SMTL Energy System SRL with registered offices in Splaiul Independentei, No. 319, Ob. 410, Bucharest, Sector 6.
It was established in 2024 with EUID registration number J40/6270/2024, unique company code 49820038, and its main field of business is in electricity production, NACE code 3511.

The company's registered capital amounts to 200 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 200 | 20 | 100% |

r) SMTL Energy Development SRL

SMTL Energy Development SRL with registered offices in Splaiul Independentei, No. 319, Ob. 410, Bucharest, Sector 6.
It was established in 2024 with EUID registration number J40/5890/2024, unique company code 49792043, and its main field of business is in electricity production, NACE code 3511.

The company's registered capital amounts to 100,000 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 100.000 | 10.000 | 100% |

s) SIMTEL Technology SRL

SIMTEL Technology SRL with registered offices in Splaiul Independentei, No. 319, Ob. 410, Bucharest, Sector 6.
It was established in 2024 with EUID registration number J2024029770007, unique company code 50675896, and its main field of business is in electricity production, NACE code 3511.

The company's registered capital amounts to 200 Lei, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Number of shares | Share in benefit and loss |
|---|---|---|---|
| SIMTEL TEAM SA | 200 | 20 | 100% |

t) GES Energy Trade SRL

GES Energy Trade SRL with registered offices in Independentei 26/3, Chisinau, Republic of Moldova.
It was established in 2024 with identification number and tax code 1024600084193, and its main field of business is in electricity production.

The company's registered capital amounts to 10.000 MDL, and the shareholder structure is as follows:

| Shareholders | Contribution to capital | Share in benefit and loss |
|---|---|---|
| SIMTEL TEAM SA | 4.270 | 42.7% |
| ANT Power Energy SRL | 1.610 | 16.1% |
| Vasilica Ionut Viorel | 3.320 | 33.2% |
| Tudor Mihai Radu | 400 | 4% |
| Adascalitei Tudor Nicolae | 400 | 4% |

## 1. THE BASIS FOR DRAFTING THE FINANCIAL STATEMENTS

### 1.1. Compliance declaration

The financial statements of the Group were drafted according to the provisions of the International Financial Reporting Standards adopted by the European Union ("EU IFRS").

For the purpose of drafting these financial statements, according to the legal provisions in force in Romania, the operational currency of the company is considered the Romanian Leu (RON).

The accounting policies were applied consistently throughout the years presented in the financial statements.

### 1.2. Business continuity

These financial statements were drafted based on the going-concern principle, which assumes that the Group will continue its business in the foreseeable future. To assess the applicability of this assumption, the management permanently reviews the forecasts regarding the signing of new contracts, identifying new lines of business, adapting to the market, future incoming cash or potential risks.

On 31 December 2024, the current assets of the company exceed the current debt by 34.506.996 Lei (on 31 December 2023: 52.541.579 lei). In 2024, the Group made 36.693.845 Lei net profit from the lines of business that ensure business continuity (2023: 27.106.685 lei). The Group depends on short-term bank financing to cover the time between purchasing the materials and cashing the customers or fund its own photovoltaic and storage projects developed under special purpose vehicles (SPVs).

The budget drafted by the company's management and approved by the Board of Directors for 2025 indicates positive cash flow from operations; growth of the Group companies, and increased profitability directly contributing to improving liquidity, which will allow the Group to comply with the contract clauses agreed with the financing banks.

The company's management deems that current activities and the support received from banks will be sufficient to enable the Group to continue its business normally in the predictable future, therefore applying the going-concern principle in drafting the financial statements is justified.

### 1.3. First time adopting the Financial Reporting Standards

The Group first adopted the International Financial Reporting Standards on 31 December 2023. Therefore, the Group re-treated the financial standing for two previous years, namely 2022 and 2021, previously reported according to Order no. 1802 of 29 December 2014 – Part I to approve the Accounting regulations on individual annual financial statements.

2024 is the first financial year after the re-treatment, and the Company's financial statements include:

- Statement on the financial standing
- Statement on the profit and loss account and other items of the comprehensive income
- Cash flow statement
- Statement on changes in equity, and
- pertaining notes, including comparative information as presented below.

The required adjustments for switching from Order no. 1802 of 29 December 2014 previously to IFRS on 31 December 2023 on the transition date are recognised directly in the result carried forward or, if applicable, in other categories of equity on the transition date.

### 1.4. Standards, amendments, and new interpretations of the standards

Initial application of new amendments to the existing standards in force for the current reporting period.

The following amendments to the existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are in force for the current reporting period:

- **IFRS 17 "Insurance contracts"** - including amendments to IFRS 17 issued by the IASB on 25 June 2020 - adopted by the EU on 19 November 2021 (applicable for the annual periods starting on or after 1 January 2023),
- **Amendments to IAS 1** "Presentation of financial statements" – Presentation of accounting policies (applicable for annual periods starting on or after 1 January 2023),
- **Amendments to IAS 12** "Profit tax" – Deferred tax pertaining to receivables and debts resulting from one transaction (applicable for annual periods starting on or after 1 January 2023),

Adopting of these amendments to the existing standards did not result in significant changes in the financial statements of Simtel Team S.A.

**New standards and amendments to existing IASB standards, not yet adopted by the EU**

Currently, the IFRS as adopted by the EU do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), except for the following new standards, amendments to existing standards, and new interpretations, which had not been approved for use within the EU on the date of publishing of these financial statements (the dates of coming into force mentioned below are for the IFRS standards issued by the IASB):

- Amendments to IAS 1 "Presentation of financial statements" – Categorisation of debts in short-term and long-term debts (applicable for annual periods starting on or after 1 January 2023),
- Amendments to IAS 1 "Presentation of financial statements" – Long-term debts with financial indicators (applicable for annual periods starting on or after 1 January 2024),
- Amendments to IFRS 16 "Leasing contracts" – Leasing debts in a sale and leaseback transaction (applicable for annual periods starting on or after 1 January 2024),
- Amendments to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in associated entities and joint ventures" - Sale of or contribution with assets between an investor and its associated entities or joint ventures, and future amendments (the date of entering into force has been postponed indefinitely, until the research project on the equity method).
- Amendments to IAS 7 "Statement on cash flow" and IFRS 7 "Financial instruments" – supplier financing agreements (applicable for annual periods starting on or after 1 January 2024).

The Group anticipates that adoption of these new standards and amendments to the existing standards will have no significant impact on the financial statements in the initial application period.

Financial asset and liability risk coverage accounting, the principles of which have not been adopted by the EU, remains unregulated.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The following paragraphs describe significant accounting policies applied by the company in preparing its financial statements.

**Basis of the consolidation**

The accounting methods and policies mentioned below were applied consistently by the Group in these financial statements drafted according to the International Financial Reporting Standards adopted by the European Union.

### 1. Subsidiaries

When evaluating the control, potential or convertible voting rights that can still be exercised should be taken into account. The financial statements of subsidiaries are included in the consolidated financial statements as of the moment when control starts being exercised until the moment it ends.

The Group consolidates the financial statements of its subsidiaries according to IFRS 10. The list of the Group's subsidiaries is presented in Note 1.

*Purchase of jointly controlled entities*
A combination of enterprises implying entities jointly controlled by the ultimate shareholder of the Group is a combination of enterprises where all entities are ultimately controlled by the Group, both before and after the combination, and such control is not transitory.

When necessary, the financial statements of the subsidiaries are adjusted to align the applied accounting policies with the Group's accounting policies.

## 2. Goodwill

The goodwill is initially assessed at its cost (which is the excess between the total transferred counter-value and the amount recognised for the non-controlling interests and any previously owned participation above the net identifiable value of the acquired assets and assumed liabilities). If the fair value of the acquired net assets exceeds the total transferred counter-value, the Group re-evaluates whether all acquired assets and all assumed debt have been calculated correctly, and revises the procedures used to measure the amounts to be recognised on the date of the acquisition. If the re-evaluation still leads to an excess of the fair values of the net acquired assets over the total transferred counter-value, then the gain is recognised in the profit and loss.

A cash generating unit to which the goodwill was allocated is tested for depreciation annually or more often, when there is indication that the unit may be affected. If the recoverable value of the cash generating unit is smaller than its accounting value, the depreciation is allocated first of all to diminishing the accounting value of any goodwill allocated to the unit, and then to the other assets of the unit, proportionally with the accounting value of every asset in the unit. Any goodwill depreciation is directly recognised in the comprehensive income statement. The recognised goodwill depreciation cannot be retaken in the future periods.

On the date of selling the relevant cash generating unit, the attributable goodwill value is included in determining the gains or losses from the sale.

## 3. Intangible non-current assets purchased in a combination of enterprises

Intangible non-current assets purchased as part of a combination of enterprises and recognised separately from the goodwill are initially recognised at their fair value on the date of the purchase (considered to be their cost), minus the assets, debts, and result categorised as owned for the sale, according to the requirements of IFRS 5, recognised according to the regulations in the standard. After the initial recognition, intangible non-current assets purchased as part of a combination of enterprises are presented at the cost minus accumulated amortisation and cumulated loss from depreciation, on the same basis as the intangible non-current assets purchased separately.

**4. Associated entities**

Associated entities are companies where the Group can exercise significant influence, but not control over financial and operational policies. The consolidated financial statements include the Group's share of the results of the associated entities according to the equity method, from the date when the group started exercising significant influence until the date when such influence ends.
If the Group's share in the losses of the associated entity exceeds the accounting value of the investment, the accounting value is reduced to zero value, and subsequent losses are not recognised, except if the Group has legal or constructive obligations on behalf of the associated entity. If the associated entity further makes profit, the profit share is only recognised after the profit share reaches the level of the share of the losses not recognised in the previous years.

**5. Transactions eliminated in the consolidation**

Settlements and transactions inside the Group, as well as unrealised profits resulting from transactions inside the Group are fully eliminated in the consolidated financial statements. Unrealised profits resulting from transactions with associated or jointly controlled entities are eliminated within the limit of the Group's share. Unrealised profits resulting from transactions with an associated entity are eliminated in counterparty with the investment into the associated entity. Unrealised loss is eliminated identically with unrealised profits, but only to the extent to which there is no indication of value depreciation.

Dividends distributed between the entities in the Group are eliminated, and only dividends distributed to minority shareholders are recognised in equity.

**Currency conversions**

The Group's financial statements are presented in RON, which is the operational currency.

Transactions in foreign currency are converted in RON using the exchange rate in force on the transaction date. Monetary assets and debts expressed in foreign currency at the end of the period are evaluated in RON using the exchange rate in force on the end date of the financial year. Realised or unrealised gain and loss is registered on the profit and loss account. The exchange rate was as follows:

| Date | Euro | USD |
|---|---:|---:|
| 31 December 2024 | 4,9741 | 4,7768 |
| 31 December 2023 | 4,9746 | 4,4958 |

Favourable or unfavourable exchange rate differences between the exchange rate on the date when the receivables or the debts in foreign currency were registered or the exchange rate according to which they were reported in the previous financial statements and the exchange rate in force on the end date of the financial year are registered under financial revenues or expenses, as applicable.

**IFRS 15 Revenues from contracts with customers**

Simtel Team S.A. is one of the important players in the three fields of business - renewable energy, industrial automation, and telecommunications, and a leader in the building and maintenance of photovoltaic plants in Romania.

Revenues are evaluated based on the counter-value that the Group is entitled to in the contracts with customers. The point of recognition is when Simtel Team S.A. carries out an obligation to perform by transferring control over a promised asset or service that is distinct for the customer, according to the contract clauses. In the case of sales of goods, revenues are recognised when the ownership on the goods is transferred. In the case of services, the revenues are recognised as the service progresses, for recurring services (maintenance and monitoring), or when the obligations undertaken under the contract, correlated with the assumed counter-value, are completed.

Revenues from sales of goods and goods for re-sale are recognised at a point when the products are delivered to customers or when they are readily available for the buyer. Payment terms are in general between 0 and 120 days from invoicing and delivering the goods.

The Group analysed its contracts with customers in order to determine all its obligations to perform, and identified no new obligation to perform that should be recorded distinctly according to IFRS 15.
The main business of the Group is the delivery of engineering services - turn-key installation of photovoltaic plants. The revenue is evaluated at the assumed value of the counter-value received or to be received; according to IFRS 15, the total counter-value of the service contracts is to be allocated to all services based on their individual sale price. Individual sale prices are established based on the prices for which the Group provides those services in separate transactions.

Based on the Company's assessment, the value allocated based on the relative individual sale prices of the services and the individual sale prices of the services are similar to a great extent. Therefore, application of IFRS 15 does not result in significant differences with respect to the moment of recognising the revenues for these services.

If the revenues pertaining to a contract are exceeded by the estimated costs, steps are taken to recognise the costs (or adequate provisions) to reasonably reflect the estimated loss in the financial year when it is identified.

***Variable counter-value***

Some contracts with customers entail commercial price discounts or the right to return the products for quality defects. Currently, the revenues obtained from such sales are recognised based on the price specified in the contract, net of revenue reductions, commercial discounts recorded according to accrual accounting when the revenue adjustments can be reasonably estimated.

According to IFRS 15, the variable counter-value needs to be estimated at the beginning of the contract. Revenues are recognised to the extent to which it is likely that there will be no significant reversal of the value of the cumulated recognised revenues. Consequently, for those contracts for which the Group cannot reasonably estimate the discounts, the revenue is recognised earlier than when the return period expires or when a reasonable estimation can be made. To estimate the variable counter-value it would be entitled to, the Group applied the expected value method. At the same time, cases of complaints on quality grounds (return rights) are rare and insignificant, according to information from previous periods.

***Considerations on actions on own behalf and actions as an intermediary***

According to IFRS 15, the evaluation is based on whether the Group controls the specific goods before transferring them to the end customer, rather than whether it has exposure to significant risks and rewards associated with the sale of goods.

