

SIMTEL TEAM S.A.



SEPARATE FINANCIAL STATEMENTS
at and for the year ended
31 December 2025

Prepared in accordance with Order of the Minister of Public Finance no. 2844/2016
and subsequent amendments

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SIMTEL TEAM**SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025**
(all amounts are in RON, unless otherwise stated)

	Note	2025	2024 restated*
Revenue	7	314,982,227	273,878,513
Other income	8	621,860	1,303,397
Cost of raw materials, consumables and goods	9 A	(181,506,941)	(135,724,926)
Subcontractor costs	9 B	(44,193,707)	(41,305,088)
Environmental costs	9 C	(2,588,502)	(1,423,102)
Personnel expenses	10	(33,906,404)	(25,488,335)
Employee benefits	10	(2,975,000)	(1,550,500)
Other operating expenses	9 D	(34,661,326)	(25,886,985)
Depreciation and amortization	18	(4,146,353)	(4,237,364)
Provisions		(666,377)	(367,474)
Operating profit		10,959,477	39,198,137
Net finance result	11	960,293	(325,938)
Profit before tax		11,919,770	38,872,198
Income tax expense	13	(1,866,659)	(6,595,072)
Profit for the period		10,053,111	32,277,126
Basic and diluted earnings per share		1.24	4.08
Total comprehensive income		10,053,111	32,277,126

* The comparative financial statements include certain reclassifications of comparative information for the financial year ended 31 December 2024, as detailed in Note 4.

Approved:
25 March 2026

Mihai Radu TUDOR
Chief Executive Officer

Mihai VELICU
Chief Financial Officer

SIMTEL TEAM SA

SEPARATE STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025

(all amounts are in RON, unless otherwise stated)

	Note	31 December 2025	31 December 2024 restated*
ASSETS			
Non-current assets			
Property, plant and equipment	18	166,304,925	44,982,143
Intangible assets		491,476	282,136
Investments in subsidiaries	19	41,122,603	9,563,936
Loans to subsidiaries	20	36,432,180	23,836,326
Investment property	18	2,096,702	2,181,234
Other non-current assets	16	9,152,037	9,818,556
Deferred tax assets	13	360,488	32,788
Total non-current assets		255,960,411	90,697,119
Current assets			
Inventories	14	68,453,965	92,612,426
Trade receivables and contract assets	15	160,065,295	72,927,801
Government grant receivables	24	60,612,327	-
Other current assets		1,478,993	706,250
Prepayments	16	13,449,919	7,318,650
Cash and cash equivalents	17	3,791,511	21,385,693
Total current assets		307,852,010	194,950,820
Total assets		563,812,421	285,647,939
Equity and liabilities			
Equity			
Share capital	21	1,628,346	1,583,730
Share premium	21	33,881,783	30,963,983
Treasury shares		(16,128)	-
Reserves		325,669	316,746
Retained earnings		89,594,340	79,632,246
Total equity		125,414,010	112,496,705
Liabilities			
Non-current liabilities			
Bank borrowings	22	77,280,605	14,466,226
Lease liabilities	22	3,338,207	3,083,252
Deferred income	24	59,522,058	726,438
Liabilities related to the acquisition of subsidiaries		32,207,190	-
Total non-current liabilities		172,348,060	18,275,916

SIMTEL TEAM SA

SEPARATE STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025

(all amounts are in RON, unless otherwise stated)

	Note	31 December 2025	31 December 2024 restated*
Current liabilities			
Bank borrowings	22	98,993,953	18,883,744
Lease liabilities	22	1,453,093	2,110,134
Trade payables	23	154,245,528	118,323,426
Other payables	23	8,226,922	14,713,518
Deferred income	24	2,290,296	245,721
Provisions		840,559	598,775
Total current liabilities		266,050,351	154,875,318
Total liabilities		438,398,411	173,151,234
Total equity and liabilities		563,812,421	285,647,939

* The comparative financial statements include certain reclassifications of comparative information for the financial year ended 31 December 2024, as detailed in Note 4.

Approved:

25 March 2026

Mihai Radu TUDOR
Chief Executive Officer

Mihai VELICU
Chief Financial Officer

SIMTEL TEAM SA

SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

(all amounts are in RON, unless otherwise stated)

	Share capital	Share premium	Treasury shares	Other components of equity	Reserves	Retained earnings	Total equity
Balance at 01 January 2025	1,583,730	30,963,983	-	-	316,746	79,632,246	112,496,705
<i>Comprehensive income for the year</i>							
Profit for the period	-	-	-	-	-	10,053,111	10,053,111
Total comprehensive income for the period	-	-	-	-	-	10,053,111	10,053,111
<i>Tranzactions with owners of the Group</i>							
Increase in share capital	44,616	(44,616)	-	-	-	-	-
Purchase of treasury shares	-	-	(28,712)	-	-	(82,094)	(110,806)
Equity-settled share-based payments	-	-	-	2,975,000	-	-	2,975,000
Grant of treasury shares to employees	-	2,962,416	12,584	(2,975,000)	-	-	-
Total transactions with owners of the Group	44,616	2,917,800	(16,128)	-	-	(82,094)	2,864,194
<i>Other changes in shareholders' equity</i>							
Transfer to legal reserves	-	-	-	-	8,923	(8,923)	-
Balance at 31 December 2025	1,628,346	33,881,783	(16,128)	-	325,669	89,594,340	125,414,010

SIMTEL TEAM SASEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025*(all amounts are in RON, unless otherwise stated)*

	Share capital	Share premium	Treasury shares	Reserves	Retained earnings	Total equity
Balance at 01 January 2024	1.577.575	29.419.638	-	315.515	47.405.451	78.718.179
<i>Comprehensive income for the year</i>						
Profit for the period	-	-	-	-	32.277.126	32.277.126
Total comprehensive income for the period	-	-	-	-	32.277.126	32.277.126
<i>Tranzactions with owners of the Group</i>						
Increase in share capital	6.155	-	(6.155)	-	-	-
Equity-settled share-based payments	-	-	1.550.500	-	-	1.550.500
Grant of treasury shares to employees	-	1.544.345	(1.544.345)	-	-	-
Total transactions with owners of the Group	6.155	1.544.345	-	-	-	1.550.500
<i>Other changes in shareholders' equity</i>						
Transfer to legal reserves	-	-	-	1.231	(1.231)	-
Other movements	-	-	-	-	(49.100)	(49.100)
Balance at 31 December 2024	1.583.730	30.963.983	-	316.746	79.632.246	112.496.705

Approved:
25 March 2026Mihai Radu TUDOR
Cheif Executive OfficerMihai VELICU
Cheif Financial Officer

SIMTEL TEAM SA

SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

	Note	2025	2024 restated*
Cash flow from operating activities			
Profit before tax		11.919.770	38.872.198
Depreciation	18	3.731.419	3.566.228
Amortisation		414.934	582.245
Employee benefits	10	2.975.000	1.550.500
Impairment loss on trade receivables		424.593	-
Provisions		241.784	154.474
Loss on disposal of property, plant and equipment		(70.948)	8.995
Net foreign exchange loss	11	1.361.668	195.503
Release of deferred income related to government grants for investments	24	(147.304)	-
Dividend income	11	(4.325.488)	-
Interest income	11	(2.981.798)	(2.720.822)
Interest expense	11	4.985.325	3.441.964
Cash flows from operating activities before changes in working capital		18.528.955	45.651.285
Inventories		24.158.461	(15.873.201)
Trade receivables and other assets		(93.155.301)	(38.639.219)
Trade and other payables		34.177.590	77.315.693
Cash generated from/(used in) operating activities		(16.290.295)	68.454.557
Interest paid		(8.350.661)	(3.441.964)
Income tax paid		(6.862.455)	(2.586.814)
Net cash from operating activities		(31.503.411)	62.425.779
Cash flow from investing activities			
Loans granted		(9.569.804)	-
Capital contributions to subsidiaries		(158.950)	(5.845.226)
Payments for the acquisition of intangible assets		(624.274)	143.418
Payments for the acquisition of property, plant and equipment		(118.367.309)	(29.780.595)
Dividends received		4.325.488	-
Interest received		154.234	2.720.822
Net cash used in investing activities		(124.240.615)	(32.761.581)

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SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

	Note	2025	2024 restated*
Cash flow from financing activities			
Purchase of treasury shares	21	(110.806)	-
Proceeds from borrowings	22	463.846.943	89.284.714
Repayment of borrowings	22	(323.440.789)	(107.301.138)
Lease payments	22	(2.145.504)	(2.554.093)
Net cash from financing activities		138.149.844	(20.570.517)
Net increase /(decrease) in cash and cash equivalents		(17.594.182)	9.093.681
Cash and cash equivalents at 1 January	17	21.385.693	12.292.013
Cash and cash equivalents at 31 December	17	3.791.511	21.385.693

* The comparative financial statements include certain reclassifications of comparative information for the financial year ended 31 December 2024, as detailed in Note 4.

Approved:
25 March 2026

Mihai Radu TUDOR
Chief Executive Officer

Mihai VELICU
Chief Financial Officer

SIMTEL TEAM SA

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

1. REPORTING ENTITY

a) General information

Simtel Team S.A. is a joint-stock company incorporated in Romania, with its registered office in Bucharest, 319L Splaiul Independenței, Brussels Office Building (Building B), Entrance A, Ground Floor, District 6. The Company is registered with the Trade Register under no. EUID J2010000564406 and has the unique registration code RO 26414626.

The principal activity of SIMTEL TEAM S.A. (the “Company”) is the construction of utility projects for electricity and telecommunications (NACE Code 4222).

The Company’s operations are primarily carried out in Romania, as well as in other European markets.

The shareholders of the Company are as follows:

	31 December 2025		31 December 2024	
Nedea Iulian	1,635,681	20.0900%	1,688,941	21.3286%
Bazarciuc Sergiu-Eugen	1,616,569	19.8553%	1,671,375	21.1068%
Vilau Radu-Laurentiu	1,614,635	19.8315%	1,669,375	21.0816%
Other shareholders	3,274,846	40.2232%	2,888,959	36.483%
	8,141,731	100%	7,918,650	100%

In 2021, Simtel Team S.A. was listed on the AeRO market of the Bucharest Stock Exchange under the symbol SMTL, where it operated until 2023.

In 2023, Simtel Team S.A. was admitted to trading on the main market of the Bucharest Stock Exchange, continuing to trade under the symbol SMTL.

b) Regulatory environment

The Company’s activities in the design and execution of energy projects (EPC) are carried out within a regulatory framework that includes legislation applicable to the energy, construction and urban planning sectors in Romania. The energy sector is regulated by the National Energy Regulatory Authority (“ANRE”), primarily under Law no. 123/2012 on electricity and natural gas. Design and execution activities are governed by legislation on construction permitting and construction quality, in particular Law no. 50/1991 and Law no. 10/1995, as well as regulations relating to spatial planning and urban development.

c) Main activities

EPC projects

The Company’s EPC (Engineering, Procurement and Construction) activities are subject to the legislative and regulatory framework applicable to the construction and energy sectors, including in particular:

- legislation governing the authorization of construction works;
- regulations applicable to the design, execution and acceptance of works;

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS
AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

- energy sector regulations relating to permitting, grid connection and commissioning of energy capacities;
- requirements regarding occupational health and safety, environmental protection and operational safety.

For projects involving the development of energy generation capacities, Simtel obtains all required permits and approvals from the competent authorities and complies with the conditions imposed by network operators and relevant regulatory bodies.

EPC contracts are performed in accordance with applicable legal requirements and contractual obligations agreed with clients, including those related to execution timelines, technical performance and performance guarantees.

Operation and maintenance

Within its operation and maintenance (O&M) activities, the Company provides technical and operational services for photovoltaic power plants, including performance monitoring, preventive and corrective maintenance, as well as operational management in accordance with applicable technical and regulatory requirements.

2. BASIS OF ACCOUNTING

a) Statement of compliance

These separate financial statements have been prepared in accordance with Order of the Minister of Public Finance no. 2844/2016 approving the Accounting Regulations in compliance with International Financial Reporting Standards, as subsequently amended ("OMFP 2844/2016").

The Company also prepares consolidated financial statements in accordance with IFRS as adopted by the European Union, which are included in a separate set of financial statements approved on the same date as these separate financial statements.

b) Basis of measurement

The separate financial statements have been prepared on a historical cost basis.

c) Functional and presentation currency

The functional currency of the Company is the Romanian Leu ("RON"), which is also the presentation currency of the separate financial statements. All amounts are presented in RON, unless otherwise stated.

d) Going concern

These separate financial statements have been prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future, being at least 12 months from the date of approval of the financial statements.

SIMTEL TEAM SA

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

In assessing the appropriateness of this assumption, management continuously analyzes forecasts regarding the signing of new contracts, the development of new business lines, adaptation to market conditions, future cash flows, as well as potential risks associated with the activity.

The Company's cash flows may experience short-term fluctuations due to the nature of its projects, which involve timing differences between the procurement of equipment and materials, execution of works and the collection of receivables from customers. Accordingly, the Company uses bank financing both in the short term, to cover such timing differences, and in the long term, to finance the development of its own photovoltaic and energy storage projects carried out through special purpose vehicles (SPVs).

The budget prepared by management and approved by the Board of Directors for 2026 indicates positive cash flows from operating activities and improved profitability, contributing to a strengthened liquidity position and compliance with financial covenants agreed with financing banks.

The Company maintains stable relationships with credit institutions and uses financing facilities to support its operational activities and the development of its own projects.

Based on these analyses, management believes that the Company's current operations, together with the support of credit institutions, will provide sufficient resources for the Company to continue its operations in the foreseeable future. Accordingly, the preparation of the separate financial statements on a going concern basis is considered appropriate.

3. MATERIAL ACCOUNTING POLICIES

Management has assessed the materiality of the accounting policies disclosed and concluded that they are consistent with those applied in the prior period. No new material accounting policies have been identified that require disclosure in the current reporting period.

Material accounting policies applied by the Company in the preparation of these separate financial statements are set out below.

a) Foreign currency transactions

The separate financial statements are presented in RON, which represents the Company's presentation currency.

Foreign currency transactions are initially recorded in the functional currency using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate at the reporting date. Exchange differences arising on the settlement of foreign currency transactions and from the translation of monetary assets and liabilities are recognized in profit or loss.

The exchange rates used at the reporting date were as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
EUR	5.0985	4.9741
USD	4.3417	4.7768

SIMTEL TEAM SA

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

b) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company is entitled under contracts with customers. Revenue is recognized when the Company satisfies a performance obligation by transferring control of a promised good or service, i.e., when the customer obtains control of that distinct good or service. The transfer of control may occur at a point in time or over time, depending on the nature of the good or service provided.

The Company has analyzed its contracts with customers to identify all performance obligations and has not identified any additional performance obligations that should be accounted for separately in accordance with IFRS 15 – *Revenue from Contracts with Customers*.

The Company's main revenue streams are generated from:

- engineering and installation services of solar power plants and energy storage facilities on a turnkey basis (EPC);
- operation and maintenance services;
- sale of equipment and other goods.

Engineering and installation services (EPC)

The Company provides engineering and installation services for solar power plants and energy storage facilities on a turnkey basis.

These contracts are generally considered a single performance obligation, as the services provided are highly integrated and are carried out to deliver a functional asset to the customer.

Revenue from these contracts is recognized over time, as the performance obligation is satisfied, since the assets constructed have no alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

The stage of completion of the contract is determined using an input method, based on the technical phases of the project that reflect progress in satisfying performance obligations. These phases mainly include design and engineering activities, procurement of equipment, execution of works, and commissioning, with each phase reflecting the proportion of effort required to complete the project.

The total consideration is allocated to performance obligations based on their relative standalone selling prices. Based on the Company's assessment, the amount allocated to performance obligations is largely consistent with the value of services invoiced.

Operation and maintenance services (O&M)

The Company provides operation, maintenance and monitoring services for solar power plants based on contracts with customers.

These services represent distinct performance obligations, and the related revenue is recognized over time, as the services are rendered, since the customer simultaneously receives and consumes the benefits provided by the Company.

SIMTEL TEAM SA

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

Revenue is generally recognized on a straight-line basis over the contract period or based on the services actually rendered, in accordance with the contractual terms.

Sale of goods and equipment

Revenue from the sale of goods and equipment is recognized at a point in time, when control of the products is transferred to the customer, either upon delivery or when the goods are made available to the customer at the agreed location.

Contract assets and contract liabilities

For engineering and construction contracts, revenue may be recognized before the Company has an unconditional right to bill the customer. In such cases, the difference between revenue recognized and amounts billed to customers is presented as a contract asset.

Contract assets represent the Company's right to consideration for goods or services transferred to the customer when that right is conditional on the satisfaction of further performance obligations.

Where consideration received or billed to customers exceeds revenue recognized, the difference is presented as a contract liability, representing the Company's obligation to transfer goods or services to the customer for which consideration has already been received or is due.

Contract assets are reclassified to trade receivables when the Company's right to consideration becomes unconditional.

Variable consideration

Certain contracts with customers include trade discounts or rights of return due to quality issues. Revenue from such sales is recognized based on the contractual price, net of price reductions and discounts, recorded on an accrual basis when a reasonable estimate of the revenue adjustment can be made.

In accordance with IFRS 15, the Company estimates variable consideration at contract inception. Revenue is recognized only to the extent that it is probable that a significant reversal of cumulative revenue recognized will not occur. Accordingly, for contracts where the Company is not able to make a reliable estimate of discounts or returns, revenue is recognized only when the uncertainty is resolved, i.e., upon expiry of the return period or when a reasonable estimate can be made.

Based on historical experience and available information, instances of quality claims or returns are isolated and insignificant. Accordingly, the impact of variable consideration on revenue is not material.

Principal versus agent considerations

In accordance with IFRS 15, the Company assesses, for each contract, whether it acts as a principal or as an agent. This assessment is based on whether the Company controls the specified goods or services before they are transferred to the customer, rather than solely on exposure to risks and rewards.

SIMTEL TEAM SA

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

The Company acts as a principal when it controls the goods or services before transfer to the customer. Relevant indicators include, but are not limited to, whether the Company is primarily responsible for fulfilling the performance obligation, sets the price, and is exposed to risks related to the goods or services.

Based on this assessment, the Company has concluded that it acts as a principal in most of its sales arrangements. In cases where the Company does not control the goods or services before transfer to the customer, it acts as an agent, and revenue is recognized in the amount of the commission to which the Company is entitled.

c) Leases

The Company assesses whether a contract is or contains a lease at the commencement date.

In accordance with IFRS 16 – *Leases*, the Company recognizes, for most lease contracts in which it is a lessee:

- a right-of-use asset; and
- a lease liability.

The Company applies the recognition exemptions for:

- short-term leases (12 months or less);
- leases of low-value assets.

Payments related to these leases are recognized on a straight-line basis in profit or loss over the lease term.

Measurement of lease liability

At the commencement date, the lease liability is measured at the present value of lease payments not yet paid.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable under residual value guarantees;
- the exercise price of purchase options, where exercise is reasonably certain.

Lease payments are discounted using the interest rate implicit in the lease, if readily determinable. If not, the Company uses its incremental borrowing rate.

Subsequent measurement

The lease liability is subsequently measured by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect lease payments made.

The lease liability is remeasured when there is a change in lease payments or in the lease term, including as a result of changes in an index or rate used to determine lease payments, reassessment of a purchase option, or lease modifications. In such cases, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate, with a corresponding adjustment to the right-of-use asset.

SIMTEL TEAM SA

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(all amounts are in RON, unless otherwise stated)

Right-of-use assets

Right-of-use assets are initially measured at cost, which includes:

- the initial amount of the lease liability;
- lease payments made at or before the commencement date;
- initial direct costs.

Subsequently, right-of-use assets are measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset.

If a lease transfers ownership of the underlying asset by the end of the lease term, or if the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset.

Otherwise, the right-of-use asset is depreciated over the shorter of the lease term and the useful life of the underlying asset. Depreciation begins at the commencement date.

The Company applies IAS 36 – *Impairment of Assets* to determine whether right-of-use assets are impaired and recognizes any impairment loss identified.

d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset.