The Group concluded that it acts on its own behalf in most of the contractual sales relationships, as it is the main performer in all revenue contracts, it has the right to set the price, and it is exposed to stock-related risks. In the specific case of those contractual arrangements where the Group does not control the goods before transferring them to the end client, its capacity is that of an intermediary.

**IFRS 16 - Leasing contracts**

The Company's patrimony includes cars purchased under financial leasing, and it has lease contracts for the registered office and the offices of subsidiary Agora Robotics, which are subject to re-treatment as per IFRS 16 (note 10 b and note 10 c).

The Group as a tenant

The Group evaluates whether a contract is or contains a leasing contract at the beginning of the contract. The Group recognises a usage right and a corresponding leasing debt in all leasing contracts in which it is a tenant, except for short-term leasing contracts (defined as leasing contracts where the leasing period is 12 months or less) and leasing contracts for low-value assets.
For these leasing contracts, the Group recognises leasing payments as an operational expense on a linear basis throughout the leasing period. The Group rents venues with parking spaces, and vehicles.
The leasing debt is initially evaluated at the updated value of the leasing payments not made on the contract start date, updated using the implicit instalment in the leasing contract. If this lease instalment cannot be easily determined, the Group uses the incremental loan rate.

Leasing payments included in the evaluation of the leasing debt include fixed leasing payments and the price of exercising the purchase options, if the tenant is reasonably sure that it will exercise those options in the case of vehicles.
The leasing debt is presented as "Leasing debts" in the individual statement of the financial standing. The leasing debt is subsequently evaluated by increasing the accounting value to reflect the interests pertaining to the leasing debt (using the actual interest method), and by reducing the accounting value to reflect the payments made. The actual interest rate used is 8%.
The Group re-evaluates the leasing debt (and adjusts the asset pertaining to the usage right accordingly) when:

- the leasing period has changed or there is a significant event or change of circumstances that results in a change in the assessment regarding the exercising of the purchase option, in which case the leasing debt is re-evaluated by updating the leasing payments, revised using a revised updating rate.

- leasing payments change as a result of a change of an index or a rate or a change of the envisaged payment under a guaranteed residual value, in which case the leasing debt is re-evaluated by updating the leasing payments, revised using an unchanged updating rate (except if the change of leasing payments is the result of a change in the variable interest rate, in which case a revised updating rate is used).
- A leasing contract is changed, and the change of the leasing contract is not registered as a separate leasing contract, in which case the leasing debt is re-evaluated based on the leasing period of the changed leasing contract, by updating the leasing payments, revised using an updating rate revised on the date of the entering into force of the contract change.

The assets pertaining to the usage right include the initial evaluation of the pertaining leasing debt, the leasing payments made on or before the start day of the contract, minus any leasing incentives received, plus any initial direct costs. Subsequently, these are evaluated at the cost minus accumulated amortisation and losses from depreciation.

Whenever the Group has an obligation regarding the costs with dismantling and removing a leased asset, restoring the place where the asset was, or restoring the underlying asset to the state specified in the terms and conditions of the leasing contract, a provision is recognised and evaluated according to IAS 37.
If the costs refer to an asset pertaining to the usage right, such costs are included in that asset pertaining to the usage right, except if such costs are incurred for creating stocks.
The assets pertaining to the usage right are amortised for the leasing period or the service life of the underlying asset, whichever is shorter. If a leasing contract transfer the ownership right over the underlying asset or the cost of the usage right reflects the fact that the Group expects exercising a purchase option, then the asset pertaining to the usage right is depreciated for the duration of the service life of the underlying asset.
Amortisation starts on the start date of the leasing contract. The assets pertaining to the usage right are presented linearly in the consolidated financial standing report. The Group applies IAS 36 to determine whether an asset pertaining to the usage right is affected, and registers any identified loss from depreciation, as described in the "Tangible non-current assets" policy.

**Costs with long-term loans**

Debt costs that can be directly attributed to the purchase, building, or production of an asset which requires a substantial amount of time to be prepared for its envisaged use or sale are capitalised as part of the cost of the asset, until the asset is ready for the intended use or sale. All other debt costs are registered when they emerge.
The amortised cost pertaining to financial assets and debts is calculated using the actual interest rate. The amortised cost is calculated considering any purchase discount or premium, any commissions or costs that are an integral part of the actual interest rate.

**Non-reimbursable government subsidies**

Government subsidies are not recognised until there is reasonable assurance that the subsidy will be received and all the terms attached to it will be complied with by the company.

Non-reimbursable government funds for which the main requirement is that the Group purchases, builds, or in other way acquires non-current assets are recognised as deferred revenues in the financial standing report, and presented as "subsidies for investments". Deferred revenues are amortised in the comprehensive income report systematically and reasonably throughout the service life of those assets or when the assets acquired with the subsidy are technically outdated or transferred.

**Costs with retirement rights and other long-term benefits of employees**

Within its current activities, the Group makes payments to the Romanian state for the benefit of its employees. All the Company's employees are included in the Romanian State's pension plan. The Group operates no other pension plan or post-retirement benefit plan and, consequently, has no obligation related to pensions. In addition, the Group has no obligation to provide additional benefits to former or current employees.

A debt is recognised for the benefits granted to the employees for salaries and allowances, annual leaves and medical leaves, during the period when the pertaining service is performed at the non-updated value of the benefits expected to be paid in exchange for that service. The debts recognised for the benefits of short-term employees are evaluated at the non-updated value of the benefits expected to be paid in exchange for that service.

The Group implemented a Stock Option Plan programme for key employees, by issuing a number of share equal to the undertaken obligation to reward employees upon the expiry of the duration of the plan, and based on the employees meeting the set performance criteria. Evaluation of the shares was linked to the market value, according to the indications of the regulatory authority.

The Group distributed free of charge 26.245 new shares with a nominal value of 0,2 Lei / share and an average price of 27,43 Lei/share to 7 employees.

**Taxation**

**Current profit tax – applicable tax rate at Group level (Note 7)**

The current profit is based on the year's taxable profit. The taxable profit is different from the profit reported in the comprehensive income statement, as it does not include income and expenditure items that are taxable or deductible in other years, as well as the items that are never taxable or deductible.

The current tax obligations of the Company are calculated based on the tax rates in force or mostly in force on the date of the balance sheet.

The receivables and the debts pertaining to the current profit tax for the current period are evaluated at the value expected to be recovered from or paid to tax authorities.

***Deferred tax***

The deferred tax is recognised as the difference between the book value of the assets and debts in the financial statements and the corresponding fiscal bases used in calculating the taxable revenues, and is determined by using the balance sheet liabilities method.

Liabilities with deferred tax are recognised, in general, for all temporary taxable differences, while assets related to deferred tax are recognised for deductible temporary differences and for tax losses and credits carried forward, to the extent to which it is likely to have taxable revenues for which those deductible temporary differences can be used.

Such assets and liabilities are not recognised if the temporary difference results from initially recognising other assets and liabilities in a transaction that does not impact on taxable or on book revenues (which is assumed to be applicable for the example when a tenant records an initial recognition of a leasing contract). In addition, no deferred tax liability is recognised if the temporary difference results from the initial recognition of goodwill.

Deferred tax liabilities are recognised for temporary taxable differences associated with investments in subsidiaries and associations, except when the Group has the capacity to control the re-taking of the temporary difference, and when it is likely that the temporary difference will not be re-taken in a foreseeable future.

Deferred tax assets resulting from deductible temporary differences associated with such investments and interests are only recognised to the extent to which it is possible to have sufficient taxable revenues to use the benefits pertaining to the temporary differences, and when it is estimated that they will be re-taken in a foreseeable future.

The book value of the deferred tax assets is revised on every balance sheet date, and reduced to the extent to which it is not likely to have sufficient taxable revenues to allow for a full or partial recovery of that asset.

Deferred tax assets and liabilities are evaluated at the tax rates estimated to be applied in the period when the liability is paid or the asset realised, based on the tax rates (and taxation laws) in force or substantially coming into force on the balance sheet date.

Evaluation of deferred tax assets and liabilities reflects the fiscal consequences of how the Group estimates that it will recover or pay the book value of its assets and liabilities on the balance sheet day.

Deferred tax assets and liabilities are offset if a legal enforcement right to offset current tax assets with current tax liabilities is in place, and if deferred tax refers to the same taxable entity and same tax authority, and the Group intends to offset deferred tax assets with deferred tax liabilities on a net basis.

Current tax and deferred tax are recognised as incomes or expenditure in the comprehensive income statement, except when they refer to items that are directly credited or debited in other items of the comprehensive income, in which case the tax, too, is recognised directly in other items of the comprehensive income, or except for the cases when they result from the initial accounting of a combination of enterprises.

**Added value tax**

Income, expenditure and assets are recognised at their value VAT excluded, except when/for:

- The sales tax applicable to a purchase of assets or services is not recoverable, in which case the sales tax is recognised as part of the asset purchase cost or as part of the expenditure item, as case may be;
- Receivables and debts presented at a value that includes the sales tax.

The net value of the sales tax, recoverable from or to be paid to ANAF, is included as part of the receivables and debts in the financial standing report.

**Tangible non-current assets**

Tangible non-current assets are evaluated at their cost, net of the accrued amortisation and/or accrued loss with depreciation, if any.

Such cost includes the cost with replacing part of the tangible non-current asset, and the debt costs for long-term construction projects, if the criteria for recognising them are met. When significant parts of tangible non-current assets need to be replaced at certain recurring periods of time, the Group amortises those separately, based on their specific service life. Furthermore, when major repairs are conducted, the pertaining cost is recognised in the book value of the tangible non-current asset as a substitute, if the criteria for recognising it are met. All other repair and maintenance costs are recognised in the comprehensive income report when they are incurred.

The updated value of the cost envisaged with the decommissioning of an asset after use is included in the cost of that asset if the criteria for recognising a provision are met.

The cost of a tangible non-current asset is composed of:

- its purchase price, including customs duties and non-reimbursable purchase fees, after deduction of any commercial discounts and deductions;
- any costs that can be attributed directly to the asset at the required location and in the required condition for it to operate in the way in which the management wants it;
- the initial estimation of the costs with dismantling and moving the item and restoring the site where it is located, the obligation undertaken by the entity when acquiring the item or as a consequence of using the item for a certain period for purposes other than producing stocks during that period.

***Subsequent evaluation***

Non-current assets are evaluated at their historic cost, minus the amortisation and any adjustments for depreciation.

***Amortisation of non-current assets***

Amortisation of the value of non-current assets that have limited durations of economic usage represents the systematic allocation of the asset value that can be amortised throughout the entire duration of its economic usage.

The amortisation of non-current assets is calculated from the month of its commissioning until the full recovery of their incoming value. When establishing the amortisation of tangible non-current assets, the economic usage durations and the conditions of using the assets are taken into account.

The amortisation is calculated using the linear amortisation method throughout the economic service duration of the assets.

Land is not amortised. Land improvements are amortised linearly over a period of up to 10 years.

The lifespans of for the main categories of tangible non-current assets are presented in the table below:

| | **Average lifespan (years)** |
|---|---|
| Land improvements | 18 |
| Buildings and constructions | 10 |
| Technological machinery | 8 |
| Transport means | 4-5 |
| Office furniture and equipment | 4 |
| Photovoltaic plants | 18 |

Whenever the Group has an obligation regarding the costs with dismantling and removing a leased asset, restoring the place where the asset was, or restoring the underlying asset to the state specified in the terms and conditions of the leasing contract, a provision is recognised and evaluated according to IAS 37.

**Real estate investments**

Real estate investments are evaluated at their cost, including transaction costs.

Real estate improvements are taken off the books when they are given away or when they are permanently decommissioned and no future economic benefits are expected from giving them away them.

Transfers to or from real estate investments are only made when there is a change in their usage. For a real estate property to be transferred from the category of real estate investments to the category of real estate property used by the owner, the cost considered for further accounting it is the fair value at the time of changing its use.

If the real estate property used by the owner becomes a real estate investment, the Group books that property according to the policy for tangible non-current assets, until the property changes use.

**Intangible assets**

Intangible assets purchased separately are reported at their cost minus accrued amortisations / depreciation losses.
After the initial recognition, intangible assets with a finite service lifespan are evaluated at their cost, minus accrued amortisation and accrued depreciation losses.
Amortisation is calculated on a linear basis throughout the entire service lifespan. The estimated lifespan, the residual values and the method of amortisation are reviewed at the end of every year and adjusted if case may be, resulting in changes in future accounting estimations.

Intangible non-current assets are amortised using the linear amortisation method over the contract period or the duration of use, as applicable, in general over a period of up to 5 years.

*Research - development expenses*

The Group performs research and development with Agora Robotics; the subject of this research & development is an autonomous industrial cleaning robot (note 11).

Research expenses are recognised as expenditures when incurred. Expenses with developing an individual project are recognised as intangible non-current assets when the Group can prove:

- The technical feasibility needed for completing the intangible non-current asset so that the asset can be available for use or sale;
- The Group's intention to complete the intangible asset and its capacity to use or sell it;
- The way in which that intangible asset will generate future economic benefits;
- The availability of resources for completing the asset;
- The Group's capacity to reliably evaluate the expenses over the period of developing the asset.

After initially recognising the expense with developing an asset, the cost-based model is applied, which entails booking the assets at the cost minus any accrued amortisation and any accrued losses from depreciation. Asset amortisation starts when the development is completed and the asset is available for sale/use. The asset is amortised over the period of the envisaged future benefit. The amortisation is recognised in the cost of the sold assets. During the development period, the asset is annually tested for depreciation.

*Patents, licenses, trademarks*

The patents, licenses, trademarks are recognised as intangible assets and evaluated according to their service life (if finite - they are amortised; if indefinite - they are tested for depreciation).