Capitalization of borrowing costs begins when activities necessary to prepare the asset are in progress and borrowing costs are being incurred, and ceases when the asset is substantially ready for its intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

e) Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the related conditions and that the grants will be received.

Government grants related to the acquisition, construction or purchase of property, plant and equipment are initially recognized as deferred income in the statement of financial position and presented as “investment grants”.

Deferred income is recognized in profit or loss on a systematic basis over the useful lives of the related assets, so as to match the consumption of the economic benefits of the assets financed.

If the related assets are disposed of or retired before the end of their useful lives, the unamortized balance of the grant is recognized in profit or loss.

f) Equity

Share capital

Share capital represents the nominal value of shares issued by the Company and subscribed by shareholders. Ordinary shares are classified as equity instruments.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS
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(all amounts are in RON, unless otherwise stated)

Share premium

Share premium represents the excess of the issue price or fair value of shares issued over their nominal value and is recognized in equity.

Where shares are issued as part of equity-settled share-based payment transactions, the fair value of the equity instruments granted is recognized in accordance with IFRS 2 – Share-based Payment, and the difference between the nominal value of the shares issued and their fair value is recognized in share premium.

Costs directly attributable to the issuance of shares are recognized as a deduction from equity, net of any tax effect, and are offset against share premium, to the extent available.

g) Employee benefits

The Company pays contributions to the Romanian state public pension system on behalf of its employees. These contributions are treated as a defined contribution plan.

The Company's obligations are limited to the contributions paid to the public pension system, and the contributions are recognized as an expense in profit or loss in the period in which the related services are rendered by employees.

The Company does not operate any other pension schemes or post-employment benefit plans and has no further obligations with respect to the payment of pensions or other benefits after employment ends.

Short-term employee benefits, including salaries, allowances, annual leave and other employee entitlements, are recognized as liabilities and expenses in the period in which the services are rendered and are measured at the undiscounted amount expected to be paid.

h) Share-based payments

Grupul operează un program de tip Stock Option Plan (SOP) pentru anumite categorii de angajați cheie. În cadrul acestor programe, angajații primesc dreptul de a primi acțiuni ale societății-mamă, condiționat de îndeplinirea anumitor criterii de performanță și de îndeplinirea unei perioade de vesting.

The Company operates a Stock Option Plan (SOP) for certain categories of key employees. Under the plan, employees are granted the right to receive shares in the parent company, subject to the achievement of certain performance conditions and completion of a vesting period.

Share-based payment transactions are classified as equity-settled and are measured at the fair value of the equity instruments granted at the grant date.

The fair value of the equity instruments granted is recognized as an employee benefits expense over the vesting period, with a corresponding increase in equity.

i) Income tax

Current income tax

Current income tax is based on the taxable profit for the period. Taxable profit differs from profit reported in the statement of comprehensive income as it excludes items of income or expense that are taxable or deductible in other periods, as well as items that are never taxable or deductible.

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The Company's liability for current tax is calculated using tax rates that are enacted or substantively enacted at the reporting date. For subsidiaries operating in other tax jurisdictions, current tax is determined using the applicable tax rates in those jurisdictions.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities.

Deferred tax

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax bases, using the liability method.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for deductible temporary differences and tax losses carried forward, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets and liabilities are measured using the tax rates expected to apply in the period in which the asset is realized or the liability is settled, based on tax rates and tax laws that are enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

Current and deferred tax are recognized in profit or loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case the tax is also recognized accordingly.

j) Value added tax (VAT)

Revenue, expenses and assets are recognized net of VAT, except where VAT incurred on the purchase of goods or services is not recoverable from the tax authorities, in which case it is recognized as part of the cost of the asset or as part of the expense, as appropriate.

Receivables and payables are stated inclusive of VAT.

VAT receivable from or payable to the tax authorities is presented in the statement of financial position within receivables or payables, as appropriate.

k) Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements at cost, in accordance with IAS 27 – *Separate Financial Statements*. Cost includes the purchase price and any directly attributable acquisition costs.

Subsequent to initial recognition, investments in subsidiaries are measured at cost less any impairment losses.

Subsequent increases in investments in subsidiaries, resulting from additional capital contributions or the conversion of receivables into equity instruments of the subsidiaries, are recognised as an increase

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in the carrying amount of the investment, at the value of the contribution made or the receivable converted.

At each reporting date, the Company assesses whether there are any indicators of impairment for its investments in subsidiaries. Where such indicators exist, the recoverable amount is determined in accordance with IAS 36 – *Impairment of Assets*, as the higher of fair value less costs of disposal and value in use. Any impairment loss is recognised in profit or loss.

The determination of recoverable amount requires the use of estimates and assumptions regarding the future cash flows of the investees.

l) Loans to subsidiaries

Loans to subsidiaries are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, in accordance with IFRS 9 – *Financial Instruments*.

At each reporting date, the Company assesses whether expected credit losses should be recognised for these financial assets. The determination of expected credit losses involves the use of estimates and assumptions regarding the subsidiaries' ability to generate sufficient cash flows to meet their obligations.

m) Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an asset comprises the purchase price, including non-recoverable taxes, after deducting trade discounts and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes the initial estimate of the costs of dismantling and removing the asset and restoring the site on which it is located, where the Company has an obligation to do so.

Subsequent costs are included in the carrying amount of the asset or recognized as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of replaced components is derecognized. All other repairs and maintenance costs are recognized in profit or loss in the period in which they are incurred.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of the asset.

Depreciation

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, starting when the assets are available for use. Land is not depreciated.

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The estimated useful lives of the main categories of property, plant and equipment are as follows:

	Useful life (years)
Building and constructions	30
Technological equipment	2-12
Vehicles	4-6
Furniture and office equipment	3-12
Solar power plants	18

Useful lives and depreciation methods are reviewed periodically and adjusted, where appropriate.

n) Investment property

Investment property comprises property held to earn rental income or for capital appreciation, or both, rather than for use in the production or supply of goods or services or for administrative purposes.

Investment property is initially measured at cost, including transaction costs. Subsequently, it is measured using the cost model, i.e., cost less accumulated depreciation and any accumulated impairment losses.

Investment property is derecognized on disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Transfers to or from investment property are made only when there is a change in use. When a property is transferred from investment property to property, plant and equipment or vice versa, it is transferred at its carrying amount at the date of the change in use.

o) Intangible assets

Intangible assets acquired separately are initially measured at cost and subsequently carried at cost less accumulated amortization and any accumulated impairment losses.

Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives. Useful lives, residual values and amortization methods are reviewed periodically and adjusted, where appropriate.

In general, the Company's intangible assets are amortized over a period of up to 5 years, depending on their estimated useful lives.

Derecognition

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any resulting gain or loss is recognized in profit or loss.

p) Inventories

Inventories are measured at the lower of cost and net realizable value. Net realizable value represents the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale.

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The cost of inventories comprises the purchase price, non-recoverable taxes, transportation and handling costs, and other costs directly attributable to bringing the inventories to their present location and condition, net of trade discounts and rebates.

The Company applies the FIFO (first-in, first-out) method in determining the cost of inventories.

Raw materials and consumables are measured at purchase cost. Where there is an indication that net realizable value is lower than cost, an allowance for inventory write-down is recognized.

Inventories are recognized as an expense in profit or loss when they are used or sold, in line with the recognition of the related revenue.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition

The Company's financial assets include cash and cash equivalents, trade receivables and other receivables.

On initial recognition, financial assets are measured at fair value plus directly attributable transaction costs, except for trade receivables that do not contain a significant financing component, which are measured at the transaction price in accordance with IFRS 15.

Subsequent measurement

Financial assets are measured at amortized cost when they are held within a business model whose objective is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding.

The Company manages its financial assets primarily to collect contractual cash flows and classifies all financial assets at amortized cost.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL). For trade receivables and contract assets, the Company applies the simplified approach under IFRS 9 – Financial Instruments and recognizes lifetime expected credit losses.

The measurement of expected credit losses is based on an ageing analysis of receivables, historical payment behaviour and available information at the reporting date regarding the financial position of counterparties.

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Derecognition of financial assets

A financial asset is derecognized when the contractual rights to receive the cash flows expire or when the Company transfers substantially all the risks and rewards of ownership of the asset.

(ii) Financial liabilities

Initial recognition

The Company's financial liabilities include borrowings, trade payables and other financial liabilities. On initial recognition, financial liabilities are measured at fair value, net of directly attributable transaction costs.

Subsequent measurement

Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

Derecognition

A financial liability is derecognized when the contractual obligation is discharged, cancelled or expires. The difference between the carrying amount of the liability and the consideration paid is recognized in profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and presented on a net basis in the statement of financial position only when the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(iv) Derivative instruments and hedge accounting

The Company does not use derivative financial instruments and does not apply hedge accounting.

r) Finance income and finance costs

The Company's finance income and finance costs mainly include:

- dividends income;
- Interest income on bank deposits and loans granted to subsidiaries;
- interest expense on borrowings and other financial liabilities;
- foreign exchange gains or losses on monetary assets and liabilities denominated in foreign currencies.

Interest income and interest expense are recognized using the effective interest method.

Finance income and finance costs are recognized in profit or loss.

s) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and short-term deposits with an original maturity of up to three months that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

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t) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision represents the best estimate of the expenditure required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, provisions are measured at the present value of the cash flows expected to be required to settle the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

u) Events after the reporting period

Events occurring after the reporting date and up to the date of authorization for issue of the financial statements are assessed to determine whether they are adjusting or non-adjusting events.

Events that provide evidence of conditions that existed at the reporting date are reflected in the financial statements, while events that are indicative of conditions that arose after the reporting date are disclosed in the notes when material.

v) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Where available, the Company measures fair value using quoted prices in active markets for identical instruments. In the absence of such prices, fair value is determined using valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

4. COMPARATIVES

During the financial year ended 31 December 2025, the Company made certain reclassifications to the comparative information for the financial year ended 31 December 2024, in order to better reflect the economic substance of the items presented and to ensure comparability between periods, in accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*.

These reclassifications affected only the presentation of certain items in the consolidated financial statements and had no impact on previously reported net result, total equity or net cash flows.

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a) *Reclassifications to the Separate Statement of Financial Position*

The impact of these reclassifications on the separate statement of financial position as at 31 December 2024 is presented below:

	As reported	Reclassification	Restated
ASSETS			
Non-current assets			
Property, plant and equipment	42,098,841	2,883,302	44,982,143
Loans to subsidiaries	-	23,836,326	23,836,326
Right-of-use assets	2,900,210	(2,900,210)	-
Other non-current assets	15,077,023	(5,258,467)	9,818,556
Current assets			
Other assets	25,879,601	(18,560,951)	7,318,650
Total assets	85,955,675	-	85,955,675
Equity and liabilities			
Non-current liabilities			
Deferred income	200,366	526,072	726,438
Current liabilities			
Bank overdraft	16,896,818	(16,896,818)	-
Bank borrowings	1,986,926	16,896,818	18,883,744
Other liabilities	15,386,891	(673,373)	14,713,518
Deferred income	98,421	147,300	245,721
Total equity and liabilities	34,569,422	-	34,569,422

b) *Reclassifications to the Separate Statement of Profit or Loss and Other Comprehensive Income*

The impact of these reclassifications on the separate statement of profit or loss and other comprehensive income as at 31 December 2024 is presented below:

	As reported	Reclassification	Restated
Cost of raw materials, consumables and goods	(135,286,883)	(438,043)	(135,724,926)
Subcontractor costs	-	(41,305,088)	(41,305,088)
Environmental costs	-	(1,423,102)	(1,423,102)
Other operating expenses	(68,706,978)	42,819,993	(25,886,985)
Marketing and advertising expense	(346,241)	346,241	-
Operating profit	39,198,136	-	39,198,136
Net finance result	-	(325,938)	(325,938)
Finance income	4,717,426	(4,717,426)	-
Finance costs	(5,043,365)	5,043,365	-
Profit before tax	38,872,198	-	38,872,198

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c) *Reclassifications to the Separate Statement of Cash Flows*

The impact of these reclassifications on the consolidated statement of cash flows as at 31 December 2024 is presented below:

	As reported	Reclassification	Restated
Depreciation and amortization of property, plant and equipment and intangible assets	2,855,482	1,292,991	4,148,473
Depreciation of right-of-use assets	1,292,991	(1,292,991)	-
Cash flows from operating activities before changes in working capital	45,651,285	-	45,651,285
Trade receivables and other assets	(30,835,259)	(7,803,960)	(38,639,219)
Cash generated from operations	76,258,517	(7,803,960)	68,454,557
Interest paid	-	(3,441,964)	(3,441,964)
Net cash generated from operating activities	73,671,704	(11,245,924)	62,425,779
Cash flows from investing activities			
Repayment of long-term guarantees	(7,803,960)	7,803,960	-
Interest paid	(3,441,964)	3,441,964	-
Net cash used in investing activities	(44,007,505)	(11,245,924)	(32,761,581)
Cash flows from financing activities			
Proceeds from borrowings	(18,016,425)	107,301,139	89,284,714
Repayment of borrowings	-	(107,301,138)	(107,301,138)
Net cash from financing activities	(20,570,518)	-	(20,570,518)

5. USE OF JUDGEMENTS AND ESTIMATES

The preparation of the separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosures in the notes to the financial statements, including contingent liabilities.

Estimates and assumptions are based on historical experience and other factors considered to be relevant under the circumstances. Given their nature, actual results may differ from those estimates.

Estimates and assumptions are reviewed on an ongoing basis, and revisions are recognized in the period in which they occur and, where applicable, in future periods affected.

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Judgements

The key judgements made by management that have a significant effect on the amounts recognized in the financial statements are presented below:

Revenue recognition from contracts with customers

In applying the requirements of IFRS 15, management has exercised professional judgement in assessing the timing of transfer of control of goods or services to the customer, taking into account the contractual terms and the nature of the performance obligations.

Based on this assessment, management concluded that control is transferred in accordance with the contractual terms, and revenue is recognized in the appropriate period.

Economic substance of the acquisition of a solar power plant from a related party

During the financial year, the Company acquired a solar power plant from a founding shareholder, representing a related party transaction within the meaning of IAS 24 – *Related Party Disclosures*. The consideration had not been settled as at the reporting date and was recognized as a financial liability to the shareholder.

Following an assessment of the economic substance of the transaction, management concluded that the Company obtained control over the acquired entity. Accordingly, the interest is recognised as an investment in a subsidiary, in accordance with IAS 27 – *Separate Financial Statements*, at cost.

The consideration for the transaction had not been settled as at the reporting date, and a financial liability to the founding shareholder has been recognised, measured in accordance with IFRS 9 – *Financial Instruments*. The transaction is disclosed in the related parties note.

Estimates and assumptions

The key assumptions concerning future developments and other key sources of estimation uncertainty at the reporting date, which may result in significant adjustments to the carrying amounts of assets and liabilities in future periods, are presented below.

The estimates used by the Company are based on information available at the date of preparation of the consolidated financial statements. However, existing conditions and assumptions regarding future developments may change due to market developments or factors beyond the Company's control.

Net realizable value of inventories

Inventories are measured at the lower of cost and net realizable value. The determination of net realizable value requires estimates regarding the value at which inventories can be used in ongoing projects or sold under current market conditions.

In making this assessment, management considers market price trends and industry-specific conditions. For raw materials and consumables used in projects, factors such as inventory ageing and potential quality issues are also considered.

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Useful lives of property, plant and equipment

The Company estimates the useful lives of property, plant and equipment based on expected usage and physical deterioration.

Depreciation is calculated using the straight-line method for buildings, equipment and right-of-use assets.

Useful life estimates are reviewed periodically, with any changes accounted for prospectively in depreciation expense.

Impairment of investments in subsidiaries

The Company assesses at each reporting date, and whenever there are indicators of impairment, whether the carrying amount of its investments in subsidiaries exceeds their recoverable amount.

The determination of the recoverable amount involves the use of estimates and assumptions regarding the future financial performance of the investees, including projections of future cash flows generated by their projects, estimated electricity production, expected electricity prices, operating costs and applicable discount rates.

Recoverability of loans to subsidiaries

The Company grants loans to Group entities primarily to finance the development and operation of energy projects. The assessment of the recoverability of these receivables involves the use of estimates and assumptions regarding the subsidiaries' ability to generate sufficient cash flows to repay the loans.

The determination of expected credit losses includes judgement regarding the future financial performance of the subsidiaries, the progress of the financed projects, as well as other relevant forward-looking information.

The estimates used in assessing the recoverability of investments and loans to subsidiaries are based on the same financial projections of the projects developed by the respective entities.

6. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following IFRS standards and amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted. The Company has not early adopted these standards and amendments and does not expect them to have a material impact on its consolidated financial statements.

The main standards and amendments relevant to the Company are set out below:

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 – *Presentation of Financial Statements* and introduces new requirements for the presentation and structure of the statement of profit or loss, including the classification of income

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and expenses into defined categories. The standard is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted.

The Company is currently assessing the impact of adopting this standard on the presentation of its consolidated financial statements.

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

These amendments clarify certain aspects related to the classification of financial assets and disclosure requirements for financial instruments. The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.

The Company does not expect the adoption of these amendments to have a material impact on its consolidated financial statements.

7. REVENUE

Revenue generated during the financial year ended 31 December 2025 primarily relates to engineering and installation services for solar power plants and energy storage facilities on a turnkey basis, as well as electricity sales.

The Company generates revenue from:

	2025	2024
Revenue from EPC projects	313,378,638	273,878,513
Revenue from electricity sales	1,603,589	-
Total	314,982,227	273,878,513

Revenue from EPC projects

	2025	2024
Revenue from EPC contracts	301,427,534	261,458,013
Revenue from operation and maintenance services	7,989,881	9,255,000
Revenue from the sale of goods	3,961,223	3,165,500
Total	313,378,638	273,878,513

Revenue from construction-related service contracts is recognized over time based on the stage of completion, reflecting the transfer of control of services to the customer.

Revenue from operation, maintenance and monitoring services is generated from subscription-based contracts and is recognized over the contract term as the services are continuously provided to the customer.

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The Company has the following customers that individually accounted for more than 10% of total revenue:

2025

Client	Percentage of sales	Services supplied
ENERGY CAPITAL GROUP VERBUND WIND POWER ROMANIA SRL	66%	EPC Project
	10%	EPC Project

2024

Client	Percentage of sales	Services supplied
ENEVO GROUP SRL	18%	EPC Project
SILCOTUB SA	10%	EPC Project

Timing of revenue recognition:

	2025	2024
Revenue recognised over time	311,021,004	270,713,013
Revenue recognised at a point in time	3,961,223	3,165,500
Total	314,982,227	273,878,513

Contract assets and contract liabilities

	2025	2024
Trade receivables	112,120,757	71,910,926
Contract assets	47,944,538	1,016,875
Contract liabilities	2,361,789	1,314,717

Contract assets represent the Company's right to consideration for work performed but not yet invoiced, mainly in relation to EPC contracts.

Contract liabilities represent advance payments received from customers for future performance obligations.

For each contract with a customer, the Company presents a net position resulting from the difference between revenue recognized and amounts invoiced or received from customers, either as a contract asset or a contract liability.

Contract liabilities outstanding at 31 December 2024, amounting to RON 1,314,717, were recognized as revenue during 2025 (2024: RON 6,219,204).

8. OTHER INCOME

	2025	2024
Grant income	147,304	246,194
Gain on disposal of assets	74,669	15,172
Other operating income	399,887	1,042,031
Total	621,860	1,303,397

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9. OPERATING EXPENSES

A. COST OF RAW MATERIALS, CONSUMABLES AND GOODS

The cost of raw materials, consumables and goods for the financial years ended 31 December 2025 and 31 December 2024 is presented as follows:

	2025	2024
Raw materials	176,820,697	131,214,791
Fuel and spare parts	1,084,978	1,097,129
Cost of goods sold	3,145,644	2,643,418
Other materials and consumables	455,622	769,588
Total	181,506,941	135,724,926

Raw materials include costs related to technological equipment and materials used in the construction of solar power plants (such as panels, inverters and structures).

The Company also records occasional sales of equipment to third parties, the cost of which is recognized within cost of goods sold.

B. SUBCONTRACTOR COSTS

Subcontracting costs represent expenses related to services outsourced to third parties in connection with the execution of EPC contracts, including construction, installation and other services directly attributable to contract performance. These costs are recognized in cost of sales in the period in which the services are rendered and are matched with the related contract revenue.