*De-recognition of intangible assets*

An intangible asset is de-recognised when given away or when no future economic benefits are envisaged from its use or giving away. The gains or losses resulting from the de-recognition of an intangible asset, evaluated as the difference between net cashing from sales and the net book value of the asset, are recognised on the profit and loss account when the asset needs to be recognised.

**Stocks**

Stocks are registered at the cost value or the net realisable value, whichever is smaller. The net realisable value is the estimated sale price for the stocks, minus all costs estimated for completion and costs with selling.

Raw materials and supplies are evaluated at the purchase cost, including transport, handling costs, net of commercial discounts.

The Group uses FIFO - first in, first out - as evaluation method.

The management constantly examines the materials on stock and the developments on the market to establish the optimal stock quantity. The market value of the stocks, especially important components or technical systems (solar panels, inverters, batteries) are examined to establish whether they are recorded at their fair value, and establish the need for provisioning or urgent use if moral wear and tear is found.

Stock consumption is recognised when contract obligations are fulfilled, and is correlated with recognising revenues.

**IFRS 9 Financial instruments - simplified approach**

A financial instrument is any contract that generates a financial asset of an entity and a financial liability or an equity instrument of another entity.

*Financial assets*

The financial assets of the company include cash and cash equivalents, commercial receivables, and long-term investments.

A financial asset is categorised as evaluated at its amortised cost or at its fair value, and any change is reflected in other items of the comprehensive income or through the comprehensive income statement.

*Initial recognition*

The categorisation of financial assets at their initial recognition depends on the contractual characteristics of the cash flow pertaining to the financial asset and the business model of the Group for managing such assets. Except for commercial receivables that do not have a significant financing component or for which the Group applied the simplified method, through which a provisioning matrix is applied based on age analysis, correlated with the likelihood of default. The Group makes the initial evaluation of a financial asset at its fair value, in the case of a financial asset that is not evaluated at its fair value through the comprehensive income report, the trading costs. Commercial receivables that do not contain a significant financing component or for which the Group has applied practical advantage are evaluated at the trading price established according to IFRS 15.

*Subsequent evaluation*

The Group measures financial assets at their amortised cost if the following requirements are met cumulatively:

- The financial asset is owned in a business model, the goal of which is to own financial assets in order to collect contractual cash flows; and
- The contract terms of the financial asset generate the specified dates of cash flows, which represent solely payment of principal and interest (SPPI).

*De-recognition of assets and debts*

A financial asset is de-recognised when:

- The rights to collect cash flows arising from the asset have expired;
- The Group transferred its rights to collect the cash flows arising from the asset or undertook an obligation to pay the collected cash flows in full, with no significant delays, to a third party based on a commitment with identical cash flows; and
    i. the Group significantly transferred all the risks and rewards associated with the asset, or
    ii. the Group did not transfer and did not keep significantly all the risks and rewards pertaining to the asset, but transferred control over the asset;
- the Group transferred its rights to collect cash flows from an asset or entered into a commitment with identical cash flows, and has neither significantly transferred, nor significantly kept all the risks and rewards related to the asset, but neither has it transferred control over the asset, then the asset is recognised proportionally with the continued involvement of the Group in that asset. In this case, the Group also recognises an associated debt.
- The transferred asset and the transferred debt are evaluated on a basis that reflects the rights and obligations kept by the Group. A continued involvement in the form of a guarantee regarding the transferred asset is evaluated at the initial book value of the asset or the maximum value of the counter-value that the Group may be required to reimburse, whichever is smaller.

*Depreciation of financial assets*

The Group recognises a provision for envisaged losses from crediting for all financial assets attached to debts that are not owned at fair value through profit or loss. For commercial receivables and contractual assets, the Group applies a simplified approach in calculating envisaged losses.

Therefore, the Group does not monitor credit risk changes, but, in exchange, recognises a provision based on the dates of envisaged losses throughout the lifespan, at every reporting date. The Group analyses the receivables individually and takes into account the effect of the financial guarantees received from insurers in calculating envisaged losses from crediting.

*Financial debts*

*Initial recognition*

Financial debts are categorised as financial debts at fair value through profit or loss, loans and credits or derived instruments assigned as risk hedging instruments in an effective risk hedging, as applicable. The Group determines the categorisation of its financial debts upon their initial recognition.

*Subsequent evaluation*

The Group evaluates financial debts depending on their categorisation, as follows:

- Loans and credits: interest-bearing loans are subsequently evaluated at their amortised cost using the actual interest rate method. Gains and losses are recognised in the profit and loss account when the debts are de-recognised, as well as over the period of the amortisation process, at the actual interest rate. The amortised cost is calculated considering any purchase discount or premium, and any commissions or costs that are an integral part of the actual interest rate. Amortisation at the actual interest rate is included in the profit and loss account at the financing costs.
- Financial guarantee contracts: The contract does initial recognition of financial guarantee contracts as debt at fair value, adjusted to the costs of transaction directly attributable to the issuing of the guarantee. Subsequently, the guarantee is evaluated at the value of the best estimation of the expense needed for settling the obligation in place on the reporting date or the recognised value minus accrued amortisation, whichever is higher.

*De-recognition*

The Group de-recognises a financial debt when the obligation pertaining to the debt is extinguished, cancelled, or expires. If a financial debt is replaced with another debt coming from the same creditor under terms that are substantially different, or if the terms of an existing debt change substantially, such replacement or change is treated as a de-recognition of the initial debt and recognition of the new debt. The difference between the pertaining book values is recognised on the profit and loss account.

**Offsetting of financial instruments**

Financial assets and financial debts are offset, and the net value is reported in the financial standing statement only if there currently is both a legal right to offset the recognised amounts and an intention to settle on a net basis or to capitalise the assets and simultaneously settle the debts.

**Revenues from interests**

Revenues from interests generated by a financial asset is recognised when it is likely that the Group will obtain economic benefits, and when those benefits can be credibly measured. Revenues from interests accrues in time, in line with the principal and the applicable actual interest rate, that is, the rate that accurately updates the future cash collections estimated throughout the anticipated period of the financial asset at the net book value of the asset on the date of its initial recognition. Revenues from interests are included in the profit and loss account under financial revenues.

**Cash and short-term deposits**

The cash and short-term deposits in the financial standing statement include available cash in petty cash and in banks, as well as short-term deposits with an initial maturity date within three months or less.

For the purpose of drafting the cash flow report, cash and cash equivalents are composed of the cash and short-term deposits defined above, net of overdrafts.

**Provisions**

Provisions are recognised when the Group has an actual obligation (whether legal or implicit) following a past result, an exit of resources is likely to be required from the company, which incorporates economic benefits to pay for the obligation, and a safe estimation can be made regarding the value of such obligation.

The amount recognised as provision is the best estimate of the amount needed for paying the current obligation on the balance sheet date, considering the risks and uncertainties related to the obligation. If a provision is evaluated using cash flows estimated for paying off the current obligation, the book value is the updated value of those cash flows.

**Affiliates**

Parties are considered affiliates when one of them has the capacity to control / significantly influence the other party through ownership, contractual rights, family relationships or other ways.

Affiliates also include the main owners of the Group, management members, members of the Board of Directors and their family members, parties with whom they jointly control other companies, post-employment benefit plans for the Group's employees.

**Profit carried forward**

The book profit remained after allocating the 5% share to legal reserves, within 20% of the registered capital, is taken forward in the result carried forward at the beginning of the financial year following the year for which the annual financial statements are made, from where it is allocated to other legal destinations.

Profit allocation is consequently made in the next year, after the allocation is approved in the General Assembly of Shareholders, namely the value of approved dividends and other reserves according to the law.

## 3. JUDGEMENTS, ESTIMATIONS, AND SIGNIFICANT ACCOUNTING HYPOTHESES

Drafting of the Group's financial statements requires the management to make judgements and estimations and develop hypotheses that affect the values reported for revenues, expenses, assets and debts, as well as the presented information accompanying these, and to present contingent debts at the end of the reporting period.

However, the existing uncertainty related to these estimations and hypotheses could result in significant future adjustments of the book value of the affected assets or debts in the future periods. The related estimations and hypotheses are based on historic experience and other factors deemed relevant. Actual results can be different from such estimations. Underlying estimations and hypotheses are constantly reviewed.

The following are critical judgements, besides those that involve estimations (which are presented separately below), made by the Group management in the process of applying the Group's accounting policies and having a significant effect on the amounts recognised in the financial statements.

**Judgements**

To express their judgements, the managers considered the detailed criteria for revenue recognition established in IFRS 15 and, in particular, whether the Group has transferred control of goods to the customer.

Following detailed quantification of the Group's liability regarding any rectification works, and the agreed limitation of the customer's capacity to request additional works or request the goods to be replaced, the managers are satisfied that control has been transferred, and that it is appropriate to recognise the revenue in the current year.

**Estimations and hypotheses**

The main hypotheses regarding future sources and other key sources of uncertainty of the estimations on the date of the reporting, which present significant risk to determine significant adjustment of the book values of assets and liabilities in the next financial exercise are described below. The Group based its hypotheses and estimations on the parameters available at the time of drafting the individual financial statements. However, the existing circumstances and hypotheses regarding future developments could change as a result of market changes or changes in circumstances, which are beyond the company's control. Such changes are reflected in the hypotheses when they appear.

*Taxes, fees, and provisions for fees*

There are uncertainties regarding the interpretation of complex tax regulations, changes of tax legislation and of the value and time of future taxable profits.

All amounts owed to state authorities have been paid or ascertained on the date of closing the balance sheet. The Romanian fiscal system is undergoing a consolidation process, and a process of aligning itself to European laws. Tax authorities may have different interpretations of the tax legislation, which can lead to additional fees and penalties. If state authorities find tax breaches and breaches of connected regulations, this may lead to: confiscation of the amounts in question; additional tax obligations; fines and penalties (applied on the remaining amount). As a result, fiscal sanctions resulting from breaches of legal provisions can lead to significant debt.

At the end of every financial year, the Group makes an estimation of potential taxation risks it could be subject to, and determines the level of potential risk using the best available estimations, and consequently, if necessary, recognises a specific provision in the financial statements

*Stocks*

Consumables, raw materials, and goods for resale are registered at the cost value or the net realisable value, whichever is smaller. The management analyses the age of the stocks, the expiry date of the products, the quality of products, and any non-compliance problems, products that cannot be sold subsequently or which are rejected for quality issues, and considers the implications of these factors when establishing the net realisable value of old stocks.

The net realisable value is the sale price under normal business conditions, minus costs with completion, marketing and distribution of the goods, considering the evolution of sales prices in the future.

The management analysed the net realisable value of finished products every month, considering the market sale prices, as well as industry-specific regulations.
For raw materials, specific analysis is conducted, taking into account the age, expiry date, any quality issues of the remaining items.

All hypotheses are reviewed annually.

*Lifespan for non-current assets, and depreciation method*
The group estimates the lifespan for tangible non-current assets based on the consumption /wear and tear rate for those assets.

The Group considers and uses the linear method for buildings, fixed assets purchased in financial leasing arrangements, and machinery.

## 4. SALES OF GOODS AND SERVICES

The turnover made in the financial year ended on 31 December 2024 mainly results from the sale of engineering services - installation of turnkey photovoltaic plants.

The Group monitors sales per segments of business:

| Sales per segments of business: | **1 January - 31 December 2024** | **1 January - 31 December 2023** |
|---|---|---|
| Revenues from sales of finished products | 614.132 | 264.759 |
| Revenues from services delivered | 277.384.561 | 288.543.290 |
| Income from rents | 350.833 | 322.702 |
| Sales of goods purchased for resale | 75.972.670 | 8.649.371 |
| Sales of residual products | - | 12.946 |
| Income from various activities | 25.318 | 31.381 |
| Total sales | 354.347.514 | 297.824.449 |

Revenues from services delivered include revenues pertaining to photovoltaic plant building contracts, revenues from photovoltaic plant maintenance and monitoring activities, and revenues from prognosis and energy forecasts.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Revenues from delivered services, out of which | 277.384.561 | 288.543.290 |
| Revenues from services delivered for contracts | 254.561.275 | 268.751.830 |
| Revenues from maintenance and monitoring | 13.730.223 | 14.101.451 |
| Revenues from prognosis and energy forecasts | 8.686.381 | 5.431.477 |
| Other | 406.682 | 258.532 |

Maintenance and monitoring revenues are services delivered based on a subscription, in contracts with constant delivery throughout the contract period. Revenues from delivery of services pertaining to construction contracts are revenues recognised based on execution stages or according to the settlement method described in the contract.

The share of revenues from sales of energy traded by Ges Furnizare SRL is growing in the Group's turnover; these revenues are reflected in sales of goods purchased for resale.

The Group presents the following customers who exceeded 10% of total sales:

31 December 2024

| Customer | Share of sales |
|---|---|
| ENEVO GROUP SRL | 18% |
| SILCOTUB SA | 10% |

31 December 2023

| Customer | Share of sales |
|---|---|
| GRUNMAN ENERGY S.R.L. | 16% |
| CTP INVEST BUCHAREST SRL | 12% |

This shows that there is no dependence from a limited number of customers or the same customers every year.

## 5. RAW MATERIALS, CONSUMABLES USED, AND GOODS FOR RESALE

For the financial years ended on 31 December 2024 and 31 December 2023, expenses with raw materials and supplies are as follows:

| Expenses with raw materials and consumables: | **1 January - 31 December 2024** | **1 January - 31 December 2023** |
|---|---|---|
| Raw materials | 136.970.288 | 176.344.922 |
| Auxiliary materials | 169.578 | 120.992 |
| Fuel and spare parts | 1.154.030 | 942.069 |
| Other consumables | - | - |
| Goods for resale | 41.500.943 | 6.020.166 |
| Inventory items | 390.777 | 300.182 |
| Total | 180.185.616 | 183.728.331 |

Expenses with raw materials include expenses with technological machinery and supplies used for photovoltaic plant building contracts (panels, inverters, structure, etc.), while expenses with goods for resale include mostly the cost of the energy traded by GES Furnizare SRL. The Group also has occasional sales of equipment to third parties, the cost of which is reflected in the same category of costs with goods for resale.