The value of services provided by subcontractors in 2025 amounted to RON 44,193,707 (2024: RON 41,305,088). The variation is mainly driven by the progress and scale of EPC projects during the period.

C. ENVIRONMENTAL COSTS

	2025	2024
Extended Producer Responsibility (EPR) fees	2,588,503	1,423,103
Total	2,588,503	1,423,103

EPR fees represent contributions paid to compliance schemes in relation to the Company's obligations for the collection and recycling of waste arising from products and packaging placed on the market, in accordance with applicable legislation.

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D. OTHER OPERATING EXPENSES

	2025	2024
Third-party services	18,863,640	16,691,801
Local taxes	4,587,352	1,579,045
Marketing expenses	655,751	346,241
Transportation of goods and personnel	1,019,875	988,303
Short-term lease expense	1,170,188	468,842
Fees and commissions	983,767	123,325
Travel expenses	982,704	998,557
Insurance expense	1,398,022	693,810
Maintenance and repairs	555,597	357,438
Sponsorships	150,628	303,901
Utilities	408,657	161,821
Consulting services	533,480	434,054
Others	3,351,665	2,739,847
Total	34,661,326	25,886,985

Third-party services mainly include support services required for the execution of EPC contracts, as well as other operational services related to the Company's day-to-day activities.

E. AUDIT FEES

The Company's auditor for the financial years ended 31 December 2025 and 31 December 2024 was Baker Tilly Klitou and Partners SRL. Fees for audit and non-audit services are presented below:

	2025(EUR)	2024(EUR)
Audit fees	68,500	52,500
Non-audit fees	56,000	3,000
Total fees	124,500	55,500

Non-audit fees include limited assurance services. In 2025, limited assurance services were also provided in connection with the issuance of bonds.

10. PERSONNEL EXPENSES AND EMPLOYEE BENEFITS

a) Personnel expenses

	31 December 2025	31 December 2024
Salary expense	32,180,012	24,015,330
Meal vouchers	984,165	927,945
Social security contributions	742,227	545,060
Total	33,906,404	25,488,335

	2025	2024
Average number of employees	130	124

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b) Employee benefits- share based payments

	31 December 2025	31 December 2024
Share-based payments expense	2,975,000	1,550,500

The Company has approved a multi-year incentive plan for key employees covering the 2022–2025 period (the “Stock Option Plan”), under which eligible employees may be granted, free of charge, shares in the Company.

The maximum number of shares that may be granted under the plan is limited to 2% of the total number of the Company’s shares, determined at the beginning of each year during the plan period. Shares granted under the plan are transferred from treasury shares held by the Company.

In 2025, a total of 62,920 shares were granted under the plan, transferred from treasury shares held by the Company, at a nominal value of RON 12,584. The total value of the share-based payment amounted to RON 2,975,000, with the difference between the nominal value and the conversion price recognized in share premium (Note 21).

In 2024, a total of 30,777 shares were granted under the plan, resulting in an increase in share capital of RON 6,155. The total value of the share-based payment amounted to RON 1.550.500, with the difference between the nominal value and the conversion price recognized in share premium (Note 21).

11. NET FINANCE RESULT

	2025	2024
Interest income	2,981,798	2,720,822
Dividends income	4,325,488	887,400
Other finance income	-	76,537
Finance income	7,307,286	3,684,759
Interest expense	4,985,325	3,441,964
Net foreign exchange loss	1,361,668	195,503
Other finance costs	-	373,230
Finance costs	6,346,993	4,010,697
Net finance result	960,293	(325,938)

The increase in dividend income reflects the improved financial performance of the Company’s subsidiaries and the distribution of dividends from the profits generated by these entities.

Interest expense represents amounts payable to credit institutions from which the Company has obtained financing for its operating activities and for the development of solar power projects.

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12. EARNINGS PER SHARE

Earnings per share is calculated based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding:

	2025	2024
Net profit attributable to the shareholders	10,053,111	32,277,126
Profit attributable to ordinary shareholders	10,053,111	32,277,126
Ordinary shares	8,141,731	7,918,650
Effect of treasury shares repurchased in November 2025	(10,826)	-
Weighted average number of ordinary shares at 31 December	8,130,905	7,918,650
Earnings per share (basic and diluted) (RON/share)	1.24	4.08

13. INCOME TAX

(a) Amounts recognised to profit or loss

	2025	2024
Current tax expense	2,194,359	6,595,072
Deferred tax income	(327,700)	-
Total	1,866,659	6,595,072

(b) Reconciliation of effective tax rate

	2025		2024	
Profit before tax		11,919,770		38,872,198
Tax calculated at the Company's applicable tax rate	16.00%	1,907,163	16.00%	6,219,552
<i>Tax effect of:</i>				
- non-deductible expenses	11.70%	1,394,366	5.21%	2,023,660
- tax-exempt income	-5.81%	(692,078)	-0.47%	(181,442)
- deduction of legal reserves	-0.01%	(1,428)	0.00%	(197)
- Tax incentives	-6.22%	(741,364)	-3.77%	(1,466,501)
Income tax	15.66%	1,866,659	16.97%	6,595,072

The difference between the effective tax rate and the statutory corporate income tax rate is primarily driven by non-deductible expenses, non-taxable income, as well as the application of certain tax incentives.

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(c) Movement in deferred tax

	Net balance at 1 January 2025	Recognized in profit or loss	Net balance at 31 December 2025	Deferred tax assets	Deferred tax liabilities
Right-of-use assets	(633,478)	(45,466)	(678,944)	-	(678,944)
Lease liabilities	666,266	100,342	766,608	766,608	
Provisions	-	145,689	145,689	145,689	-
Trade receivables	-	127,135	127,135	127,135	-
Total deferred tax liabilities (assets) before offsetting	32,788	327,700	360,488	1,039,432	(678,944)
Offsetting of deferred tax				(678,944)	678,944
Net deferred tax assets				360,488	-

	Net balance at 1 January 2024	Recognized in profit or loss	Net balance at 31 December 2024	Deferred tax assets	Deferred tax liabilities
Right-of-use assets	(247,789)	(385,689)	(633,478)	-	(633,478)
Lease liabilities	336,679	329,587	666,266	666,266	
Total deferred tax liabilities (assets) before offsetting	88,890	(56,102)	32,788	666,266	(633,478)
Offsetting of deferred tax				(666,266)	633,478
Net deferred tax assets				32,788	-

14. INVENTORIES

	31 December 2025	31 December 2024
Raw materials	58,520,875	83,912,394
Raw materials and materials in transit	283,942	2,220,712
Advances to suppliers for inventories	9,649,148	6,479,320
Total	68,453,965	92,612,426

Raw materials mainly include technological equipment (such as inverters, solar panels and metal structures), as well as other materials used for energy and telecommunications infrastructure and for the construction of solar power plants.

The decrease in inventories reflects the consumption of equipment and materials in the Company's ongoing projects, as well as the optimization of inventory levels in line with operational needs at the end of the period.

15. TRADE RECEIVABLES AND CONTRACT ASSETS

	31 December 2025	31 December 2024
Trade receivables	112,915,350	72,280,926
Contract assets	47,944,538	1,016,875
Allowance for expected credit losses	(794,593)	(370,000)
Total	160,065,295	72,927,801

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Trade receivables are measured at amortised cost in accordance with IFRS 9. Allowances for credit losses are recognised based on expected credit losses (ECL). Further information on the Group's credit risk assessment methodology is presented in Note 25.

Contract assets mainly arise from EPC contracts, where revenue is recognised over time as performance obligations are satisfied, before the Company obtains an unconditional right to invoice the customer.

The increase in trade receivables and contract assets reflects the level of activity of the Company during 2025.

16. OTHER ASSETS

	31 December 2025		31 December 2024	
	Current	Non-current	Current	Non-current
Recoverable VAT	7,715,725	-	2,117,538	-
Guarantees granted	2,992,766	9,136,802	5,258,467	9,818,556
Advances paid	1,496,070	-	1,670,334	-
Other assets	1,245,358	15,235	389,849	-
Total	13,449,919	9,152,037	7,318,650	9,818,556

The increase in VAT receivable in 2025 is mainly driven by investments made in solar power plants during the period.

Guarantees granted

	31 December 2025		31 December 2024	
	Current	Non-current	Current	Non-current
Receivables from contractual guarantees	1,087,548	5,156,003	5,258,467	7,072,884
Collateral deposits for performance guarantees	1,905,218	3,980,799	-	2,745,672
Total guarantees	2,992,766	9,136,802	5,258,466	9,818,556

Guarantees granted represent receivables from contractual guarantees provided to business partners, as well as collateral deposits placed with financial institutions for the issuance of performance guarantees required for the execution of customer contracts.

17. CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
Current bank accounts - RON	1.909.915	17.699.091
Current bank accounts- foreign currency	184.453	295.156
Bank deposits	500.000	3.388.796
Cash on hand	-	465
Other cash equivalents	1.197.143	2.185
Total	3.791.511	21.385.693

Cash and cash equivalents comprise cash on hand, current bank accounts, and short-term bank deposits with an original maturity of up to three months, held to meet short-term cash commitments, as well as cheques and bills of exchange deposited with banks.

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Bank overdrafts are presented in the statement of financial position within amounts due to credit institutions falling due within one year (Note 22).

Collateral deposits pledged as security for financing arrangements are included in the statement of financial position under non-current assets and other assets (Note 16).

All bank accounts are held with credit institutions with investment-grade ratings, supporting their long-term creditworthiness. UniCredit has a long-term rating of BBB with a stable outlook, while BRD is rated BBB+.

18. PROPERTY, PLANT AND EQUIPMENTS

	Land	Buildings	Plant and machinery	Furniture and office equipment	Assets under construction	Investment property	Total
Gross carrying amount							
Balance at 1 January 2024	5,239,154	8,738,398	8,832,751	1,455,978	388,244	2,688,425	27,342,950
Additions	205,900	969,223	1,982,720	321,882	26,745,946	-	30,225,671
Disposals	-	-	(175,884)	-	-	-	(175,884)
Transfers	-	609,438	728,842	254,454	(1,592,734)	-	-
Balance at 31 December 2024	5,445,054	10,317,059	11,368,429	2,032,314	25,541,456	2,688,425	57,392,737
Balance at 1 January 2025	5,445,054	10,317,059	11,368,429	2,032,314	25,541,456	2,688,425	57,392,737
Additions	267,460	1,057,988	735,042	272,622	122,640,278	-	124,973,390
Disposals	-	-	(221,767)	(6,056)	-	-	(227,823)
Transfers	-	728,726	27,696	-	(756,422)	-	-
Balance at 31 December 2025	5,712,514	12,103,773	11,909,400	2,298,880	147,425,312	2,688,425	182,138,304
Accumulated depreciation							
Balance at 1 January 2024	-	1,939,250	3,873,868	579,072	-	422,659	6,814,849
Depreciation charge	-	1,188,176	1,933,880	359,640	-	84,532	3,566,228
Accumulated depreciation of disposals	-	-	(151,717)	-	-	-	(151,717)
Balance at 31 December 2024	-	3,127,426	5,656,031	938,712	-	507,191	10,229,360
Balance at 1 January 2025	-	3,127,426	5,656,031	938,712	-	507,191	10,229,360
Depreciation charge	-	1,280,019	2,008,675	358,193	-	84,532	3,731,419
Accumulated depreciation of disposals	-	-	(218,734)	(5,368)	-	-	(224,102)
Balance at 31 December 2025	-	4,407,445	7,445,972	1,291,537	-	591,723	13,736,677
Net carrying amount							
Balance at 31 December 2024	5,445,054	7,189,633	5,712,398	1,093,602	25,541,456	2,181,234	47,163,377
Balance at 31 December 2025	5,712,514	7,696,328	4,463,428	1,007,343	147,425,312	2,096,702	168,401,627

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The “Buildings” category mainly includes leased office premises, related fit-out costs, as well as the Baicoi central warehouse used in the Company’s operations.

The “Plant and machinery” category mainly includes investments in IT equipment, as well as the Company’s vehicle fleet, which is used under lease agreements.

The “Assets under construction” category mainly includes investments in Giurgiu solar power plant. During 2025, the Company completed the construction of the solar power plant which, as at the reporting date, was in the process of obtaining grid connection certificates. Commissioning is expected in the first half of 2026.

Right-of-use assets

Right-of-use assets, previously presented separately, have been reclassified within property, plant and equipment. Comparative information has been restated accordingly.

Right-of-use assets recognised in accordance with IFRS 16, arising mainly from lease contracts for office premises and for the vehicle fleet, amount to a net carrying value of RON 4,235,002 as at 31 December 2025 (31 December 2024: RON 4,903,035).

Investment property

Investment property comprises two premises owned by the Company and leased on a long-term basis to a retail entity for commercial use. These are recognised and subsequently measured at cost in accordance with the Company’s accounting policies.

The fair value of investment property as at 31 December 2025 is RON 4,445,229 (31 December 2024: RON 3,842,167) and has been determined based on external valuation reports

The Company performed an impairment review and concluded that no impairment was required at 31 December 2025 and 31 December 2024.

Mortgages over property, plant and equipment are disclosed in Note 22 – Borrowings and related liabilities.

19. INVESTMENT IN SUBSIDIARIES

The Company’s investments in subsidiaries are carried at cost and are presented below:

Subsidiary	Ownership interest (%)	Carrying amount of the investment	
		31 December 2025	31 December 2024
Simtel Industrial Control SRL	100% (2024:75%)	70,800	53,100
Plesoiu Solar SRL	98,6%	602,319	70,000
SMTL Solar Anina SRL	100%	78,541	200
SMTL Solar Ianca SRL	100%	148,615	200
SMTL Solar Giurgiu SRL	100%	200	200
ANT Power Energy SRL	51%	1,514,394	1,514,394
Agora Robotics SRL	51%	1,977,720	1,977,720

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Subsidiary	Ownership interest (%)	Carrying amount of the investment	
		31 December 2025	31 December 2024
Simtel Solar SRL	100%	269	269
SN Energie Company SRL	100%	570,246	200
Custom Soft Solutions SRL	59%	389,210	87,575
GES Furnizare SRL	62%	2,282,058	1,501,860
Oasis Green Energy 3 SRL	100%	2,675,642	2,287,690
Sirius Immob 2 SRL	100%	2,291,159	2,038,624
SMTL Energy Infrastructure SRL	100%	200	200
SMTL Energy Project SRL	100%	200	200
SMTL Energy System SRL	100%	200	200
SMTL Energy Development SRL	100%	100,000	100,000
Simtel Technology SRL	100%	200	200
Ges Energy Trade SRL	42,70%	1,103	1,103
Simtel Nordics	100%	19,983	-
SMTL Solar GMBH	95%	118,128	-
Simtel Management SRL	100%	200	-
Simtel Operations SRL	100%	1,469	-
Simtel Services SRL	100%	1,469	-
SMTL Solar Bughea SRL	100%	28,348,276	-
Total		41,192,603	9,633,936
Ajustari de valoare		(70,000)	(70,000)
Total investitii in filiale		41,122,603	9,563,936

Movement of investment in subsidiaries is presented below:

	2025	2024
Balance at 1 January	9,633,936	3,704,178
Acquisitions	28,507,226	4,428,218
Conversion of loans into equity	3,051,441	-
Capital increases in subsidiaries	-	1,501,540
Balance at 31 December	41,192,603	9,633,936

During the financial year, the Company acquired interests in certain subsidiaries within the Group. In addition, part of the loans granted to subsidiaries were converted into equity interests as part of share capital increase transactions. These transactions reflect the financing and development of projects carried out through the subsidiaries.

In July 2025, the Company acquired 100% of the share capital of SMTL Solar Bughea SRL. The main objective of this investment is to complete the project and subsequently sell the project company to third parties. The total consideration for the acquisition amounted to RON 32,207,190, comprising RON 28,348,276 for the shares acquired and RON 3,858,914 representing a shareholder loan owed by the acquired entity to the former shareholder, which was assumed by Simtel Team. There is no contingent consideration associated with the transaction.

The Company monitors the financial performance of its subsidiaries in order to assess the recoverability of its investments.

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20. LOANS TO SUBSIDIARIES

	<u>31 December 2025</u>	<u>31 December 2024</u>
Loans to subsidiaries	31,198,925	21,300,571
Accumulated interest	5,233,255	2,535,755
Total	36,432,180	23,836,326

The Company grants loans to its subsidiaries to finance their activities. The loans are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Subsidiary	<u>31 December 2025</u>	<u>31 December 2024</u>
Agora Robotics SRL	11,283,967	7,657,954
OASIS GREEN ENERGY 3 SRL	6,730,908	4,500,510
SIRIUS IMMOB 2	5,702,030	3,609,811
PLESOIU SOLAR	3,809,054	3,541,025
SMTL SOLAR BUGHEA	4,447,263	-
SN ENERGIE COMPANY SRL	1,538,376	2,493,115
Other subsidiaries	2,920,583	2,033,910
Total	36,432,180	23,836,326

Loans granted to subsidiaries bear interest at market rates. Interest is capitalised and added to the outstanding loan balance until the subsidiaries begin generating sufficient revenue and cash flows to enable repayment.

The balances presented include both the principal amounts of the loans and the related accrued interest.

During the financial year, part of the loans granted to subsidiaries were converted into equity interests in those entities (Note 19)

21. SHARE CAPITAL AND SHARE PREMIUM

a) Share capital

	<u>31 December 2025</u>	<u>31 December 2024</u>
Share capital	1,628,346	1,583,730

In 2024, the share capital was increased through the issuance of 30,777 new shares with a nominal value of RON 0.2 per share and a total nominal value of RON 6,155, granted free of charge to certain employees under the Stock Option Plan.

In 2025, the share capital was further increased through the issuance of 223,081 bonus shares following the capitalisation of share premium, each with a nominal value of RON 0.2, resulting in a total nominal value of RON 44,616.

During the same year, the Company repurchased treasury shares, of which 62,920 shares were subsequently granted free of charge to employees under the Stock Option Plan. The shares were repurchased at nominal value, while fractional entitlements were settled in cash at market value. The total transaction cost of RON 110,806 was recognised as a reduction in equity.

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At 31 December 2025, the Company's issued share capital comprised 8,141,731 ordinary shares with a nominal value of RON 0.2 per share (31 December 2024: 7,918,650 ordinary shares).

Shareholders

	31 December 2025		31 December 2024	
Nedeia Iulian	1,635,681	20.0900%	1,688,941	21.3286%
Bazarciuc Sergiu-Eugen	1,616,569	19.8553%	1,671,375	21.1068%
Vilau Radu-Laurentiu	1,614,635	19.8315%	1,669,375	21.0816%
Other shareholders	3,274,846	40.2232%	2,888,959	36.483%
	8,141,731	100%	7,918,650	100%

b) Share premium

At 31 December 2025, the Company's share premium amounted to RON 33,881,783 (31 December 2024: RON 30,963,983). The increase reflects the shares granted to employees under the Stock Option Plan (Note 10).

22. BORROWINGS

	31 December 2025	31 December 2024
Bank overdraft	897,383	5,150,667
Short-term borrowings	61,530,705	11,746,151
Long-term borrowings	77,280,605	14,466,226
Current portion of long-term borrowings	36,565,865	1,986,926
Total	176,274,558	33,349,970

Borrowings and related liabilities are financial liabilities measured at amortised cost and are recognised in the statement of financial position accordingly.