# 6. OTHER REVENUES / EXPENSES AND ADJUSTMENTS

## 6.1. Other operating revenues

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Revenues from operating / investment subsidies | 246.194 | - |
| Compensations, fines and penalties | 31.756 | 5.328 |
| Revenues from sales of assets and other equity transactions | 15.172 | 208.991 |
| Other operating revenues | 1.098.380 | 280.244 |
| Total | **1.391.502** | **494.563** |

The category of operating revenues includes revenues from sales of assets, revenues from damage compensations (vehicles), subsidies or other positive adjustments resulting from corrections of some operations.

## 6.2. Other operating expenses

| Other operating expenses | **1 January - 31 December 2024** | **1 January - 31 December 2023** |
|---|---|---|
| Services performed by third parties | 74.699.384 | 44.627.683 |
| Materials not stocked | 513.003 | 610.375 |
| Transport of goods and personnel | 999.559 | 1.829.185 |
| Rents | 562.699 | 1.450.506 |
| Commissions and fees | 222.633 | 19.289 |
| Travel expenses | 1.187.696 | 649.077 |
| Insurance premiums | 717.036 | 471.305 |
| Maintenance and repairs | 387.503 | 357.084 |
| Sponsorship | 368.868 | 320.179 |
| Energy and water | 174.041 | 150.543 |
| Consulting | 461.612 | 303.395 |
| Taxes and fees | 1.851.847 | 1.449.753 |
| Green tax and environment protection | 5.895.323 | 4.232.830 |
| Other operating expenses | 3.594.853 | 1.098.318 |
| Total | 91.636.057 | 57.569.522 |

Expenses with services performed by third parties are mainly expenses with labour performed by subcontractors for photovoltaic plant installation services, prognosis / forecast services, and other services related to the contracts that compose the business.

In 2022, the Company registered with an EEE producer number, which led to a significant increase of expenses with taxes and fees from payments of EEE stamp duties.

The significant share of rents comes from short-term rental of technical machines and equipment for performing the works.

### 6.3. Financial expenses

| Financial expenses | 1 January - 31 December 2024 | 1 January - 31 December 2023 |
|---|---|---|
| Expenses with interests | 3.979.407 | 3.083.886 |
| Expenses with exchange rate differences | 1.358.354 | 1.900.210 |
| Other financial expenses | 389.451 | - |
| Total | **5.727.212** | **4.984.096** |

Expenses with interests consist of the amounts owed to credit institutions from which the Group gets financing for current operations or for the financing of photovoltaic projects.

### 6.4. Financial revenues

| Financial revenues | 1 January - 31 December 2024 | 1 January - 31 December 2023 |
|---|---|---|
| Revenues from interests | 239.252 | 23.603 |
| Revenues from exchange rate differences | 1.116.233 | 1.578.528 |
| Other financial revenues | 877.548 | - |
| Total | **2.233.033** | **1.602.131** |

The category of other financial revenues mostly includes the positive evaluation of the Iacobeni project with Ready to Build status from the moment of acquiring the project.

### 6.5. Marketing and advertising expenses

The Group includes expenses generated by mass media promotion campaigns under marketing and advertising expenses. During the current year, the expenses included in this category mainly includes expenses with promoting the Group's products and projects.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Promotion and advertising expenses | 350.642 | 273.588 |

## 7. PROFIT TAX

| Profit tax expense | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Deferred tax (expense / (revenue)) | (35.393) | (16.384) |
| Current profit tax | 7.922.916 | 4.573.768 |
| Turnover tax (micro companies) | - | 12.273 |
| Total | 7.887.523 | 4.569.657 |

In 2024, all companies of the Group are under the profit tax regime.

For 2023, the fiscal vector is as follows:

| 31 December 2023 | | |
|---|---|---|
| Company | Taxation regime | Tax rate |
| Simtel Team SA. | Profit tax | 16% |
| SIMTEL INDUSTRIAL CONTROL (Mangalia Solar SRL) | Profit tax | 16% |
| Plesoiu Solar SRL | Profit tax | 16% |
| SMTL Solar Anina SRL | Profit tax | 16% |
| SMTL Solar Ianca SRL | Profit tax | 16% |
| Advanced Robotics SRL | Micro company tax | 1% |
| ANT Power Energy SRL | Profit tax | 16% |
| SMTL Solar Giurgiu SRL | Profit tax | 16% |
| SIMTEL SOLAR SRL | Profit tax | 12% |
| SN ENERGIE COMPANY SRL | Profit tax | 16% |
| CUSTOM SOFT SOLUTIONS SRL | Profit tax | 16% |
| GES FURNIZARE SRL | Micro company tax | 1% |

The reconciliation between the result of the year and the fiscal result, extracted from the profit tax statement is given below:

| **Item name** | **1 January - 31 December 2024** | **1 January - 31 December 2023** |
|---|---|---|
| Operating revenues | 360.287.783 | 296.378.846 |
| Operating expenses | 319.947.466 | 265.098.696 |
| **Operating result (1-2)** | 40.340.317 | 31.280.150 |
| Financial revenues | 2.233.033 | 2.227.445 |
| Financial expenses | 5.727.212 | 4.231.643 |
| **Financial result (4-5)** | (3.494.179) | (2.004.198) |
| **Gross result (3-+6)** | 36.846.138 | 29.275.952 |
| Items similar to revenues | - | - |
| **Result after including items similar to revenues (7+8)** | 36.846.138 | 29.275.952 |
| Deductions (fiscal amortisation) | 2.754.527 | 1.758.839 |
| Deductible legal reserve | 1.231 | 3.927 |
| Non-taxable revenues (incomes from dividends and other revenues) | 1.165.977 | 1.205.267 |
| **Profit (9-10-11)** | 32.924.403 | 26.307.919 |
| Non-deductible expenses | 24.024.049 | 7.756.060 |
| **TAXABLE PROFIT** | 56.948.452 | 34.063.979 |
| Fiscal loss to recover from previous years | 398.546 | - |
| Fiscal loss to recover in subsequent years | 658.012 | 34.063.979 |
| **PROFIT TAX** | 9.637.017 | 5.481.067 |
| Amounts which represent sponsorship | 368.868 | 308.963 |
| Profit tax reduction as per Government Emergency Ordinance no. 153/ 2020 | 1.345.233 | 598.379 |
| **PROFIT TAX** | **7.922.916** | **4.573.725** |

*Deferred profit tax*

| **Financial standing** | **Temporary differences** | **Deferred tax 2023** | **Temporary differences** | **Deferred tax 2024** |
|---|---|---|---|---|
| Tangible non-current assets | 2.826.832 | 452.293 | - | - |
| Usage right assets | 4.087.977 | 654.076 | 3.942.948 | 630.872 |
| Other long-term assets | - | - | - | - |
| Deferred tax - asset | - | - | - | - |
| **Total non-current assets** | **1.261.144** | **201.783** | **3.942.948** | **630.872** |
| **Current assets** | | | | |
| Commercial receivables | 429.345 | 68.695 | 268 | 43 |
| Other receivables | - | - | - | - |
| **Total current assets** | **429.345** | **68.695** | **268** | **43** |
| | | | | |
| **Total assets** | **831.799** | **133.088** | **3.943.215** | **630.914** |
| **Debts** | | | | |
| **Long-term debts** | | | | |
| Leasing - long-term | 191.223 | 30.596 | 1.651.191 | 264.191 |
| Long-term bank loans | 1.987.038 | 317.926 | - | - |
| **Total long-term debts** | **- 1.795.815** | **- 287.330** | **1.651.191** | **264.191** |
| **Current debts** | | | | |
| Short-term bank loans | 1.987.038 | 317.926 | - | - |
| Leasing - short-term | 1.121.318 | 179.411 | 2.512.968 | 402.075 |
| **Total current debts** | **3.108.357** | **497.337** | **2.512.968** | **402.075** |
| **Total debts** | **1.312.542** | **210.007** | **4.164.159** | **666.308** |
| **NET BALANCE (+ Asset, - LIABILITY)** | | **76.919** | | **35.394** |
| **ACCOUNT, RESULTS, REVENUES** | | **16.384** | | **41.525** |

## 8. RESULT PER SHARE

The values of the result per basic share are calculated by dividing the year's net profit attributed to the ordinary shareholders of the parent company to the weighted average number of ordinary shares in circulation during the year.
The weighted average number of ordinary shares during the reporting period is the number of ordinary shares existing at the beginning of the period, adjusted by the number of ordinary shares redeemed or issued during the period, multiplied by a time weighting factor. The time weighting factor is the number of days while the shares existed, as a share of the total number of days in the period.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Profit of the financial year | 36.806.645 | 27.106.685 |
| Number of shares | 7.918.650 | 7.887.873 |
| BASIC NET RESULT / SHARE | 4,65 | 3,44 |
| Profit of the financial year | 36.806.645 | 27.106.685 |
| Number of shares | 7.895.567 | 7.887.873 |
| DILUTED NET RESULT / SHARE | 4,66 | 3,44 |

The diluted result is based on the capital increase performed on 26.07.2024.

## 9. GOODWILL

Out of the list of owned shares, some of these are 100% incorporated and do not provide any goodwill. Shares partially incorporated provide goodwill. The presentation of these shares is as follows:

| **31 December 2023** | | | | |
|---|---|---|---|---|
| Company | Ownership share | Value offered | Net assets | Goodwill |
| Simtel Industrial Control (Mangalia Solar) | 75.00% | 53.100 | 53.100 | - |
| Plesoiu Solar SRL | 98.60% | 70.000 | 70.006 | - |
| Smtl Solar Anina SRL | 100% | 200 | 200 | - |
| Smtl Solar Ianca SRL | 100% | 200 | 200 | - |
| Advanced Robotics SRL | 51% | 1.977.720 | 510 | 1.977.210 |
| Ant Power Energy SRL | 51% | 1.514.394 | 1.020 | 1.513.374 |
| Smtl Solar Giurgiu SRL | 100% | 200 | 200 | - |
| Simtel Solar SRL | 100% | 269 | 257 | 12 |
| Sn Energie Company SRL | 100% | 200 | 200 | - |
| Custom Soft Solutions SRL | 39% | 147.465 | 392 | 147.073 |
| Ges Furnizare SRL | 62% | 620 | 620 | - |
| Total | | 3.764.368 | 126.705 | 3.637.669 |

| 31 December 2024 | | | | | | |
|---|---|---|---|---|---|---|
| Company | Year of purchase | Ownership share | Value offered | Net assets | Fair value | Goodwill |
| Simtel Industrial Control SRL | 2015 | 75.00% | 53.100 | 53.100 | 53.100 | - |
| Plesoiu Solar SRL | 2015 | 98.60% | 70.000 | 70.000 | 70.000 | - |
| Smtl Solar Anina SRL | 2022 | 100% | 200 | 200 | 200 | - |
| Smtl Solar Ianca SRL | 2022 | 100% | 200 | 200 | 200 | - |
| Advanced Robotics SRL | 2022 | 51% | 1.977.720 | 510 | 510 | 1.977.210 |
| Ant Power Energy SRL | 2022 | 51% | 1.514.394 | 1.020 | 1.020 | 1.513.374 |
| Smtl Solar Giurgiu SRL | 2022 | 100% | 200 | 200 | 200 | - |
| Simtel Solar SRL | 2022 | 100% | 269 | 257 | 257 | - |
| Sn Energie Company SRL | 2023 | 100% | 200 | 200 | 200 | - |
| Custom Soft Solutions SRL * | 2023 | 59% /100% | 148.191 | 590 | 590 | 147.601 |
| Ges Furnizare SRL | 2023 | 62% | 620 | 620 | 620 | - |
| Oasis Green Energy 3 SRL | 2024 | 100% | 2.287.690 | 320 | 2.270.833 | 16.857 |
| Sirius Immob 2 SRL | 2024 | 100% | 2.038.624 | 10.000 | 2.831.287 | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| SMTL Solar GMBH | 2024 | 95% | 118.156 | 118.156 | 118.156 | - |
| SIMTEL Technology SRL | 2024 | 100% | 200 | 200 | 200 | - |
| SMTL Energy Infrastructure SRL | 2024 | 100% | 200 | 200 | 200 | - |
| SMTL Energy Project SRL | 2024 | 100% | 200 | 200 | 200 | - |
| Total | | | 8.311.593 | 357.408 | 5.449.202 | 3.655.054 |

*Custom Soft Solution SRL is owned 51% by Simtel Team SA and 49% by ANT Power Energy SRL