As at 31 December 2025 and 31 December 2024, the Group had the following loans and credit facilities outstanding:

Bank guarantees

Facility	Lender	Amount (ccy of the facility)	Currency	Maturity date	31 December 2024	31 December 2025
Non-cash facilities	Unicredit Bank	12,000,000	EUR	25.11.2030	-	44,886,851
Bank guarantee facility	BRD	20,150,000	EUR	21.03.2026	-	61,160,762
Non-cash facilities	Unicredit Bank	45,000,000	RON	16.03.2029	8,518,642	-
Non-cash facilities	Unicredit Bank	7,200,000	RON	20.01.2028	6,858,865	-
Bank guarantee facility	BRD	4,000,000	EUR	21.03.2025	6,654,026	-

Bank overdrafts/borrowings

Facility	Lender	Amount (ccy of the facility)	Currency	Maturity date	31 December 2024	31 December 2025
Working capital facility – sub-limit B	Unicredit Bank	8,558,696	EUR	25.11.2027	-	43,326,076

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Facility	Lender	Amount (ccy of the facility)	Currency	Maturity date	31 December 2024	31 December 2025
Working capital facility	Unicredit Bank	25,000,000	RON	16.05.2025	11,746,151	-
Uncommitted working capital facility	Unicredit Bank	4,500,000	RON	02.08.2027	2,251,693	1,380,070
Medium/long-term financing	Unicredit Bank	470,000	EUR	10.12.2027	779,262	532,511
Medium/long-term financing	Unicredit Bank	5,000,000	RON	18.12.2026	5,000,000	-
Medium/long-term financing	Unicredit Bank	860,000	EUR	27.12.2028	3,422,301	2,630,827
Revolving	BRD	9,247,459	EUR	06.11.2026	-	897,383
Revolving	BRD	6,000,000	EUR	21.03.2025	5,150,562	-
Medium/long-term financing	BRD	5,000,000	RON	29.04.2027	5,000,000	5,000,000
Investment loan	BT	12,318,296	EUR	30.09.2035	-	60,472,706
Secured bridge loan	BT	60,612,327	RON	31.03.2026	-	60,612,327

The Company's bank borrowings bear variable interest, calculated primarily based on EURIBOR or ROBOR, depending on the currency of the financing, plus contractual margins agreed with credit institutions. These margins vary depending on the type of financing (short-term or long-term), ranging between 1.25% and 4% over EURIBOR and between 1.25% and 2.5% over ROBOR.

Security for borrowings

The Company's bank borrowings are secured by pledges over bank accounts, trade receivables, inventories and future cash flows, as well as by mortgages over certain land, premises owned by the Company and certain photovoltaic projects. In addition, certain facilities are secured by cash collateral deposits, personal guarantees provided by shareholders and state guarantees issued by FNGCIMM. In some cases, Simtel Team S.A. acts as guarantor for the obligations of other Group entities.

As at 31 December 2025, property, plant and equipment with a net carrying amount of RON 158,925,949 (2024: RON 7,435,020) are pledged as security for these credit facilities.

Covenants

The Company's financing agreements include covenants relating to (i) minimum turnover through bank accounts held with the financing banks, (ii) coverage of utilised facilities by receivables and inventories, (iii) maintaining agreed financial and operational ratios, and (iv) the obligation to insure pledged assets and to provide lenders with periodic financial and operational information.

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Reconciliation of movements of liabilities to cash flows arising from financing activity:

	Bank borrowings	Lease liabilities	Total
Balance at 1 January 2025	33,349,970	5,193,385	38,543,355
<i>Changes from financing cash flow</i>			
Proceeds from borrowings	463,846,943		463,846,943
Repayment of borrowings	(323,440,789)		(323,440,789)
Lease payments		(2,145,504)	(2,145,504)
Total changes	140,406,154	(2,145,504)	138,260,650
<i>The effect of changes in foreign exchange rates</i>			
	1,095,777		1,095,777
<i>Other changes</i>			
Lease modification	-	1,743,419	1,743,419
Interest expense	4,647,977	337,348	4,985,325
Borrowing costs capitalised	4,787,993	-	4,787,993
Interest paid	(8,013,313)	(337,348)	(8,350,661)
Total other changes	1,422,657	1,743,419	3,166,076
Balance at 31 December 2025	176,274,558	4,791,300	181,065,858

	Bank borrowings	Lease liabilities	Total
Balance at 1 January 2024	51,366,394	4,297,358	55,663,752
<i>Changes from financing cash flow</i>			
Proceeds from borrowings	89,284,714	-	89,284,714
Repayment of borrowings	(107,301,138)	-	(107,301,138)
Lease payments	-	(1,804,621)	(1,804,621)
Total changes	(18,016,424)	(1,804,621)	(19,821,045)
<i>Other changes</i>			
Lease modification		2,700,649	2,700,649
Interest expense	2,979,342	462,622	3,441,964
Interest paid	(2,979,342)	(462,622)	(3,441,964)
Total other changes	-	2,700,649	2,700,649
Balance at 31 December 2024	33,349,970	5,193,386	38,543,356

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23. TRADE AND OTHER PAYABLES

a) TRADE PAYABLES

Trade payables at 31 December 2025 and 31 December 2024 are presented as follows:

	31 December 2025	31 December 2024
Domestic trade payables	139,988,744	76,765,043
Foreign trade payables	1,006,958	28,823,500
Unbilled trade payables	13,249,826	12,734,883
Total	154,245,528	118,323,426

Trade payables represent amounts due for goods and services acquired in the ordinary course of business.

b) OTHER PAYABLES

	31 December 2025	31 December 2024
Contract liabilities (Note 7)	2,361,789	1,314,717
VAT payable	943,609	4,322,292
Income tax payable	735,512	5,403,608
Employee-related liabilities	3,352,323	2,287,906
Guarantees received	704,366	1,362,211
Other payables	129,323	22,784
Total	8,226,922	14,713,518

VAT payable as at 31 December 2025 decreased as a result of investments made during the year, which generated VAT recoverable at its level (Note 16).

The decrease in income tax payable as at 31 December 2025, compared to 31 December 2024, is mainly driven by the evolution of operating results in the fourth quarter of 2025 compared to the same period of the previous year.

24. DEFERRED INCOME

	31 December 2025		31 December 2024	
	Current	Non-current	Current	Non-current
Government grants	2,111,588	59,026,806	147,300	526,071
Other deferred income	178,708	495,252	98,421	200,367
Total	2,290,296	59,522,058	245,721	726,438

Government grants relate to grants received for investments in property, plant and equipment, primarily in connection with the photovoltaic power plant in Giurgiu, recognised during 2025. These are initially recognised as deferred income and subsequently recognised in profit or loss over the useful life of the related assets, in line with their depreciation.

As at 31 December 2025, the grants related to the Giurgiu photovoltaic power plant had not yet been received, with the Company recognising a receivable of RON 60,612,327, as there is reasonable assurance that the amounts will be collected and the related conditions will be met.

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25. FINANCIAL INSTRUMENTS

a) Accounting classifications

In accordance with IFRS 9, the Company classifies its financial assets based on the applicable business model and the characteristics of the contractual cash flows.

Other non-current assets, trade receivables, government grants receivable, other receivables, and cash and cash equivalents are measured at amortised cost, as they are held to collect contractual cash flows that represent solely payments of principal and interest.

Financial liabilities, including bank borrowings, lease liabilities, trade payables and liabilities related to the acquisition of subsidiaries, are subsequently measured at amortised cost using the effective interest method.

The carrying amounts of financial instruments are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
<u>Financial assets measured at amortised cost</u>		
Other non-current assets	3,980,799	2,745,672
Loans to subsidiaries	36,432,180	23,836,326
Trade receivables*	112,120,757	71,910,926
Government grants receivable	60,612,327	-
Other current assets**	1,905,218	-
Cash and cash equivalents	3,791,511	21,385,693
Total financial assets	218,842,792	119,878,617
<u>Financial liabilities measured at amortised cost</u>		
Bank borrowings	176,274,558	33,349,970
Lease liabilities	4,791,300	5,193,386
Trade payables	154,245,528	118,323,426
Liabilities related to the acquisition of subsidiaries	32,207,190	-
Total financial liabilities	367,518,576	156,866,782

* Trade receivables, excluding contract assets

**Other receivables, excluding non-financial assets (such as tax receivables, prepayments, contractual guarantees and other similar items)

b) Financial risk management

Credit risk

Credit risk represents the risk that a counterparty fails to meet its contractual obligations, resulting in a financial loss for the Company. The Company's maximum exposure to credit risk is represented by the carrying amount of its financial assets and contract assets at the reporting date, net of expected credit loss allowances.

The Company is exposed to credit risk arising from its operating activities, primarily in relation to trade receivables, as well as from its financing activities, including cash and cash equivalents and other financial assets.

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Exposure to credit risk:

	31 decembrie 2025	31 decembrie 2024
Other non-current assets	3,980,799	2,745,672
Loans to subsidiaries	36,432,180	23,836,326
Trade receivables and contract assets	160,065,295	71,910,926
Government grants receivable	60,612,327	-
Other current assets	1,905,218	-
Cash and cash equivalents	3,791,511	21,385,693
Total financial assets and contract assets	266,787,330	119,878,617

The Company recognises expected credit losses (“ECL”) for financial assets measured at amortised cost and contract assets, in accordance with IFRS 9. Financial assets subject to impairment mainly include trade receivables, government grants receivable, other financial receivables, cash collateral, as well as cash and cash equivalents.

Trade receivables and contract assets

For trade receivables and contract assets, the Company applies the simplified approach under IFRS 9 and recognises lifetime expected credit losses. Credit risk is assessed based on ageing of receivables, historical collection patterns and information available at the reporting date regarding the financial position of counterparties.

The Company’s exposure to credit risk related to trade receivables and contract assets, including expected credit loss allowances, is presented in the table below:

	31 December 2025	31 December 2024
Gross exposure to credit risk	160,859,888	73,297,801
Allowance for expected credit losses	(794,593)	(370,000)
Net exposure to credit risk	160,065,295	72,927,801

Based on historical collection experience and the characteristics of its customer portfolio, the Company considers the risk of non-collection to be low for receivables that are current or only moderately past due. Expected credit loss allowances are mainly recognised for receivables outstanding for more than 360 days.

Contract assets arise primarily from EPC contracts, where revenue is recognised based on the stage of completion prior to invoicing. The associated credit risk is considered limited, given the contractual framework and the nature of the Company’s relationships with its customers.

Other financial assets

Other financial assets include government grants receivable, cash collateral, other receivables, and cash and cash equivalents. The related credit risk is considered low, given the nature of the counterparties. Government grants receivable are due from public institutions, while cash and deposits are held with reputable financial institutions. Accordingly, expected credit losses for these assets are considered immaterial at the reporting date.

Based on the above, management considers the Company’s exposure to credit risk arising from its financial assets to be limited and adequately managed.

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Liquidity risk

Liquidity risk represents the risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities settled by delivering cash or another financial asset.