## 10. TANGIBLE NON-CURRENT ASSETS AND ASSETS PERTAINING TO THE RIGHT OF USE

| | Real estate investments | Buildings | Land | Vehicles, machinery and equipment | Furniture, office supplies, protection equipment | Tangible non-current assets in progress | Advance payments | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross value on 1 January 2024** | **2.688.425** | **5.204.212** | **5.654.454** | **13.338.056** | **1.610.948** | **388.244** | **42.262** | **26.238.177** |
| Additions | - | - | 481.158 | 3.714.177 | 376.441 | 69.078.819 | 34.913 | 73.685.508 |
| Re-evaluation | - | - | 2.704.315 | - | - | - | - | 2.704.315 |
| Exits | - | - | - | (175.884) | - | - | - | (175.884) |
| Transfers | - | 609.438 | - | 728.842 | 254.455 | (1.592.735) | - | - |
| **Gross value on 31 December 2024** | **2.688.425** | **5.813.651** | **8.839.926** | **17.605.192** | **2.241.844** | **67.874.329** | **77.174** | **102.452.116** |
| **Amortisation and value depreciation on 1 Jan 2024** | **422.659** | **117.894** | **-** | **3.964.003** | **656.397** | **-** | **-** | **4.738.294** |
| Amortisation during year | 84.532 | 310.687 | - | 2.059.303 | 409.542 | - | - | 2.779.532 |
| Exits | - | - | - | (151.717) | - | - | 42.435 | (109.282) |
| Transfers | - | - | - | - | - | - | - | - |
| **Amortisation and value depreciation on 31 December 2024** | **507.192** | **428.581** | **-** | **5.871.588** | **1.065.940** | **-** | **42.435** | **7.408.543** |
| **Net value 31 December 2024** | **2.181.234** | **5.385.070** | **8.839.926** | **11.733.603** | **1.175.905** | **67.874.329** | **34.740** | **95.043.573** |

| | Real estate investments | Buildings | Land | Vehicles, machinery and equipment | Furniture, office supplies, protection equipment | Tangible non-current assets in progress | Advance payments | Total fixed assets |
|---|---|---|---|---|---|---|---|---|
| **Gross value on 01 January 2023** | **2.688.425** | **457.618** | **5.359.344** | **6.127.354** | **1.168.433** | **-** | **12.605** | **13.125.353** |
| Additions | - | 4.746.595 | 295.110 | 5.705.233 | 442.793 | 2.022.584 | 3.715.152 | 16.927.467 |
| Re-evaluation | - | - | - | - | - | - | - | - |
| Exits | - | - | - | (128.870) | (277) | - | - | (129.147) |
| Transfers | - | - | - | 1.634.339 | - | (1.634.339) | - | (3.685.495) |
| | | | | | | | 3.685.495 | |
| **Gross value on 31 December 2023** | **2.688.425** | **5.204.212** | **5.654.454** | **13.338.056** | **1.610.948** | **388.244** | **42.262** | **26.238.177** |
| **Amortisation and value depreciation on 1 Jan 2023** | **338.128** | **-** | **-** | **2.659.995** | **326.360** | **-** | **-** | **2.986.355** |
| Amortisation during year | 84.532 | 117.894 | - | 1.439.694 | 330.037 | - | - | 1.887.625 |
| Exits | - | - | - | (135.687) | - | - | - | (135.687) |
| Transfers | - | - | - | - | - | - | - | - |
| **Amortisation and value depreciation on 31 December 2023** | **422.659** | **117.894** | **-** | **3.964.003** | **656.397** | **-** | **-** | **4.738.294** |
| **Net value 31 December 2023** | **2.265.766** | **5.086.319** | **5.654.454** | **9.374.054** | **954.551** | **388.244** | **42.262** | **21.499.884** |

Purchases of non-current assets in 2024 mainly refer to photovoltaic plants developed through the project companies, vehicles, IT equipment, or improvement of the location to be used as warehouse in Baicoi.

The non-current investments category includes investments made for venue and parking lot improvements in the two properties owned by Simtel Team SA, rented under a long-term lease as commercial space to a retail company.
The fair value of the real estate investments, according to the evaluation reports, is 3.842.167 RON in 2024 and 3.747.700 RON in 2023.
The "constructions" category includes the investment with improving the leased space for offices, and the investment in the Baicoi central warehouse used for the company's operations.
The fixed assets in the two aforementioned categories are used as collaterals for the investment loans obtained by the company to develop them, as follows: a 470.000-EUR loan for the purchase of the two apartments from which the company makes revenues by renting them, and a 860.000-EUR loan for building the logistic warehouse for use of the company's operations.
In "Assets pertaining to the right of use", the Group recognised the lease contracts on the spaces where it has the offices.
The lease contracts include extension and termination options. These options are negotiated by the Group management to provide flexibility in managing the portfolio of leased assets and align with the Group's business needs.

The Group's management exercises significant judgement to determine whether there is reasonable certainty to extend or terminate the contract.

The book value of the lease debt and the changes in this category in the 2024 and 2023 reporting periods:

*b. Assets pertaining to usage rights*

| **Usage rights - buildings** | 31 December 2024 | 31 December 2023 |
|---|---|---|
| **Gross value on 1 January** | 3.181.635 | 3.181.635 |
| Additions | 3.938.087 | - |
| Re-evaluation | - | - |
| Exits | - | - |
| Transfers | - | - |
| **Gross value on 31 December** | 7.119.722 | 3.181.635 |
| | | |
| **Amortisation and value depreciation on 1 January** | 869.974 | 869.974 |
| Amortisation during year | 1.543.615 | 763.185 |
| Exits | - | - |
| Transfers | - | - |
| **Amortisation and value depreciation on 31 December** | 3.176.774 | 1.633.159 |
| | | |
| **Net value 31 December** | 3.942.948 | 1.548.476 |

*c. Leasing – financial leasing and usage rights*

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Financial leasing Cars | 2.332.435 | 2.800.997 |
| Usage rights leasing Buildings | 4.164.159 | 1.659.740 |
| **Debt on 31 December** | 6.496.594 | 4.460.736 |

| | | |
|---|---|---|
| **Total leasing debt** | | |
| Long-term debt | 3.983.626 | 2.967.253 |
| Short-term debt | 2.512.966 | 1.493.484 |
| **Total debt on 31 December** | 6.496.594 | 4.460.736 |
| **Out of which: financial leasing** | | |
| Long-term debt | 1.321.370 | 1.724.059 |
| Short-term debt | 1.011.064 | 1.076.937 |
| | 2.332.435 | 2.800.997 |
| **Out of which: usage right leasing** | | |
| Long-term debt | 2.662.255 | 1.243.193 |
| Short-term debt | 1.501.903 | 416.546 |
| | 4.164.159 | 1.659.740 |

| **Usage rights leasing** | **31 December 2024** | **31 December 2023** |
|---|---|---|
| **On 1 January** | 1.659.740 | 2.387.570 |
| Additions during the period | 3.938.087 | - |
| Interest associated with the leasing debt | 356.334 | 164.345 |
| Early termination of car leasing contracts | - | - |
| Leasing payments | 1.810.020 | 736.771 |
| Debt re-evaluation | 20.020 | 8.941 |
| **On 31 December** | 4.164.159 | 1.659.740 |

The following expenses are amounts recognised in profit or loss with respect to leasing contracts:

| | **1 January - 31 December 2024** | **1 January - 31 December 2023** |
|---|---|---|
| Amortisation of right-of-usage assets | (266,406) | 763.185 |
| Expense with interest pertaining to leasing debt | 356,334 | 164.345 |
| Re-evaluation | 20,020 | |
| **Total expenses recognised in the profit and loss account** | 109,948 | 927.530 |

## 11. INTANGIBLE NON-CURRENT ASSETS

| | Set-up costs | Development costs | Concessions, patents, and other rights | Other intangible non-current assets | Advance payments | Total |
|---|---|---|---|---|---|---|
| **Gross value on 01 January 2024** | **2.589** | **3.272.026** | **407.258** | **153.176** | **12.605** | **3.847.654** |
| Additions | 14.477 | 4.476.891 | 243.495 | 49.929 | 12.605 | 4.784.792 |
| Exits | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - |
| **Costs on 31 December 2024** | **17.066** | **7.748.916** | **650.753** | **203.105** | **12.605** | **8.632.446** |
| | | | | | | |
| **Amortisation and value depreciation on 01 January 2024** | **2.589** | **-** | **128.886** | **17.809** | **-** | **149.285** |
| Amortisation during year | 1.234 | - | 281.286 | 140.620 | - | 423.140 |
| Exits | - | - | - | - | 12.605 | 12.605 |
| **Amortisation and value depreciation on 31 December 2024** | **3.823** | **-** | **410.172** | **158.430** | **12.605** | **585.030** |
| **Net value 31 December 2024** | **13.243** | **7.748.916** | **240.581** | **44.676** | **-** | **8.047.416** |

*(all amounts are in Lei ("RO"), if not specified otherwise)*

| | Set-up costs | Development costs | Concessions, patents, and other rights | Other intangible non-current assets | Advance payments | Total |
|---|---|---|---|---|---|---|
| **Gross value on 01 January 2023** | **2.947** | **1.008.832** | **80.983** | **2.689** | **-** | **1.095.451** |
| Additions | 1.105 | 2.263.194 | 326.275 | 150.487 | 12.605 | 2.753.666 |
| Exits | (1.463) | - | - | - | - | (1.463) |
| Transfers | - | - | - | - | - | 0 |
| **Costs on 31 December 2023** | **2.589** | **3.272.026** | **407.258** | **153.176** | **12.605** | **3.847.654** |
| **Amortisation and value depreciation on 01 January 2023** | **2.467** | **-** | **53.393** | **2.689** | **-** | **58.549** |
| Amortisation during year | 1.585 | - | 75.493 | 15.121 | - | 92.199 |
| Exits | (1.463) | - | - | - | - | (1.463) |
| **Amortisation and value depreciation on 31 December 2023** | **2.589** | **-** | **128.886** | **17.809** | **-** | **149.285** |
| **Net value 31 December 2023** | **-** | **3.272.026** | **278.372** | **135.367** | **12.605** | **3.698.369** |

Development expenses were registered in subsidiary Agora Robotics, and represent the costs with developing an autonomous industrial robot for cleaning hard floors, applicable in warehouses, factories, hotels, commercial venues, airports, etc. In Romania, the estimated area of such spaces is in excess of 16 million square metres. At the end of 2024, the company signed the first commercial contract for the local market.
The plan of the Agora Robotics management is that, starting with 2025, sales of the Sweep robot will extend internationally.

## 12. FINANCIAL NON-CURRENT ASSETS

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Receivables from contract guarantees | 15.394.931 | 6.827.062 |
| Collateral cash | 1.100.000 | 450.000 |
| Total | **16.494.931** | **7.277.062** |
| | | |
| Out of which, short-term | 5.258.467 | 112.988 |
| Out of which, long-term | 11.236.464 | 7.164.074 |

Financial non-current assets are registered in the balance sheet at their amortised cost. They are tested for depreciation and, if applicable, a depreciation of the financial asset is recorded.

- Guarantees

| Financial non-current assets | Balance on 31 December 2024 | less than one year | more than one year |
|---|---|---|---|
| Performance bonds | 14.916.558 | 5.253.977 | 9.662.580 |
| Bid bonds | 456.620 | - | 456.620 |
| Other guarantees | 21.754 | 4.490 | 17.264 |
| Total | 15.394.931 | 5.258.467 | 10.136.464 |

| Financial non-current assets | Balance on 31 December 2023 | *less than one year* | *more than one year* |
|---|---|---|---|
| Performance bonds | 6.789.414 | 98.988 | 6.690.426 |
| Bid bonds | 14.000 | 14.000 | - |
| Other guarantees | 23.648 | 0 | 23.648 |
| Total | 6.827.062 | 112.988 | 6.714.074 |

- Collateral cash
  - On 31 December 2024

| IBAN | Currency | Balance | Interest rate | Maturity | Clarifications |
|---|---|---|---|---|---|
| RO04BACX00001013061067 | LEI | 450.000 | 0% | N/A loan collateral | Mortgage for credit line 4,500,000 Lei |
| RO71BTRLRONSG2Y677441001 | LEI | 150.000 | 0% | N/A loan collateral | Collateral deposit Opcom |
| RO44BTRLRONSG2Y677441002 | LEI | 500.000 | 0% | N/A loan collateral | Collateral deposit Opcom |

  - On 31 December 2023

| IBAN | Currency | Balance | Interest rate | Maturity | Clarifications |
|---|---|---|---|---|---|
| RO04BACX00001013061067 | LEI | 450.000 | 0% | N/A loan collateral | Mortgage for credit line 4,500,000 Lei |

## 13. STOCKS

| **STOCKS** | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Raw materials auxiliary materials | 84.363.661 | 73.202.602 |
| Consumables, spare parts, fuels and other | - | 911.183 |
| Goods for resale | - | - |
| Raw materials and materials being replenished | 2.220.712 | 1.046.003 |
| Advance payments for stock goods | 8.470.283 | 3.807.039 |
| **Total** | 95.054.656 | 78.966.827 |

Raw materials and materials are mostly technological equipment (inverters, solar panels, metal structures, etc.) and materials used for furnishing the energy and telecommunication sites or for building photovoltaic plants.

## 14. COMMERCIAL AND SIMILAR RECEIVABLES

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| **Total net commercial receivables, out of which:** | 79.846.496 | 54.527.724 |
| Commercial receivables | 69.731.037 | 54.729.719 |
| Uncertain commercial receivables | - | - |
| Contractual receivables | 10.485.459 | (44.995) |
| Other commercial receivables | - | - |
| Adjustments for losses provisioned from receivables | (370.000) | (157.000) |

To apply the simplified method from IFRS 9, the analysis per age was examined, and the financial impact of potential provisions is insignificant. Amounts older than 365 days are generated by receivables pertaining to contracts to be paid in instalments.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| **Total net commercial receivables, out of which:** | 69.731.037 | 54.527.724 |
| days <30 | 66.376.195 | 39.865.643 |
| days >30 - <60 | 698.816 | 786.278 |
| days >60 - <90 | 105.671 | 5.474.981 |
| days >90 - <120 | 200.681 | 523.919 |
| days >120 - <270 | 956.070 | 4.049.202 |
| days >270 - <365 | 0 | 1.346.617 |
| days >365 | 1.393.604 | 2.690.596 |

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| **Total other receivables, out of which:** | 5.615.463 | 4.865.725 |
| Sundry debtors | 470.674 | 716.872 |
| Advances granted | 2.841.858 | 1.739.641 |
| Dividends distributed quarterly | - | - |
| Loans to affiliates | - | 6.933 |
| Other receivables | 2.302.932 | 2.402.279 |

Commercial receivables do not bear interest.

On 31 December 2024, sundry debtors mainly represent payments made on behalf of customers during the permitting process, amounts to settle with a third party according to contract provisions between the parties.

This category includes advance money given to employees for trips made for the Group, for which reimbursement deadlines have not expired.

## 15. CASH AND SHORT-TERM DEPOSITS

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Cash available in banks - Current accounts in Lei | 20.646.201 | 13.054.911 |
| Cash available in banks - Current accounts in foreign currency | 1.974.274 | 789.646 |
| Bank deposits | 7.648.224 | 2.032.046 |
| Petty cash in Lei | 3.131 | 8.271 |
| Other values | 2.185 | 6.185 |
| **Total** | **30.274.015** | **15.891.059** |

Available cash includes cash, current accounts in banks, bank deposits with no more than 3 months maturity if owned for the purpose of covering short-term cash needs, cheques, and notes receivable deposited in banks.

Overdrafts are included in the financial standing statement under amounts owed to credit institutions to be paid within one year.

Collateral deposits - collaterals for financing are included in the balance sheet under "financial non-current assets".

All accounts are in higher-rank banks, which ensures their long-term viability. Unicredit has BBB stable rating for long-term debts, and BRD has BBB+ rating.

For the cash flow statement, cash and cash equivalents are net of overdraft.

## 16. ACCRUED EXPENSES

| | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Accrued expenses | 2.553.371 | 4.692.223 |

Accrued expenses are annual amounts paid for insurance, civil liability insurance or, in the case of Ges Furnizare SRL, the counter-value of green certificates.

## 17. ISSUED CAPITAL AND RESERVES

During 2021, by decision og the General Extraordinary Assembly of Shareholders, held on 01.03.2021, the form of the Group was changed from limited liability to joint stock company.

At the same time, the following was decided:

- To split the 10-Lei share to a nominal value of 0.20 Lei (one share with a value of 10 Lei becomes 50 shares with a value of 0,2 Lei)
- To increase the registered capital by 1.198.000 Lei, which is the counter-value of 5.990.000 shares

The structure of the registered capital on 31.12.2021 is the result of the change of registered capital decided as per the Decision of the General Extraordinary Assembly of Shareholders no. 4/10.05.2021.

Shareholders approved the registered capital to be increased by issuing 1.055.000 new dematerialised registered shares, offered for subscription by running a private placement sale offer targeting qualified investors, and approved the company's shares to be accepted for trading within the bilateral trading system of the Bucharest Stock Exchange (BVB).

The director, through Decision 6/27.05.2021, with mandate from the shareholders according to AGEA (Extraordinary General Assembly of Shareholders) no. 4/10.05.2021, approved a registered capital increase from 1.200.000 Lei to 1.411.000 Lei, by 211.000 Lei, by issuing 1.055.000 shares of a nominal value of 0,20 Lei / share; ascertained the validity of the subscription on 27.05.2021 of 3.318.868 shares under the Private Placement, and approved closing on the offer with an allocation index of 0,3178794697 at the issuing price of 13 Lei per share, out of which 0.20 Lei / share nominal value, and 12,8 Lei/share as share premium.

The share premium on 31.12.2021 was 13.504.000 Lei.

In July 2022, the registered capital was increased based on AGEA no. 1/28.12.2021, registered in the Trade Register as per Resolution 100531/19.07.2022, Change Recording Certificate 544242/18.07.2022, updated Articles of Association of 07.07.2022, and Ascertaining Certificate no. 669291/20.07.2022.

The structure of the registered capital on 31.12.2022 is the result of the change of registered capital decided as per the Decision of the General Extraordinary Assembly of Shareholders no. 1/28.12.2021. Shareholders approved the registered capital to be increased by issuing 705,500 new dematerialised registered shares, offered for subscription by running a private placement sale offer targeting qualified investors, and approved the company's shares to be accepted for trading within the multilateral trading system of the Bucharest Stock Exchange (BVB).

The director, through Decision 19/29.06.2022, with mandate from the shareholders according to AGEA (Extraordinary General Assembly of Shareholders) no. 1/28.12.2021, approved a registered capital increase from 1.411.100 Lei to 1.552.100 Lei, by 141.100 Lei, by issuing 705.500 shares of a nominal value of 0.20 Lei / share; ascertained the validity of the subscription on 29.06.2022 under the Private Placement, and approved closing on the offer with an allocation index of 0,2753589990 at the issuing price of 18.2094 Lei per share, out of which 0,20 Lei / share nominal value, and 18,0094 Lei/share as share premium.

The share premium was 12,705,631.70 Lei.

In 2022, a second share capital increase was performed according to AGEA no. 4/08.04.2022, registered in the Trade Register as per Resolution 154174/02.11.2022, Change Recording Certificate 670182/26.10.2022, updated Articles of Association of 24.10.2022.
On 31 December 2023, the Group's registered share capital is 1.577.575 Lei (31 December 2022: 1.572.326 Lei), split in 7.887.873 shares with a nominal value of 0,2 Lei each (31

December 2022: 7.861.630 shares with a nominal value of 0,2 Lei each). All shares are issued and fully subscribed.

On 29 June 2023, the share capital was increased by issuing 26.245 new shares with a nominal value of 0,2 Lei / share and a total nominal value of 5.249 Lei, offered free of charge to 7 employees under a Stock Option Plan.

On 19 September 2024, the share capital was increased by issuing 30.777 new shares with a nominal value of 0,2 Lei / share and a total nominal value of 6.155,4 Lei, offered free of charge to 23 employees under a Stock Option Plan.

On 31 December 2024 - 31 December 2023, the shareholder structure is as follows:

| | **31 December 2024** | | **31 December 2023** | |
|---|---|---|---|---|
| Nedea Iulian | 1.688.941 | 21,3286% | 1.849.226 | 23,4439% |
| Bazarciuc Sergiu-Eugen | 1.671.375 | 21,1068% | 1.831.375 | 23,2176% |
| Vilau Radu-Laurentiu | 1.669.375 | 21,0816% | 1.829.375 | 23,1923% |
| List-type shareholders | 2.888.959 | 36,483% | 2.377.897 | 30,1462% |
| | 7.918.650 | **100%** | 7.887.873 | **100%** |

| **Equity item** | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Registered capital | 1.583.730 | 1.577.575 |
| Share premiums | 30.963.983 | 29.419.638 |
| Legal reserves | 331.061 | 329.376 |
| Other reserves | - | - |
| Result carried forward | 81.410.840 | 46.631.758 |
| Minority interests | 3.200.577 | 1.678.926 |
| **TOTAL EQUITY** | **117.490.191** | **79.637.274** |

In the financial year ended on 31 December 2024, the Group recorded net profit amounting to 36,846,138 Lei (2023: 27,106,685 lei).

Material minority interests in 2024 and 2023 mainly represent the performance of company ANT Power Energy SRL and company Ges Furnizare SRL, which was added to the portfolio in 2024, where the parent company owns 51% and, respectively, 62% of the shares.

## 18. PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS

Within its current activities, the Group makes payments to the Romanian state for the benefit of its employees. All the Group's employees are included in the Romanian State's pension plan. The Group operates no other pension plan or post-retirement benefit plan and, consequently, has no obligation related to pensions. In addition, the Group has no obligation to provide additional benefits to former or current employees.

The Group approved a multi-annual key employee incentive plan for 2022-2025 by offering options for them to receive free of charge a number of shares issued by the Group, representing no more than 2% of the total number of the Group's shares, applicable at the beginning of every year of the plan – Stock Option Plan.

Within the SOP, 26.245 shares were granted in 2023, leading to an increase of the registered capital by a total nominal value of 5.249 Lei. The Group granted option rights for 7 employees. The value for the SOP was 720.000 RON, the difference between the nominal value and the conversion price was reflected under Premiums related to capital. This was reported on the capital market through the informative letter no. / of: 26/2023, do not apply.

Within the SOP, 30.777 shares were granted in 2024, leading to an increase of the registered capital by a total nominal value of 6.155.4 Lei. The Group granted option rights for 23 employees. The value for the SOP was 1.550.500 RON, the difference between the nominal value and the conversion price was reflected under Premiums related to capital. This was reported on the capital market through the informative letter no. / of: 61/2024, do not apply.

## 19. STAFF EXPENSES AND INFORMATION ON EMPLOYEES, MEMBERS OF GOVERNING AND MANAGEMENT BODIES

The average number of employees of the Group was as follows:

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| **Average no. of employees** | 154 | 110 |

The membership of the Group leadership on 31 December 2024 is as follows:

| Item no | Name | Position |
|---|---|---|
| 1 | NEDEA IULIAN | President of the Board of Directors |
| 2 | TUDOR MIHAI RADU | Chief Executive Officer |
| 3 | GOGORITA MIRELA | Chief Financial Officer |
| 4 | BAZARCIUC SERGIU | Chief Operations Officer |
| 5 | RADU VILAU | Technical manager |

During the financial year ended on 31 December 2024, the Group awarded allowances to the directors, according to the remuneration policy approved by the General Assembly of Shareholders, amounting to a total of 1.952.700 Lei (2023: 1.130.500 lei).

On 31 December 2024 and 31 December 2023, the Group had no obligation related to paying pensions to former directors or former members of the executive management.

On 31 December 2024 and 31 December 2023, the Group had no recorded advance money given to directors and members of the executive management.

On 31 December 2024 and 31 December 2023 there are no guarantees or future obligations undertaken by the Group on behalf of the directors and the executive management.

The expenses with the salaries and the pertaining taxes are as follows:

| **Category** | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Expenses with salaries | 31.165.081 | 18.843.011 |
| Expenses with benefits granted to employees | 1.128.839 | 951.887 |
| Expenses with social insurance | 745.359 | 533.837 |
| **Total Expenses with benefits granted to employees** | **33.039.279** | **20.328.763** |
| Expenses with remunerations composed of equity | 1.550.500 | 720.000 |
| **Total** | **34.589.779** | **21.048.736** |

Expenses with the benefits granted to employees mainly include meal vouchers or other similar benefits.

## 20. SIMILAR LOANS AND DEBTS

| **Category** | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Overdrafts | 25.459.202 | 42.925.783 |
| Short-term | 3.757.004 | 2.349.911 |
| Long-term | 42.211.394 | 9.532.947 |
| **Total** | 71.427.600 | 54.808.640 |

Similar loans and debts are financial liabilities, recorded in the balance sheet at their amortised cost.

On 31 December 2024 and 31 December 2023, the Company was running the following loans and credit facilities:

| **Type of debt** | **Financing entity** | **Loaned amount** *(credit currency)* | **Credit currency** | **Nominal interest rate (% p.a.)** | **Due date** | **Balance on 31 December 2023** | **Balance on 31 December 2024** | *less than one year* | *more than one year and less than 5 years* | **Guarantees / liens** | **Covenants** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| SIMTEL TEAM – Letters of guarantee | | | | | | | | | | | |
| Facility for issuing non-cash accruals | Unicredit Bank | 45.000.000 | Ron | N/A | 16.03.2029 | 5.051.161 | 8.518.642 | 168.666 | 8,349,976 | Chattel mortgage on bank accounts / collateral deposit 25% of the value of the letter of bank guarantee | Proportional turnover or min. 70% |
| Facility for issuing non-cash accruals | Unicredit Bank | 7.200.000 | Ron | N/A | 20.01.2028 | 1.650.995 | 6.858.865 | 1.291.677 | 5,567,188 | Property mortgage on apartments owned by Simtel/chattel mortgage on bank accounts | Proportional turnover or min. 70%. Asset evaluation report |
| Facility for issuing of letter of bank guarantee | BRD | 4.000.000 | Eur | N/A | 21.03.2025 | - | 1.337.735 | - | 1,337,735 | Chattel mortgage on receivables/stocks and bank accounts opened with BRD | Proportional turnover or min. 60%. Coverage 110% receivables/stocks vs used balance |
| **Total non-cash facililties (Eur/Ron)** | | | | | | **6.702.156 Ron** | **1.337.735 Euro 22.031.533 Ron** | **1.460.343 Ron** | **1.337.735 Euro 20.571.190 Ron** | | |
| SIMTEL TEAM – Overdraft/Credits | | | | | | | | | | | |
| Operating capital facility | Unicredit Bank | 10.000.000 | Ron | ROBOR 3M+1.5% EURIBOR 3M+1.5% | 02/05/2025 | 9.993.176 | - | - | - | Chattel mortgage on bank accounts / stocks / receivables | Proportional turnover or min. 70%. Coverage 125% receivables/stocks vs used balance |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Operating capital facility | Unicredit Bank | 25.000.000 | Ron | ROBOR 3M+1.5% EURIBOR 3M+1.5% | 16.05.2025 | 24.988.270 | 11.746.151 | 11.746.151 | - | Chattel mortgage on bank accounts / stocks / receivables | Proportional turnover or min. 70%. Coverage 150% receivables/stocks vs used balance |
| Operating capital facility (non-binding) | Unicredit Bank | 4.500.000 | Ron | ROBOR 1M+2.4% | 02.08.2027 | 3.123.316 | 2.251.693 | 871.623 | 1.380.070 | Chattel mortgage on bank accounts / receivables / collateral deposit 450,000 Ron | Proportional turnover or min. 70%. Insurance on pledged goods |
| Medium-/long-term financing | Unicredit Bank | 470.000 | Eur | EURIBOR 1M+4% | 10.12.2027 | 208.889 | 156.667 | 52.222 | 104.445 | Property mortgage on buildings owned by Simtel/chattel mortgage on bank accounts/receivables Surety bonds Iulian Nedea/ Bazarciuc Sergiu | Proportional turnover or min. 70%. Minimum capitalisation level 15% |
| Medium-/long-term financing | Unicredit Bank | 4.000.000 | Ron | ROBOR 3M+2.5% | 28.06.2024 | 10 | - | - | - | Closed in 2024 | |
| Medium-/long-term financing (Garant Construct) | Unicredit Bank | 5.000.000 | Ron | ROBOR 3M+1.9% | 18/12/2026 | - | 5.000.000 | - | 5.000.000 | Chattel mortgage on bank accounts State guarantee – commitment undertaken by FNGCIMM | Turnover requirement Supporting documents to be kept for 10 years |
| Medium-/long-term financing | Unicredit Bank | 860.000 | Eur | EURIBOR 3M+2.2% | 27.12.2028 | 860.000 | 688.000 | 172.000 | 516.000 | Chattel mortgage on bank accounts / property mortgage on Simtel property Baicoi warehouse | Turnover requirement Land/building evaluation report Insurance policy |
| Operating capital financing facility | ING | 4.000.000 | Eur | EURIBOR 1M+1.5% | 11.10.2024 | 1.596.978 | - | - | - | Closed in 2024 | |
| Revolving facility | BRD | 6.000.000 | Eur | ROBOR 3M+1.25% EURIBOR 3M+1.25% | 21.03.2025 | - | 1.035.497 | 1.035.497 | - | Chattel mortgage on bank accounts / stocks / receivables | Proportional turnover or min. 60%. Coverage 110% receivables/stocks vs used balance |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Factoring facility / FINTRA | BRD | 8.000.000 | Eur | EURIBOR 1M+1.5% | 21.03.2025 | - | 3,050,256 | 3,050,256 | - | Chattel mortgage on bank accounts / stocks / receivables | Proportional turnover or min. 60%.<br>Coverage 110% receivables/stocks vs used balance<br>Invoices to be paid on due date |
| Medium-/long-term financing | BRD | 5.000.000 | Ron | ROBOR 3M+1.25% | 29.04.2027 | - | 5,000,000 | - | 5,000,000 | State guarantee – commitment FNGCIMM | Proportional turnover or min. 60%.<br>Credit to be used solely for the purposes agreed in the contract |
| **TOTAL Facilities Eur/ RON equivalent** | | | | | | **2,665,867 Euro<br>51,366,394 Ron** | **1.880.164 Euro<br>33.349.969 Ron** | | | | |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Ges Furnizare SRL** | | | | | | | | | | | |
| Medium-/long-term financing | BRD | 2.000.000 | Eur | ROBOR 3M+1.25%<br>EURIBOR 3M+1.25% | 21.03.2025 | - | 1.721.393.59 | 1.721.393.59 | - | Chattel mortgage on bank accounts / receivables | Guarantor Simtel Team SA |
| **Plesoiu Solar SRL** | | | | | | | | | | | |
| Investment credit | Banca Transilvania | 693.000<br>307.000 | Eur | EURIBOR 3M+2.9% | 15.06.2033<br>15.11.2023 | 691.964.45<br>- | 619.993.52<br>298.670 | 72.946<br>33.188 | 547.047.52<br>265.482 | Chattel mortgage on bank accounts / receivables<br>Chattel mortgage on land/project<br>Collateral cash deposit | Guarantor Simtel Team SA |
| **Oasis Green Energy 3 SRL** | | | | | | | | | | | |
| Medium-/long-term financing | Unicredit | 2.500.000 | Eur | EURIBOR 3M+3.5% | 15.05.2035 | - | 2.500.000 | 257.194 | 2.242.806 | Chattel mortgage on bank accounts / receivables<br>Chattel mortgage on land/project | Guarantor Simtel Team SA |
| **Sirius Imob 2 SRL** | | | | | | | | | | | |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Medium-/long-term financing | Unicredit | 2.700.000 | Eur | EURIBOR 3M+3.5% | 29.08.2035 | - | 2,515,122.86 | 121,290 | 2,393,832.86 | Chattel mortgage on bank accounts / receivables<br>Chattel mortgage on land/project | Guarantor Simtel Team SA |
| **TOTAL Facilities Eur/ RON equivalent** | | | | | | **3,357,831.45 Euro 54,808,640 Ron** | **9.535.343.97 Euro 71.427.600 Ron** | | | | |

## 21. COMMERCIAL DEBTS AND OTHER DEBTS

Commercial debts and other debts on 31 December 2024 and 31 December 2023 is as follows:

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| **Total net commercial debts. out of which:** | 125.840.302 | 39.991.528 |
| Local commercial debts | 80.345.194 | 23.040.562 |
| External commercial debts | 28.826.810 | 12.696.905 |
| Contractual debts | 16.668.298 | 4.254.061 |

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| **Total other receivables. out of which:** | 20.435.250 | 19.211.537 |
| Contractual debts | 1.314.717 | 11.314.155 |
| Debts to shareholders | 383.254 | 575.741 |
| Dividends | 365.104 | 17.956 |
| Added value tax | 7.631.098 | 3.391.565 |
| Profit tax | 5.880.001 | 1.562.780 |
| Salary contributions and tax | 1.304.642 | 1.107.778 |
| Salaries | 1.507.076 | 1.185.845 |
| Sundry creditors | 300 | 38 |
| Subsidies | 673.371 | |
| Received guarantees | 1.362.211 | 15.000 |
| Other debt | 13.476 | 40.679 |

Commercial debts are not interest-bearing and they are usually settled within 0 - 120 days.
The items recorded under "Received guarantees" are the guarantees received from contract partners to which the Group subcontracts certain services.
The "Subsidies" category includes amounts received from LIOP financing for purchase of logistic equipment to increase the energy performance of Simtel through investments in equipment and machinery. The remaining subsidy represents the unallocated subsidy - the subsidy is allocated monthly, as the equipment is amortised.

## 22. PROVISIONS

On 31 December 2024 and 31 December 2023, the Group recorded provisions for leaves not taken.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Other provisions | 755.827 | 444.301 |

## 23. DEFERRED REVENUES

On 31 December 2024 and 31 December 2023, deferred revenues are as follows:

| | **31 December 2024** | **31 December 2023** |
|---|---|---|
| *period longer than 1 year* | 200.366 | 295.264 |
| *period shorter than 1 year* | 98.421 | 98.421 |
| | 298.787 | 393.685 |

On 31 December 2024, the deferred revenues recorded by the Company are 298,787 Lei (31 December 2023: 393,685 Lei), representing the fit-out contribution granted by the landlord for the fit-out of the rented space, which is recognised in revenues monthly, for the initial period of the lease contract, as the initial fit-out costs are amortised.

## 24. PRESENTATION OF AFFILIATES

An entity is "linked" to another entity if:

a) directly or indirectly, through one or more entities:
   - it controls or is controlled by the other entity, or is under joint control of the other entity (this includes parent companies, branches, or member branches);
   - has an interest in that entity, which gives it significant influence over it: or
   - has joint control over the other entity;

b) represents an associated entity of the other entity;
c) represents a joint venture where the other entity is a partner;
d) represents a member of the key management personnel of the entity or of its parent Group;
e) represents a close family member of the person mentioned under item a) or d);
f) represents an entity that is controlled, jointly controlled or significantly influenced, or for which the significant voting power in such entity is given directly or indirectly by the person mentioned under item d) or e); or
g) the entity represents a post-employment benefit plan for the benefit of the employees of the other entity or for the employees of any entity linked to such company.

On the date of and for the financial years ended on 31 December 2024 and 31 December 2023, the Group had balances and transactions with linked entities:

| Entity name | Country of origin | Nature of the relationship | Nature of transactions |
|---|---|---|---|
| Ravilate SRL | Romania | Linked party | Provision of materials and services |
| Eurocom Center SRL | Romania | Linked party | Provision of materials and services |
| SMTL Solar Bughea | Romania | Linked party | Provision of materials and services |

*Balances from transactions with linked parties:*

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Ravilate | (1.357.120) | (1.503.120) |
| Eurocom Center | (365.211) | (367.911) |
| Simtel Solar Bughea | - | 200 |
| Eurocom Center | 27.020 | 27.200 |
| ***Net standing in relation to other linked parties*** | (1.749.351) | (1.843.811) |

*Transactions with linked parties: during the reporting period, there have been no revenues or expenses with the aforementioned entities, but there have been debt reimbursements and receivable collections.*

*Expenses with management staff*

| **Category** | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Board of Directors | 1.952.700 | 1.130.500 |
| Total | 1.952.700 | 1.130.500 |

| **Category** | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Key managers | 758.976 | 581.001 |

*Dividend payments*

| **Category** | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Dividends of founding members | - | 1.591.578 |
| Third-party dividends | 875.609* | 630.500 |
| Total | - | 2.222.077 |

- *Dividends were distributed by Ant Power Energy SRL*

## 25. ACCRUALS AND CONTINGENT DEBT

### 25.1. Accruals

*Capital accruals*

Except for the financial leasing contracts ongoing on 31 December 2024, described above, the Group has no other capital accruals for the purchase of non-current assets.

*Guarantees provided to third parties*

According to the provisions of loan contracts concluded with Romanian banking institutions, on 31 December 2024, the Group's encumbered non-current assets amounted to a net value of 14.543.093 RON (2023: 7.435.020 RON). As the Group's own photovoltaic plants will be completed, these will be pledged and mortgaged as per the financing contracts concluded with banking institutions.

The letters of guarantee issued on 31.12.2024 amount to 22.031.534 RON (2023: 6.702.156 RON). Most of them are issued based on the bank's facilities for issuing letters of bank guarantees with no blocking of collateral cash. There is one facility guaranteed with 25% collateral cash, and the largest value is that of the letter of bank guarantee for guaranteeing ATR Giurgiu – 5.051.161,40 RON.

### 25.2 Other accruals and contingent debt

A. *Taxation*

All amounts owed to the State for taxes and fees have been paid or recorded on the balance sheet date. The fiscal system in Romania is undergoing consolidation and is continually changing; the authorities may have different interpretations of the fiscal law, which can lead to additional taxes, fees and penalties.

If state authorities discover breaches of the Romanian law, they can establish, as applicable: confiscation of the involved amounts; establishing of additional tax obligations; applying fines; applying late penalties (applied on the outstanding amounts). Therefore, fiscal sanctions resulting from breaches of the law can reach significant amounts to be paid to the State.

The Group deems that it has paid all taxes, fees, penalties and late penalties on time and in full, if applicable. The Group's management anticipates no significant negative effects of such inspections that could have any significant impact on these financial statements. In Romania, a fiscal year is open for verifications for a period of 5 years.

*B. Transfer prices*

According to the relevant fiscal legislation, the fiscal evaluation of a transaction with affiliates is based on the concept of market price of that transaction. Based on this concept, transfer prices have to be adjusted to reflect the market prices that would have been established between entities that are not affiliated and who act independently, based on "normal market conditions".

It is probable that tax authorities will perform transfer price checks in the future to determine whether such prices comply with the principle of "normal market conditions" and establish that the taxable base of Romanian taxpayers is not distorted.
The Group initiated a transfer price analysis by commissioning specialised external services, in order to have a completed transfer price file by the date of submitting the profit tax statements.

*C. Legal claims*

On the date of these statements, the Group was involved in 1 ongoing dispute in which the Group is a defendant.
The management analyses the status of the ongoing disputes periodically, and after consultations with its legal representatives, it decides whether it is necessary to set up provisions for the amounts involved or present them in the financial statements.

The Group's management deems that these disputes will have no significant impact on the Group's operations and financial standing.

*D. Cash-flow risk*

This is the risk of the Group not being able to honour its payment obligations upon the due dates. A prudent cash flow risk management policy requires keeping sufficient levels of cash, cash equivalents and financial availability through adequately contracted credit facilities.

The company monitors the level of incoming cash expected from collecting commercial receivables, as well as the level of outgoing cash expected for the payment of commercial debts and other debts. Due to this business model, which includes providing monitoring services for a fixed monthly fee, the company manages to keep a healthy cash flow.

*General economic risks*

The issuer's activities are sensitive to economic cycles and to general economic conditions. Both international financial crises, and the unstable economic environment can have significant negative effects on the activity, operational results, and the financial position of the issuer.

Social-political turbulences can also have an impact on the company's activity. The international financial markets felt the effects of the global financial crisis triggered in 2008. These effects were also felt on the Romanian financial market, in the form of low liquidity of the capital market, and an increase of interest rates for medium-term financing due to the global liquidity crisis.

Such a scenario could repeat itself in the future, and any significant losses incurred by the international financial market, with major implications on the local market, could affect the Issuer's capacity to obtain new loans or financing under sustainable terms.

Geopolitical developments and inflationist pressure: The continuation and the result of the Ukraine war can undoubtedly affect European economies; despite that, it is noted that concerns regarding Europe's energy sufficiency have diminished. The recent conflict in the Middle East contributed to increasing uncertainty, while a potential escalation of the conflict to countries that play a significant role on the oil market (e.g. Iran) could trigger a new energy crisis and, consequently, inflationist pressure, which would slow down Europe's economy.

The ongoing military conflict in Ukraine and the pertaining sanctions envisaged against the Russian Federation can have an impact on the European and the global economy. The Group has no direct exposure in Ukraine, Russia or Belarus. However, the impact over the general economic situation may require certain hypotheses and estimations to be reviewed. This can lead to significant adjustments of the book value of certain assets and debts in the next financial year.

At this stage, the management deems that the war has no impact on the financial statements. Because the events are ongoing, the long-term impact may affect the level of sales, cash flows and profitability rates. However, at the time of these financial statements, the Group continues to meet its obligations as they become due and, therefore, continues to apply the going-concern basis.

*E. Competition risk*

The entering of new competitors on the market will increase competition and put pressure on the company's activity, with the risk to lower profits and even lead to insolvency.

*F. Reputational risk*

This is a risk that is inherent to the company's activity, as reputation is particularly important in the business environment, especially in its field of business of cyber security. Reputational risk is inherent to the economic activity of Simtel Team S.A.