The Company monitors liquidity risk through cash flow forecasts, which take into account expected collections from trade receivables as well as cash outflows related to the repayment of borrowings, trade payables and other liabilities.

Given the nature of its activities, in particular the design, development and implementation of energy projects (EPC), the Company's cash flows may be subject to timing differences between the acquisition of equipment and services, execution of works, invoicing and collection of trade receivables.

Accordingly, liquidity management relies primarily on cash flows generated from operating activities, namely the billing and collection of trade receivables, as well as on the use of available bank financing facilities.

The Company aims to maintain an adequate level of cash in bank accounts and access to bank financing in order to meet its expected cash outflows related to financial liabilities.

Exposure to liquidity risk

The table below presents the remaining contractual maturities of the Company's financial liabilities as at the reporting date. Contractual cash flows are presented on a gross and undiscounted basis and include estimated contractual interest payments, in accordance with IFRS 7 – *Financial Instruments: Disclosures*.

	Contractual cash flows				
	Carrying amount	Total	< 12 months	1 - 5 years	> 5 years
31 December 2025					
Financial liabilities					
Trade payables	154,245,528	154,245,528	154,245,528	-	-
Liabilities related to the acquisition of subsidiaries	32,207,190	32,207,190	-	32,207,190	-
Imprumuturi	176,274,558	198,252,493	120,068,913	39,986,708	38,196,872
Datorii aferente contractelor de leasing	4,791,300	5,376,960	2,689,633	2,687,327	-
Total	367,518,576	390,082,171	277,004,074	74,881,225	38,196,872
	Contractual cash flows				
	Carrying amount	Total	< 12 months	1 - 5 years	> 5 years
31 decembrie 2024					
Datorii financiare					
Furnizori si conturi asimilate	118,323,426	118,323,426	118,323,426	-	-
Bank borrowings	33,349,970	34,861,352	22,163,290	12,698,062	-
Lease liabilities	5,193,386	5,688,285	2,419,923	3,268,362	-
Total	156,866,782	158,873,063	142,906,639	15,966,424	-

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Market risk

Market risk represents the risk that changes in market conditions, such as fluctuations in foreign exchange rates and interest rates, may affect the Company's financial results or the value of its financial instruments. Management aims to manage these exposures by maintaining market risks within acceptable levels while optimising the returns of the Company's activities.

i) Foreign exchange risk

Foreign exchange risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company is exposed to foreign exchange risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the functional currency. The functional currency of the Company is the Romanian leu (RON).

The majority of the Company's transactions are denominated in RON. However, certain transactions and liabilities are denominated in foreign currencies. As at the reporting date, the Company's exposure to foreign exchange risk arises primarily from borrowings denominated in EUR.

The Company's policy is to use the local currency as much as possible in its operations. The Company does not use derivative financial instruments or other hedging instruments to manage foreign exchange risk.

	EUR (RON equivalent of the currency)	
	31 December 2025	31 December 2024
Loans to subsidiaries	620,558	198,792
Trade receivables and contract assets	189,289	422,678
Other assets	19,352	-
Cash and cash equivalents	184,749	295,156
Trade payables	(1,006,956)	(28,823,497)
Bank borrowings	(79,496,445)	(33,349,970)
Lease liabilities	(4,791,300)	(5,193,385)
Net exposure	(84,280,752)	(66,450,226)

Sensitivity analysis

An appreciation or depreciation of the Romanian leu (RON) by $\pm 5\%$ against EUR, with all other variables held constant, would have resulted in an increase or decrease in profit before tax as at 31 December 2025 of approximately RON 4,214,038 (31 December 2024: RON 3,322,511), as a result of the remeasurement of foreign currency-denominated assets and liabilities.

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ii) Interest rate risk

The group has bank borrowings with variable interest rates, which can expose it to interest rate risk.

	31 December 2025	31 December 2024
Fixed interest rate instruments		
Financial assets		
Collateral deposits for performance guarantees	5,886,017	2,745,672
Bank deposits	500,000	3,388,796
Total	6,386,017	6,134,468
Financial liabilities		
Leasing	4,791,300	5,193,386
Variable interest rate instruments		
Financial liabilities		
Bank borrowings	176,274,558	33,349,970
Total	181,065,858	38,543,356

Sensitivity analysis of the fair value of fixed-rate instruments

The Company does not hold fixed-rate financial assets or liabilities measured at fair value through profit or loss. Accordingly, a change in interest rates at the reporting date would not result in a gain or loss recognised in profit or loss.

Cash flow sensitivity analysis of variable-rate instruments

An increase/decrease of 50 basis points in interest rates at the reporting date would have resulted in a decrease/increase in profit before tax of approximately RON 881,373 (31 December 2024: RON 166,750), as a result of exposure to variable-rate financial instruments. This analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

26. COMMITMENTS

26.1 Capital commitments

As at the reporting date, the Company has no significant contractual commitments for the acquisition of property, plant and equipment or intangible assets that are not already reflected in the separate financial statements.

26.2 Guarantees

Bank guarantees issued as at 31 December 2025 amount to RON 106,047,613 (2024: RON 22,031,534). The majority of these are issued under bank guarantee facilities without cash collateral being pledged.

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27. CONTINGENCIES

Litigation and claims

In the normal course of business, the Group may be subject to legal proceedings. However, as at the date of approval of these financial statements, the Company is not involved in any ongoing litigation. Accordingly, no significant contingent liabilities or claims have been identified that would require the recognition of provisions or detailed disclosures, in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets

Tax risks and uncertainties

The Company operates within a complex and evolving tax environment. Uncertainties exist regarding the interpretation of tax regulations, changes in tax legislation, as well as the determination of the amount and timing of future taxable profits.

The Romanian tax system continues to evolve and align with European legislation, which may result in different interpretations by tax authorities in applying tax laws. Such interpretations may lead to additional tax liabilities, as well as penalties and late payment charges. Any tax penalties arising from non-compliance with applicable regulations could have a significant financial impact.

At the end of each reporting period, the Company assesses its exposure to tax risks using the best available information and, where appropriate, recognises provisions in accordance with the applicable requirements on provisions and contingent liabilities.

All tax liabilities known at the date of preparation of the financial statements have been appropriately paid or recorded.

Management believes that it has complied with applicable tax regulations and does not expect that any future tax audits will have a material adverse effect on the separate financial statements.

In Romania, tax periods remain open to tax audits for a period of five years from the filing date of the tax returns.

28. PARTI AFILIATE

a) *Controlling entity*

Simtel Team is listed on the stock exchange and its shareholding is dispersed. No shareholder exercises individual control over the Company. The founding shareholders together hold 59.7770% of the voting rights and exert significant influence over the Company.

b) *Company's Management*

	<u>31 decembrie 2025</u>	<u>31 decembrie 2024</u>
Board of Directors	1,952,700	1,952,700
Key Management		
Salaries and bonus payments	758,976	758,976
Share-based payments	600,000	-

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During the financial year ended 31 December 2025, the Company paid remuneration to its directors in accordance with the remuneration policy approved by the General Meeting of Shareholders.

As at 31 December 2025 and 31 December 2024, the Company had no obligations for the payment of pensions to former directors or former members of key management.

As at 31 December 2025 and 31 December 2024, the Company had no advances granted to directors or key management personnel.

As at 31 December 2025 and 31 December 2024, there were no guarantees or future commitments undertaken by the Company on behalf of directors or key management personnel.

c) Transactions and balances with significant shareholders of the parent company

	31 December 2025	31 December 2024
Liabilities related to the acquisition of subsidiaries	32,207,190	-
Total	32,207,190	-

	2025	2024
Achizitie de filiale	32,207,190	-
Total	32,207,190	-

d) Transactions and balances with subsidiaries

Balances arising from transactions with subsidiaries

	31 December 2025	31 December 2024
Trade payables	-	178,963
Total liabilities	-	178,963
Trade receivables	15,139,535	10,813,737
Loans to subsidiaries	31,351,880	21,300,571
Interests on loans to subsidiaries	5,242,085	2,535,755
Total assets	51,733,500	34,650,063

Transactions with subsidiaries

	2025	2024
Inventory purchases	1,265,084	-
Electricity purchases	189,366	-
Services	230,362	85,544
Total purchases from subsidiaries	1,684,812	85,544
Revenue from sale of goods	287,731	503,088
Revenue from EPC contracts	2,765,426	34,406,809
Dividend income	4,325,488	887,400
Interest income	2,832,226	2,535,755
Revenue from operation and maintenance services	242,852	-
Other income from related parties	198,382	20,596
Total sales to subsidiaries	10,652,105	38,353,648

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e) Transactions and balances with other related parties

At and for the financial years ended 31 December 2025 and 31 December 2024, the Group had the following balances and transactions with related parties:

Balances arising from transactions with related parties

	<u>31 December 2025</u>	<u>31 December 2024</u>
Liabilities		
Ravilate SRL	1,337,120	1,337,120
Eurocom Center SRL	362,611	365,211
Total liabilities	1,699,731	1,702,331
Assets		
Eurocom Center	27,200	27,200
Total assets	27,200	27,200

During the financial years 2025 and 2024, the Company did not enter into any transactions with other related parties. The balances outstanding at the reporting date relate to transactions carried out in previous financial periods.

29. SUBSEQUENT EVENTS

Roborent subsidiary

In the first quarter of 2026, the Company incorporated a new subsidiary, Roborent SRL, in which it holds a 76% interest. The company's main activity is IT consulting and management services related to information systems.

Geopolitical context in the Middle East

The geopolitical situation in the Middle East remains uncertain and may have an impact on global supply chains and transportation costs, including through volatility in oil prices.

The Company has indirect exposure to these developments through its reliance on international suppliers of equipment and components used in project implementation. As a result, delays in deliveries and/or increases in logistics costs may occur.

Based on the information available to date, the Company does not expect a significant impact on its operations.

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Appointment of a new Chief Executive Officer

The Company has made changes to its management structure through the appointment of a new Chief Executive Officer (CEO). This change reflects the strengthening of the management structure in the context of the Company's expansion and the diversification of its business activities.

Approved:
25 March 2026

Mihai Radu TUDOR
Chief Executive Officer

Mihai VELICU
Chief Financial Officer