The ability to keep and attract new customers also depends on the Simtel Team S.A. Brand recognition and its reputation for the quality of the services offered on the market. A negative public opinion about the company could arise from real practices or practices perceived on the cyber security market in general, such as negligence in providing services, or even based on how the Group conducts or is perceived to conduct its business.

*G. Fiscal and legal risk*

The Issuer is governed by Romanian legislation, and although Romanian legislation has mostly been harmonised with European Union legislation, further changes can occur, new laws and regulations can be introduced and cause effects on the company's activity.

The legislation in Romania is often unclear, subject to different interpretations and implementations and frequent changes. Both the changes in the fiscal and legal legislation, and any events generated by the application of such legislation can result in potential fines or proceedings against the company, which can affect the issuer's activity.

*H. Risks related to investments in Romania within the economic and political context*

Romania's economy is vulnerable in a context of regional or international recession; financial and economic problems at general level can be felt more acutely in certain markets or 28 sectors. Furthermore, political and social changes can be a factor of unpredictability. Romania does not have the whole business, legal and regulatory infrastructure that would be in place in a developed economy. The legislation is subject to varied interpretation and frequent changes.

*I. Other risks*

Potential investors should take into account that the risks presented above are the most significant risks that the company is aware of at the time of drafting this report. However, the risks presented in this section do not necessarily include all the risks associated with the Issuer's activity, and the company cannot guarantee that it includes all the relevant risks.

Other risk factors and uncertainties may exist, that the company is not aware of at the time of drafting the report, and which could change in the future the actual results, the financial situation, the performances and the results of the Issuer and lead to a decrease in the price of the company's shares. Furthermore, investors should carry out prior checks required to make their own assessments regarding the oportuneness of their investment.

*J. Currency risk*

The currency risk is the risk that the fair value or future cash flows of a financial instrument fluctuate as a result of currency exchange rate changes.
The Group's exposure to the risk of currency exchange rate changes mainly concerns the operations of the Group (when revenues or expenses are denominated in a currency different than the Company's operational currency).

The Group has transactions in currencies different from its operational currency (RON).

The exposure to the currency exchange risk (due to the EUR currency) is significant, and the Group does not use risk hedging instruments. The Group used foreign currency debt to purchase technical equipment which are on stock at the time of the balance sheet; in case of a significant depreciation of the RON compared to the EUR, the excess of the market value of the equipment compared to the stock value of the equipment on stock will significantly compensate for the loss.

| **31 December 2024** | **EUR** | **MDL** | **RON** | **Total** |
|---|---|---|---|---|
| Commercial receivables | 422.678 | - | 79.423.818 | 79.846.496 |
| Cash and cash equivalents | 2.259.128 | 613.659 | 27.401.228 | 30.274.015 |
| Other current receivables | - | 61.275 | 5.554.188 | 5.615.463 |
| **Total assets (1)** | **2.681.806** | **674.934** | **112.379.234** | **115.735.974** |

| | | | | |
|---|---|---|---|---|
| Commercial debts | 28.823.497 | 3.310 | 97.013.495 | 125.840.302 |
| Short-term loans | 17.238.892 | - | 12.617.775 | 29.856.667 |
| Long-term loans | 30.190.864 | - | 11.380.069 | 41.570.933 |
| Leasing debt | 6.320.048 | 176.546 | - | 6.496.594 |
| Other current debts | - | 170.237 | 20.265.013 | 20.435.250 |
| **Total debt (2)** | **82.573.301** | **350.093** | **141.276.352** | **224.199.746** |
| **Difference (1) - (2)** | **(79.891.495)** | **324.841** | **(28.897.118)** | **(108.463.772)** |

| 31 December 2023 | EUR | MDL | RON | Total |
|---|---|---|---|---|
| Commercial receivables | 343.700 | - | 54.184.024 | 54.527.724 |
| Cash and cash equivalents | 694.510 | 95.137 | 15.101.413 | 15.891.059 |
| Other current receivables | - | 1.026.135 | 3.800.958 | 4.827.093 |
| **Total assets (1)** | **1.038.210** | **1.121.271** | **73.086.394** | **75.245.875** |
| Debts | 12.296.376 | 2.058 | 27.693.095 | 39.991.528 |
| Short-term loans | 44.912.821 | 19.615 | 938.613 | 45.871.049 |
| Long-term loans | 9.532.947 | | - | 9.532.947 |
| Leasing debt | 3.972.237 | 150.307 | - | 4.122.544 |
| Other current debts | - | 5.115.490 | 13.500.755 | 18.616.245 |
| **Total debt (2)** | **70.714.381** | **5.287.470** | **42.132.463** | **118.134.314** |
| **Difference (1) - (2)** | **(69.676.171)** | **(4.166.199)** | **30.953.932** | **(42.888.438)** |

### Sensitivity of currency risk

The sensitivity of the Group's profit before tax (due to a change of the value of assets and monetary debts) to a reasonable possible change of the EUR - RON exchange rate (of 10%), with all other variables remaining constant, is considered by the Group as significant, but managed through the value of the remaining stocks on 31 December 2024 (Note 13). The Group's exposure to currency changes of any other currencies is not significant.

*K. Risk related to personal data protection*

In its activity, the company collects, stores, and uses data protected by personal data protection laws. Although the Issuer takes precautions to protect customer data, according to the legal requirements regarding protection of privacy, especially within the context of the implementation of the General data protection regulation (EU) 2016/79 in Romania (as of 25 May 2018), the risks related to data leaks cannot be fully eliminated. The company takes this risk into account, and takes precautions to protect the customers' data according to the legal requirements in force. The Issuer takes all the required protection measures in this field; however, there is a possibility that, since the Issuer conducts business with various contractual partners, such partners fail to fully comply with the relevant contractual terms and all their obligations regarding data protection.

*L. Credit risk*

The credit risk is the risk for a counterpart to default on its obligations under a financial instrument or a customer contract, thus leading to a financial loss. The Group is exposed to the credit risk from its operations (mainly for commercial receivables), and from its financing activities, including deposits in banks and financial institutions, currency exchange transactions and other financial instruments.

*M. Commercial receivables*

The customer credit risk is managed by the Group, subject to the established policy; however, the Group considers the credit risk related to receivables to be low. The receivables balance is monitored at the end of each reporting period, and any major delivery to a customer is analysed. Depreciation indicators are analysed on each reporting date.
The Group evaluates the commercial receivable risk concentration as low.

*N. Risk of attachment on the Issuer's bank accounts*

Attachment on the bank accounts is a foreclosure measure that can be applied for a company. Thus, the Issuer's accounts could be blocked as a result of the attachment if the Issuer's creditors request this measure to recover their receivables. An attachment on the company's accounts results in the amounts on the attached accounts being blocked, and can lead to the slowing down or the impossibility for the company to honour further obligations under the agreed terms.

*O. Insolvency and bankruptcy risk*

The bankruptcy and enforcement legislation in Romania does not offer the same level of rights, remedies and protections that creditors enjoy under legal regimes in other jurisdictions of the European Union. Especially, the bankruptcy and enforcement legislation and practice in Romania can make the company's recovery of amounts from secured and unsecured receivables in Romanian courts much more difficult and long compared to other countries.

*P. Liquidity risks*

The Group monitors the risk of being faced with a scarcity of funds by using a recurrent liquidity planning instrument.

On 31 December 2024, the Group has long-term financing.

All the debts of the Group as of 31 December 2024 will become due in less than 1 year, except for the leasing debt, the bank credits, and the overdraft.

The table below provides details on the due dates of the Group's commercial receivables and financial debts:

| **On 31 December 2024** | **<30 days** | **30 – 60 days** | **60 - 120 days** | **>120 Days** | **Total** |
|---|---|---|---|---|---|
| Commercial receivables | 76.491.654 | 698.816 | 306.352 | 2.349.674 | 79.846.496 |
| Cash and cash equivalents | 30.274.015 | - | - | - | 30.274.015 |
| Other current receivables | 2.841.858 | 42.216 | 2.056.686 | 674.703 | 5.615.463 |
| **Total assets (1)** | **109.607.527** | **741.032** | **2.363.038** | **3.024.377** | **115.735.974** |
| | | | | | |
| Commercial debts | 117.504.557 | 2.367.495 | 57.455 | 5.910.795 | 125.840.302 |
| Short-term loans | 216.091 | 216.091 | 432.182 | 28.992.303 | 29.856.667 |
| Long-term loans | - | - | - | 41.570.933 | 41.570.933 |
| Leasing debt | 209.414 | 209.414 | 418.828 | 5.658.938 | 6.496.594 |
| Other current debts | 12.431.308 | 365.000 | 5.880.001 | 1.758.941 | 20.435.250 |
| **Total debt (2)** | **130.361.370** | **3.158.000** | **6.788.466** | **83.891.910** | **224.199.746** |

| **On 31 December 2023** | **<30 days** | **30 – 60 days** | **60 - 120 days** | **>120 Days** | **Total** |
|---|---|---|---|---|---|
| Commercial receivables | 39.583.771 | 779.019 | 6.235.777 | 7.929.157 | 54.527.724 |
| Cash and cash equivalents | 15.891.059 | - | - | - | 15.891.059 |
| Other current receivables | 745.650 | 556.932 | 2.481.599 | 1.042.911 | 4.827.093 |
| **Total assets (1)** | **56.220.480** | **1.335.951** | **8.717.376** | **8.972.068** | **75.245.875** |

| On 31 December 2023 | <30 days | 30 – 60 days | 60 - 120 days | >120 Days | Total |
|---|---|---|---|---|---|
| Debts | 17.565.745 | 4.022.000 | 3.477.707 | 14.926.077 | 39.991.528 |
| Short-term loans | 195.826 | 195.826 | 391.652 | 45.087.746 | 45.871.049 |
| Long-term loans | | | | 9.532.947 | 9.532.947 |
| Leasing debt | 80.122 | 74.807 | 150.380 | 3.817.235 | 4.122.544 |
| Other current debts | 7.001.450 | 978.864 | 10.240.833 | 395.098 | 18.616.245 |
| **Total debt (2)** | **24.843.142** | **5.271.497** | **14.260.571** | **73.759.103** | **118.134.314** |

## 26 FINANCIAL INSTRUMENTS

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Financial assets recognised at their amortised cost | | |
| Financial non-current assets | 16.360.163 | 7.164.074 |
| Commercial receivables | 79.846.496 | 54.527.724 |
| Other receivables | 5.615.463 | 4.865.789 |
| **Total financial assets** | **101.822.122** | **66.557.587** |
| Financial liabilities recognised at their amortised cost | | |
| Overdrafts | 25.459.202 | 42.925.783 |
| Loans | 45.968.398 | 11.882.858 |
| Financial leasing | 2.332.435 | 2.800.997 |
| Commercial debts | 125.840.302 | 39.991.528 |
| Deferred revenues | 298.787 | 393.685 |
| Other debt | 20.435.250 | 19.211.537 |
| | 220.334.374 | 117.206.388 |
| Financial liabilities recognised at their fair value | | |
| Leasing | 4.164.159 | 1.659.740 |
| **Total financial liabilities** | **224.498.533** | **118.527.999** |

## 27 SUBSEQUENT EVENTS

1. Opening of branch in Germany

A branch was opened in January 2025 in Essen, Germany; Simtel Team SA owns 95% of this branch's registered capital. Through this expansion, the Company transfers expertise accumulated on the Romanian market to one of the most advanced renewable energy markets in Europe. Thus, the branch strengthens the Company's position in the field of photovoltaic energy, and opens new opportunities for strategic collaborations and partnerships, supporting energy transition in Europe through innovation, efficiency, and sustainability.

At an initial stage, the German branch will provide preventive and corrective maintenance for photovoltaic and electricity storage systems. These services are key for optimising the performance of installations and reducing the risks associated with failures. On the medium run, the Company intends to expand the activity of the branch by including other business lines from its portfolio, including EPC (Engineering, Procurement, Construction) projects for photovoltaic systems and energy storage solutions, and sale of autonomous robots manufactured by Agora Robotics, a company that is part of the Group and dedicated to such activities.

The choice of the city - Essen, in North-Westfalia Renania region - was determined both by the proximity to existing customers and partners, and by the easy access to markets in neighbouring countries. At a local level, the Company will have an operational team that will include both technical personnel and business development specialists, whose main responsibility will be to identify opportunity to scale up the Group's business lines in Germany and the neighbouring countries.

2. The choice of Raiffeisen Bank S.A. ("RBRO") as an intermediary, regarding a potential initiation of an issue of corporate bonds

In February 2025, RBRO was appointed to carry out the activities required for evaluating the potential interest, and the market conditions based on which a potential issue of corporate bonds could be organised. The results of this evaluation will only be presented to the Company's management, for the purpose of analysing the opportuneness of such an issue, without revealing them to the market.

The mandate was given following the approvals, in principle, of an issue of bonds, adopted at the Extraordinary General Meetings of the Shareholders, held on 08.04.2022 and 25.04.2023. If, following the preliminary evaluation of the market conditions, the Company's management will decide to issue corporate bonds, a new approval will be submitted to a new Extraordinary General Meeting of Shareholders for approval.

3. Obtaining a license from ANRE of the Republic of Moldova

On 04.03.2025, GES ENERGY TRADE SRL, an entity from the Republic of Moldova, in which the Company owns a 42.7% share, obtained an energy provision license from the National Energy Regulatory Authority, valid until 03.03.2035.

Following ANRE granting the license, GES ENERGY TRADE SRL will be able to conclude its first contracts with beneficiaries, as the existence of an energy provision license is a preliminary requirement for signing such contracts.

By obtaining the energy provider license, the Company strengthens its position as a market leader, and provides its customers with a full bundle of integrated products and services.

## 28 AUDIT FEES

In 2024, the company’s auditor was Baker Tilly Klitou and Partners SRL, as per the service contract of 12 November 2024.

Approved:
24 March 2025

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| Mihai Tudor | Mirela Gogorita |
| General Manager | Finance Manager |